

MIDWEST AIR GROUP, INC.

COMPENSATION COMMITTEE CHARTER

To exercise the powers of the Board in connection with compensation and benefits matters, the Compensation Committee shall have, without limitation by reason of enumeration, the power to:

(a) Consider and establish with respect to officers of the Corporation and, to the extent determined by the Compensation Committee to be appropriate in light of Securities and Exchange Commission requirements:

- (i) base salary rates and bonuses;
- (ii) participation in incentive compensation and benefit plans (other than plans of subsidiaries available generally to salaried employees);
- (iii) fringe benefits (other than those of subsidiaries available generally to salaried employees);
- (iv) noncash perquisites (other than those of subsidiaries available generally to salaried employees); and
- (v) other forms of compensation and benefits (other than those of subsidiaries available generally to salaried employees).

(b) Administer, interpret, make grants and awards under, adopt rules relating to and adopt amendments to (or, to the extent benefits or plans require the Board to approve amendments, recommend to the Board amendments to) the Corporation's benefits and plans adopted from time to time by the Board of Directors that are to be administered by the Compensation Committee in accordance with the terms thereof, including incentive stock plans and annual bonus plans.

(c) Adopt, amend, administer, interpret, make grants and awards under and adopt rules relating to other benefits and plans to the extent the Compensation Committee desires to do so.

(d) Consider and make recommendations to the Board regarding the selection and retention of all elected officers of the Corporation and principal officers of subsidiaries and review and make recommendations to the Board concerning management succession.

(e) Respond to Securities and Exchange Commission requirements relating to compensation committee reports.

(f) Oversee selection of outside consultants to review the Corporation's executive compensation program; meet privately with such consultants without management present; and retain independent outside consultants on behalf of the Board, in each case if desired by the Compensation Committee.

(g) Approve employment and compensation agreements with any Key Personnel or amendments thereto.