

COUNTRYWIDE FINANCIAL CORPORATION  
COMPENSATION COMMITTEE CHARTER  
(as amended and restated through March 10, 2004)

PURPOSE:

The primary function of the Compensation Committee of Countrywide Financial Corporation (the “Company”) is to discharge the responsibilities of the Board of Directors (the “Board”) relating to the compensation of the Company’s executives, employees and directors, as more specifically set forth below.

ORGANIZATION:

The Compensation Committee shall consist of at least three Directors, including a Chairperson. Each member of the Compensation Committee shall be a person who is:

- (a) “independent” within the meaning of each applicable law and stock exchange listing standard and rule, as determined by the Board;
- (b) a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended; and
- (c) an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

Members of the Compensation Committee shall be designated annually by majority vote of the Board of Directors at the organizational meeting of the Board of Directors held in connection with the annual meeting of stockholders. Each member of the Compensation Committee shall serve as such until such member resigns or ceases to be a Director of the Company or such member’s successor shall be appointed by the Board of Directors.

MEETINGS:

The Compensation Committee shall meet at least quarterly, or more frequently as circumstances may in its judgment warrant.

ADVISORS:

The Compensation Committee shall have direct access to members of the Company’s senior management, including the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the Managing Director, Chief Administrative Officer, and the Chief Legal Officer, and such other officers and employees as the Compensation Committee deems necessary to carry out its responsibilities.

In addition, if a compensation consultant is to assist in the evaluation of director, CEO or senior executive compensation, the Compensation Committee shall have sole authority, at the

Company's expense, to retain and terminate the consulting firm, including sole authority to approve the firm's fees and other retention terms.

#### DELEGATION:

The Compensation Committee may, by resolution passed by a majority of the Committee, designate one or more subcommittees, each subcommittee to consist of one or more members of the Compensation Committee. Any such subcommittee, to the extent provided in the resolutions of the Compensation Committee and to the extent limited by applicable law and stock exchange listing standards and rules, shall have and may exercise all the powers and authority of the Compensation Committee. Each subcommittee shall have such name as may be determined from time to time by resolution adopted by the Compensation Committee. Each subcommittee shall keep regular minutes of its meetings and report the same to the Compensation Committee or the Board when required.

#### RESPONSIBILITIES AND DUTIES:

The Compensation Committee shall undertake the following functions in carrying out its oversight responsibilities. These functions are set forth with the understanding that the Compensation Committee may undertake additional functions as appropriate in its judgment (whether or not expressly stated) given the circumstances prevailing from time to time.

1. To oversee and evaluate the Company's overall compensation structure, policies and programs, and assess whether these establish appropriate incentives for management and other employees.
2. To review and approve corporate goals and objectives relevant to the compensation of the Company's Chief Executive Officer ("CEO") and its other executive officers, evaluate the performance of the CEO and other executive officers in light of those goals and objective, and determine and approve the compensation of the CEO and the other executive officers, including salaries, bonuses, stock options, other stock incentive awards and long-term cash incentive awards based on this evaluation.
3. To produce a Compensation Committee report on executive compensation as required by the Securities and Exchange Commission to be included in the Company's proxy statement or annual report on Form 10-K.
4. To approve and implement the terms and conditions of any employment contracts or severance arrangements between the Company and any executive officer of the Company, including any amendments to said contracts or arrangements.
5. To supervise and administer the Company's stock equity plans, including without limitation, awarding stock options and restricted stock to nonemployee directors, officers and employees of the Company and its subsidiaries. To approve, amend, modify, interpret or ratify the terms of, or terminate, any such plans, subject to

any required stockholder approval. To fix the terms of stock options and restricted stock, including the date of the award of options and the option price pursuant to the terms of the various Company stock equity plans.

6. To monitor the effectiveness of non-equity based benefit plan offerings, in particular benefits plans and perquisites made available to executives, and to review and approve any new material employee benefit plan or change to an existing benefit plan that imposes a material financial commitment on the Company.
7. To designate individuals authorized to make administrative and investment decisions on behalf of the Company with respect to employee benefit plans including but not limited to the Company's 401(k) and pension plans;
8. To review the compensation of directors for service on the Board and its various committees and recommend to the Board the annual retainer and Chair fees and Board and committee meeting fees.
9. To inform the Board of Directors through minutes and special presentations, as necessary, of significant developments in the course of performing the above duties-
10. To recommend to the Board of Directors any appropriate extensions or changes in the duties of the Compensation Committee.
11. To annually evaluate the performance of the Compensation Committee and the adequacy of the Committee's charter.
12. To discuss other factors relating to the compensation of the Company's executives, employees and directors as the Compensation Committee may deem appropriate.