

RENAL CARE GROUP, INC.

COMPENSATION COMMITTEE CHARTER

Organization

The Compensation Committee (the “Committee”) of the Board of Directors of Renal Care Group, Inc. (the “Company”) is established as a permanent standing committee of the Board of Directors. The Committee will be composed of no less than three directors. The Board of Directors will specify the exact number of members of the Committee from time to time by majority vote. The Committee will review and make decisions with respect to salaries, bonuses, stock options, and other benefits for executive officers of the Company.

In performing this function, the Committee’s objective will be to: (1) encourage the achievement of the Company’s long-range objectives by providing compensation that directly relates to the performance of the individual and the achievement of the Company’s strategic objectives; (2) establish compensation policies and guidelines that will attract and retain qualified personnel through an overall level of compensation opportunity that is competitive within the Company’s industry; and (3) promote a direct relationship between compensation and the Company’s performance by facilitating executive officer stock ownership through awards of restricted stock and stock options. The Committee will produce an annual report on executive compensation for inclusion in the Company’s proxy statement for the Company’s annual meeting of shareholders, in accordance with applicable rules and regulations of the Securities and Exchange Commission.

Composition of the Committee

All members of the Committee will be “independent directors” meeting the listing requirements of the New York Stock Exchange and any law or rule applicable to the Company. The Board of Directors will appoint the members of the Committee by majority vote on the recommendation of the Company’s Nominating and Governance Committee. All of the directors appointed to serve on the Committee will be “non-employee directors” (within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended) and “outside directors” (within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder). The Board of Directors will designate a Chairman of the Committee by majority vote. In the absence of the Chairman, the members of the Committee may designate a chairman by majority vote. The Board of Directors may at any time remove one or more directors as members of the Committee.

Authority and Responsibilities

The Committee is authorized to (1) fix the compensation of executive officers of the Company; (2) establish and administer the annual incentive plan or plans applicable to executive officers of the Company, including, without limitation, the Company’s annual executive incentive or bonus plan; and (3) administer the equity incentive plans of the Company as may

from time to time be acquired or adopted, including, without limitation, the Renal Care Group, Inc. 1999 Long-Term Incentive Plan and the Renal Care Group, Inc. Non-Employee Director Stock Option Plan. To that end, the Committee shall have and may exercise all the powers and authority of the Board of Directors to the extent permitted under Section 141 of the General Corporation Law of the State of Delaware.

To the extent permitted by Delaware law, the Committee may delegate to one or more officers of the Company the power (1) to designate the officers and employees of the Company or any of its subsidiaries (other than executive officers of the Company) who will receive grants of restricted shares or options to purchase from the Company shares of the Company's capital stock, and (2) to determine the number of restricted shares or options to be received by them. The Committee must make any delegation under this paragraph by a resolution that specifies the total number of restricted shares or options that may be granted under the delegated authority. No officer may be delegated the power to designate himself or herself as a recipient of restricted shares or options.

The Committee may determine, from time to time, the advisability of retaining a compensation consultant to assist in the evaluation of the compensation of the Chief Executive Officer or any other executive officer. The Committee will have the authority to retain, at Company expense, and terminate such a compensation consultant, including authority to approve the consultant's fees and other retention terms.

The Committee will be responsible for making decisions with respect to the Company's executive compensation policies. In addition, the Committee will review and approve corporate goals and objectives relevant to the compensation to be paid to the Chief Executive Officer.

The Committee will:

1. Annually evaluate the performance of the Chief Executive Officer in light of the corporate goals and objectives approved and approve base salary and incentive bonus levels of the Chief Executive Officer.
2. Annually review and approve base salary and incentive bonus levels of the other executive officers of the Company, as the Company's Chief Executive Officer recommends such matters to the Committee.
3. Annually establish and administer the Company's executive incentive or bonus plan.
4. Administer the Renal Care Group, Inc. 1999 Long-Term Incentive Plan and the Renal Care Group, Inc. Non-Employee Director Stock Option Plan, as well as any other stock option, stock purchase, incentive or other benefit plans of the Company, fulfilling such duties and responsibilities as are set forth in such plans.
5. Review and approve awards to executive officers, and (to the extent not delegated

by the Committee to an officer of the Company) to other persons, under the Renal Care Group, Inc. 1999 Long-Term Incentive Plan and the Renal Care Group, Inc. Non-Employee Director Stock Option Plan, as such are recommended to the Committee by the Company's Chief Executive Officer.

6. Make regular reports to the Board of Directors concerning the activities of the Committee.
7. Conduct an annual performance evaluation of the Committee.

In performing his or her duties, each member of the Committee will be fully protected in relying in good faith upon:

1. The records of the Company; and
2. Information, opinions, reports or statements presented to the Committee or the Company by any of the Company's officers or employees, or committees of the board of directors or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Committee or the Company.

Committee Meetings

The Committee shall meet at least once per year. Other meetings may be held at the discretion of the Chairman, President or Chief Executive Officer of the Company or the Chairman of the Committee. The Secretary of the Company or a member of the Committee designated by the Chairman will keep minutes of all meetings of the Committee. The Chief Executive Officer will function as the management liaison officer to the Committee. The presence of at least a majority of the members of the Committee will be necessary to transact business at meetings of the Committee, and action of the Committee will require concurrence of a majority of the members of the Committee present at such a meeting. Any action that could be taken at a meeting of the Committee may be taken by written consent signed by all members of the Committee.