

GENERAL DYNAMICS

COMPENSATION COMMITTEE

Charter

1. *Purpose.* The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) determines the compensation of the Chief Executive Officer and other officers of the Corporation, approves and administers all incentive compensation plans of the Corporation that affect employees subject to its review, assists the Corporation in connection with management succession planning, and generally supports the Board in carrying out its overall responsibilities relating to executive compensation.
2. *Status and Membership.* The Committee will consist of at least three members of the Board who satisfy the independence requirements of the New York Stock Exchange and are qualified to discharge the Committee’s responsibilities, as determined by the Board. It is intended that each member of the Committee will satisfy the “Non-Employee Director” definition contained in Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and that at least two members will also satisfy the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code, as amended. Members of the Committee will be appointed (and may be removed) by the Board, and will serve in accordance with the By-Laws of the Corporation. The Committee will recommend to the Board, and the Board will designate, the Chair of the Committee.
3. *Meetings.* The Committee will meet as often as it determines is appropriate to carry out its responsibilities. The Chair of the Committee, in consultation with the other Committee members, will determine the frequency and length of the meetings and will set agendas consistent with this charter.
4. *Authority and Responsibilities.* In furtherance of the Committee’s purpose, and in addition to any other responsibilities which may be properly assigned by the Board, the Committee will have the following authorities and responsibilities:
 - (a) The Committee will review and approve the compensation for the Chief Executive Officer and the Corporation’s officers. In doing so, the Committee will evaluate their performance in light of goals and objectives identified by the Committee and such other factors as the Committee deems appropriate in the best interests of the Corporation and in satisfaction of any applicable requirements of the New York Stock Exchange and any other legal or regulatory requirements.
 - (b) The Committee may review and recommend for Board approval (or approve, where applicable) the adoption and amendment of the Corporation’s director and executive officer incentive compensation and equity-based plans.
 - (c) The Committee may administer the Corporation’s incentive compensation and equity-based plans which are to be administered by the Committee or a committee of independent directors, and may approve such awards thereunder as the Committee deems appropriate.

- (d) The Committee will establish, review and monitor succession plans for the Chief Executive Officer and the Corporation's other senior executives.
- (e) The Committee will prepare and approve the report on executive compensation included in the Corporation's annual proxy statement.
- (f) The Committee should be consulted with respect to any employment agreements, severance agreements or change of control agreements that are entered into between the Corporation and any key officer.
- (g) The Committee may obtain advice and assistance from such internal and external advisors as it deems appropriate in connection with the discharge of its duties. The Committee will have authority to determine and approve related fees and retention terms for any such advisors, who will be compensated by the Corporation.
- (h) To the extent not otherwise inconsistent with its obligations and responsibilities, the Committee may form subcommittees and delegate authority hereunder as it deems appropriate.
- (i) The Committee will conduct such self-evaluations as it deems appropriate, including to satisfy any applicable requirements of the New York Stock Exchange and any other legal or regulatory requirements.
- (j) The Committee will report to the Board as it deems appropriate, and as the Board may request.
- (k) The Committee will perform such other activities consistent with this charter, the Corporation's By-Laws, governing law, the rules and regulations of the New York Stock Exchange and such other requirements applicable to the Corporation as the Committee or the Board deem necessary or appropriate.

5. *Committee Charter.* The Committee will periodically review this charter and will recommend any changes to the Board as the Committee deems appropriate, including to satisfy any applicable requirements of the New York Stock Exchange and any other legal or regulatory requirements. A copy of this charter will be made available on the Corporation's website at www.generaldynamics.com.

Effective: March 5, 2003