

PRG-SCHULTZ INTERNATIONAL, INC. COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee is appointed by the Board to discharge the Board's responsibilities relating to compensation of the Company's directors and Key Officers, as defined below. The Committee has overall responsibility for approving and evaluating the director and officer compensation plans, policies and programs of the Company.

The Compensation Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company's proxy statement.

Committee Membership

The Compensation Committee shall consist of no fewer than three members. Except to the extent permitted under the rules of the Nasdaq National Market ("Nasdaq"), the members of the Compensation Committee shall meet the independence requirements of Nasdaq. At least two members of the Committee shall be "Non-Employee Directors," as that term is defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

The members of the Compensation Committee shall be appointed by the Board following approval by the independent members of the full Board or by the Nominating & Governance Committee. Compensation Committee members may be replaced by the Board.

Committee Authority and Responsibilities

1. The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Compensation Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
2. The Compensation Committee shall annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives and, based on this evaluation, recommend for approval by the independent members of the full Board the CEO's compensation. All considerations and determinations of CEO compensation shall be held in executive session and the CEO shall not be present. In recommending any long-term incentive component of CEO compensation, the Compensation Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.
3. The Compensation Committee shall also annually review and approve corporate goals and objectives relevant to compensation of any Vice Chairman, Chief Operating Officer, Chief Financial Officer, Executive Vice President – Human Resources, and other officers designated by the Committee from time to time (collectively, "Key Officers") and evaluate such officers' performance in light of those goals and objectives and, based on this evaluation, recommend for approval by the independent members of the full Board the compensation of such officers. The CEO may be present during any such discussions and determinations of compensation for Key Officers other than the CEO.

4. The Compensation Committee shall also annually review and make recommendations to the Nominating and Corporate Governance Committee with respect to the compensation of all directors, including stock options and other awards under incentive compensation plans and equity-based plans.
5. The Compensation Committee shall administer the Company's Stock Incentive Plan, and any other equity compensation plan heretofore or hereafter established by the Company and all deferred compensation plans of the Company. All decisions with respect to the grant of awards, the imposition or waiver of any conditions with respect to such awards or otherwise shall be made by the Compensation Committee; provided, however, that all equity-based awards to executive officers and/or directors shall be approved by a subcommittee of the Compensation Committee consisting of all Committee members who are Non-Employee Directors.
6. In carrying out its duties under 2 and 3 above, the Compensation Committee shall, at a minimum, annually review and approve, for the CEO and the other Key Officers, (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits or perquisites.
7. The Compensation Committee, or the Chairman of the Compensation Committee if so delegated by the Compensation Committee, shall review and approve initial salary and incentive compensation ranges for any candidate selected to fill the position of any Key Officer. Further, the Compensation Committee shall receive a report at its next scheduled meeting of the total compensation package for any newly-hired Key Officer.
8. The Compensation Committee may form and delegate authority to subcommittees when appropriate.
9. The Compensation Committee shall make regular reports to the Board.
10. The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Compensation Committee shall annually review its own performance.