

MCI, INC.

COMPENSATION COMMITTEE CHARTER

This Compensation Committee Charter was adopted by the Board of Directors of MCI, Inc. on April 9, 2004 as amended by the Board of Directors effective February 11, 2005.

This Charter is intended as a component of the flexible framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Certificate of Incorporation and By-laws, it is not intended to establish by its own force any legally binding obligations. Note that some of the provisions included in this Charter are mandated by the Certificate of Incorporation and/or the By-laws. They are restated herein for the convenience of the Committee and the Board.

I. PURPOSE

The Committee shall assist the Board in: (i) determining appropriate compensation levels for the Company's executive officers and directors; (ii) administering the Company's compensation, incentive and equity plans, policies and programs for executive officers and other key employees; (iii) reviewing benefit plans for officers and employees; and (iv) producing an annual report on executive compensation for inclusion in the proxy statement.

In discharging its role, the Committee is empowered to investigate any matter brought to its attention with access to all books, records, facilities and personnel of the Company. The Committee has the power to retain outside counsel, compensation consultants or other experts and will receive adequate funding from the Company to engage such advisors. The Committee shall have the sole authority to retain, compensate, terminate and oversee the compensation consultants advising on management compensation issues, who shall be accountable ultimately to the Committee.

II. COMMITTEE MEMBERSHIP

The Committee shall consist of three or more members of the Board, each of whom is (i) determined by the Board to be "independent" in accordance with any applicable listing rules of a national securities exchange or national securities quotation system (any such rules, "Listing Rules"), the Certificate of Incorporation and the By-Laws.

Each member of the Committee should have experience with compensation and human resource issues. Each new member of the Committee shall attend a training program approved by the chairman of the Committee, which shall address the requirements and obligations of compensation committees, or significant compensation and benefits issues. Additionally, as a qualification for continued Committee membership, each member of the Committee shall complete all annual training requirements as provided or approved by the Board's Nominating and Corporate Governance Committee.

The Committee members shall be elected annually by the entire Board. Both the Committee members and the chairman may be removed by the Board. The chairman of the Committee shall be elected annually by the entire Board for no more than three one-year terms, though such individual may remain as a member of the Committee beyond that time. The chairman shall be responsible for scheduling and presiding over Committee meetings, preparing agendas and determining the information needs of the Committee. The chairman should expect to devote significant time to the work of the Committee.

III. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least four times per year, or more frequently as circumstances dictate.

- The Committee shall meet at least annually with the CEO and any other corporate officers the Board and Committee deem appropriate to discuss and review the performance criteria and compensation levels of key executives.
- The Committee shall meet with the Executive Vice President of Human Resources, the Chief Ethics Officer and the General Counsel at least semi-annually to review: (i) compliance with the Company's policies concerning related party transactions; (ii) compliance with SEC disclosure standards related to executive compensation; and (iii) human resources and compensation complaints, disputes or issues.

The Committee may request that any officer or other employee of the Company or the Company's outside counsel or other advisor attend any meeting of the Committee or meet with any members of, or consultants to, the Committee.

IV. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board from time to time, and take any actions reasonably related to the mandate of this Charter. The Committee may form and delegate any of its responsibilities to a subcommittee so long as such subcommittee is solely comprised of one or more members of the Committee.

To fulfill its purpose, the Committee shall:

1. establish and review the overall compensation philosophy of the Company, including review of the competitiveness of the Company's compensation programs in relation to its identified peer group to ensure (a) the attraction and retention of key leadership; (b) the motivation of the leadership team to achieve the Company's business objectives and (c) the alignment of the interests of key leadership with the long-term interests of the Company's shareholders;

2. review and recommend to the Board for approval corporate goals and objectives relevant to CEO and other executive officers' compensation, including annual and longer term performance objectives;
3. review compensation and incentive plan payments for the CEO and recommend compensation and payments under incentive plans to the Board of Directors for approval (the Board has the sole authority to review and approve employment, severance, change-in-control, termination and retirement arrangements for the CEO);
4. approve compensation levels and incentive plan targets and payments for members of the "Executive Leadership Team" (the Executive Leadership Team is defined as all direct reports of the CEO), The Committee has the authority to review and approve employment, severance, change-in-control, termination and retirement arrangements for members of the Executive Leadership Team;
5. the Senior Human Resources Officer, with the concurrence of the CEO, will approve compensation levels and incentive plan targets and payments for all employees (other than the CEO and members of the Executive Leadership Team) of the Corporation; provided, however, that the Committee will approve the (i) the total dollar pool available to make payments under such incentive plans and (ii) the Committee will establish the targets and criteria for payment under such incentive plans; the Senior Human Resources Officer will also have the authority to review and approve employment, severance, change-in-control, termination and retirement arrangements for all employees (other than members of the Executive Leadership Team and the CEO);
6. in conjunction with the Nominating and Corporate Governance Committee, recommend to the Board for approval the compensation levels for service as a member or chairman of the Board or as a member or chairman of a committee of the Board;
7. review and recommend for approval by the Board equity-based compensation plans;
8. recommend to the Board for approval all equity awards granted to the CEO;
9. approve all equity awards for the Executive Leadership Team;
10. the Senior Human Resources Officer, with the concurrence of the CEO, will approve the equity-based compensation awards for all employees of the Corporation (other than members of the Executive Leadership Team); provided, however, that the Committee will approve the total pool of equity allocated under the equity-based compensation plan;

11. administer and interpret equity-based compensation plans; provided, however, that the Committee may delegate to the Senior Human Resources Officer this responsibility, including the preparation of any required restricted stock or stock option agreements consistent with the terms of the plan ;
12. review and recommend for approval by the Board severance pay plans or material changes to existing plans; the Committee has the authority to administer and amend such plans, provided however that the Senior Human Resources Officer shall also have the authority to administer and interpret the plan to the extent that any actions taken by the Senior Human Resources Officer are required by law or do not result in a cost to the Company. ;
13. review and recommend for approval by the Board new qualified and non-qualified retirement plans or material changes to existing plans; the Committee has the authority to administer and amend such plans, provided however that the Senior Human Resources Officer shall also have the authority to administer and interpret the plan to the extent that any actions taken by the Senior Human Resources Officer are required by law or do not result in a cost to the Company; and provided, further, that the Chief Financial Officer will have the responsibility for the funding of such plans.
14. approve new welfare and other benefit plans not addressed above or material changes to existing plans; the Committee has the authority to administer and amend such plans, which it may delegate to the Senior Human Resources Officer; provided however that the Senior Human Resources Officer shall also have the authority to administer and interpret the plan to the extent that any actions taken by the Senior Human Resources Officer are required by law or do not result in a cost to the Company ; and provided, further, that the Chief Financial Officer will have the responsibility for the funding of such plans;
15. review at least annually the performance of the Chief Executive Officer and the Executive Vice President of Human Resources;
16. review annually the confidential questionnaire provided by the Executive Vice President of Human Resources regarding all major compensation issues and awards;
17. identify and retain professional advisors to provide analytic support to the Committee Compensation and to identify the full range of reasonable levels of compensation for senior executive positions as an analytic baseline;
18. annually review the performance and independence of the Company's compensation advisors;

19. review the Executive Compensation table for inclusion in the proxy statement **and** prepare a report to be included in the Company's annual proxy statement, in accordance with applicable Listing Rules, rules and regulations of the SEC and other applicable regulatory bodies;
20. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
21. review and reassess the adequacy of this Charter annually, and recommend amendment to the Board of Directors as the Committee deems appropriate; and
22. report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests, and maintain minutes or other records of Committee meetings and activities.