

**THQ INC.**  
**BOARD OF DIRECTORS**  
**COMPENSATION COMMITTEE CHARTER (the “Charter”)**

AS ADOPTED MAY 27, 2004

**1. PURPOSE**

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of THQ Inc. (“THQ” or the “Company”) is charged with reviewing the performance of its Chief Executive Officer and other senior executives in achieving corporate goals and objectives, and assuring that the senior executives of THQ are compensated in a manner consistent with the philosophy and strategy of THQ, competitive practice, and the requirements of the appropriate regulatory bodies. The Committee will also oversee, review and administer all compensation, equity and employee benefit plans and programs.

Purposes and procedures outlined in this Charter are meant to serve as guidelines rather than inflexible rules, and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities. Nothing herein is intended to expand applicable standards of liability under state or federal law for directors of corporations.

**2. COMPOSITION OF THE COMMITTEE**

The Committee will consist of not fewer than three independent directors, each of whom will be both a “non-employee director” within the meaning of Rule 16b-3 issued by the Securities and Exchange Commission, an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code, as amended, and an “independent director” within the meaning of the NASDAQ Marketplace Rules. The members of the Committee shall be appointed by the Board on the recommendation of the Nominating/Corporate Governance Committee. Each appointed Committee member will be subject to annual reconfirmation and may be removed by the Board at any time.

**3. RESPONSIBILITIES AND DUTIES**

In carrying out its purpose, the Committee will have the following responsibilities and duties:

- Review annually and approve corporate goals and objectives relevant to executive officer compensation and evaluate performance in light of those goals.
- Review annually and recommend to the Board the individual elements of total compensation for the Chief Executive Officer and all other executive officers, and communicate in the annual Board Compensation Committee Report to stockholders the factors and criteria that serve as the basis for the Chief Executive Officer and all other executive officers’ compensation for the preceding year.
- Provide the annual report on executive compensation required to be included in the Company’s annual proxy statement.

- Approve all special perquisites, special cash payments and other special compensation and benefit arrangements for THQ's executive officers.
- Review and recommend to the Board compensation payable or awarded to non-employee members of the Board.
- Exercise all authority of the Board under all of THQ's stock option or other equity incentive plans. Such authority shall include, without limitation, such activities as: (a) participating in the establishment of option guidelines and general size of overall grants; (b) selecting participants in the plans; (c) interpreting the plans; (d) making grants and awards under the plans; (e) determining rules, regulations and guidelines relating to the plans as the Committee may deem necessary or proper; (f) recommending to the Board adoption of stock option or other equity incentive plans or amendments thereto for submission to the stockholders; (g) subject to compliance with the terms and conditions of the applicable plan, approving non-material amendments (those for which stockholder approval is not required) to stock option or other equity incentive plans; and (h) carrying out other duties not inconsistent with the plans or this Charter. The Committee may, subject to compliance with applicable law, delegate to one or more officers designated by the Committee, the authority to make grants to eligible individuals (other than any such officer), who are not directors or executive officers, subject to the terms and conditions of the applicable plan. Any officer to whom such authority is delegated shall regularly report to the Committee the grants so made. Any such delegation of authority may be revoked at any time by the Committee.
- Subject to compliance with the terms and conditions of the applicable plan, approve non-material amendments to stock option or other equity incentive plans. "Non-material" amendments mean those for which stockholder approval is not required and which do not involve material cash or other consideration.
- Oversee and periodically review the operation of all THQ's employee benefit plans, including but not limited to the Section 401(k) Plan, the THQ Profit Sharing Plan, the THQ 1997 Stock Option Plan, and the THQ Non-Executive Employee Stock Option Plan. Responsibility for day-to-day administration, including the preparation and filing of all government reports and the preparation and delivery of all required employee materials and communications, will be performed by Company personnel.
- Perform any other activities consistent with the Certificate of Incorporation, THQ's Bylaws, and governing law as the Committee or the Board deems necessary or appropriate.
- Review the Charter from time to time and recommend any changes to the Board.
- Report to the Board on major items covered at each Committee meeting.

Notwithstanding the foregoing, any action of the Committee, other than the grant of stock options or other discretionary awards under THQ's stock option or other equity incentive plans, may be subject to Board review and may be revised, modified or rescinded by the Board.

- The Committee may form, and delegate authority to, subcommittees when it deems appropriate. Any subcommittee to whom such authority is delegated shall regularly report to the Committee regarding action taken by the subcommittee. Any such delegation of authority may be revoked at any time by the Committee.

In performing its duties, the Committee shall have full access to THQ's executives and personnel as necessary to carry out its responsibilities. In addition, the Committee may obtain such data or other resources as it deems necessary to perform its duties, including but not limited to obtaining external consultant reports or published salary surveys, and engaging independent compensation consultants and other professionals to assist in the design, formulation, analysis and implementation of compensation programs for THQ's executive officers and other key employees.

#### **4. COMMITTEE MEETINGS**

The Committee will meet as often as necessary to carry out its responsibilities. The Board shall designate one member of the Committee to serve as its Chairperson. The Chairperson will preside when present at all meetings of the Committee. Meetings may be called by any member of the Committee or by the Board. Notice of all meetings shall be given, and waiver thereof determined, pursuant to the Company's bylaws. The Committee may meet by telephone or video conference and may take action by written consent. Each member of the Committee shall have one vote. The Committee shall be authorized to take any permitted action only by the affirmative vote of a majority of the Committee members present at any meeting at which a quorum is present, or by the unanimous written consent of all of the Committee members. Minutes shall be taken at all meetings of the Committee, and shall be included in THQ's minutes books.

#### **5. OUTSIDE ADVISORS**

The Committee shall have the sole authority to retain and terminate compensation consultants to assist in the evaluation of director, chief executive officer or other executive officer compensation, including sole authority to approve the consultant's fees and other retention terms. The Committee shall also have authority to obtain advice or assistance from any officer or employee of the Company or any other outside legal expert or other advisor. It may retain these advisors without seeking approval of the Board. THQ will provide appropriate funding, as determined by the Committee, for payment of the compensation of any advisors engaged by the Committee.