

Adopted by the Compensation Committee on September 11, 2000
Approved by the Board on September 11, 2000
Amended and Restated by the Board on July 29, 2003
Amended by the Board on February 24, 2004

**EXELON CORPORATION
BOARD OF DIRECTORS**

COMPENSATION COMMITTEE CHARTER

ORGANIZATION

Membership

The Compensation Committee shall be composed of three or more independent, outside, non-employee directors (as such terms are defined in the Board's Corporate Governance Principles and for purposes of Section 16 of the Securities Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code). Membership shall be determined annually, and may be changed at other times, by the Board of Directors upon the recommendation of the Corporate Governance Committee. The Committee Chair shall be appointed by the Board upon the recommendation of the Corporate Governance Committee. The Board shall fill vacancies in the membership of the Committee upon the recommendation of the Corporate Governance Committee.

Meetings

The Committee shall meet in accordance with the annual schedule approved by the Board. Additional meetings shall be scheduled as the Committee Chair deems appropriate. A majority of the Committee members shall constitute a quorum for the transaction of business. Approval by a majority of the Committee members present at a meeting at which a quorum is present shall constitute approval by the Committee. The Committee may also act by unanimous written consent without a meeting. The Secretary or an Assistant Secretary shall record minutes of Committee meetings. The Chief Executive Officer and the Senior Vice President and Chief Human Resources Officer may attend meetings at the invitation of the Committee Chair, but typically will not be present for discussion of matters pertaining to their own compensation. The Committee is authorized to retain and terminate, without Board or management approval, the services of one or more independent advisors and consultants to provide such advice and assistance as the Committee deems appropriate. Such advisors and consultants shall report directly to the Committee. The Committee has the sole authority to approve such advisors' and consultant's fees and other retention terms. The Company will fund the cost of the Committee's advisors and consultants.

BASIC FUNCTION AND PURPOSE

The Committee shall oversee compensation and benefit policies and programs for Exelon and its subsidiaries and affiliated entities. The Committee shall review recommendations from management, outside consultants and the Board (where appropriate) and approve all matters of executive compensation for Exelon Corporation and its subsidiaries, including salaries for all

Exelon officers (except the CEO, whose compensation will be approved by the independent directors, and the President and Executive Vice Presidents, whose compensation will be approved by the full Board) and subsidiary officers of the level of senior vice president and above; and stock options, incentive awards, dividend equivalents and other incentive or performance-based compensation. The Committee shall make recommendations to the independent directors regarding the compensation of the CEO. In addition, the Committee has the authority to review, prior to implementation, the compensation policies and decisions of affiliates which the Company does not wholly own. The Committee shall ensure that executive compensation levels and targets are aligned with, and designed to achieve, Exelon's strategic and operating objectives.

RESPONSIBILITIES

The Committee shall:

1. Review the recommendations of management and outside consultants, and approve all matters pertaining to executive compensation for Exelon and its subsidiaries and affiliated entities (except regarding the Chief Executive Officer, whose compensation will be approved by the Committee together with the other independent directors, and the President and Executive Vice Presidents, whose compensation will be approved by the full Board); and review, prior to implementation, the compensation policies and decisions of affiliates which the Company does not wholly own.
2. Ensure that executive compensation levels and targets are consistent with the Board's compensation philosophy and aligned with, and designed to achieve, Exelon's strategic and operating objectives.
3. The Committee shall make recommendations to the independent directors regarding the compensation of the Chief Executive Officer. The independent directors shall determine and approve the compensation of the Chief Executive Officer based upon the evaluation of the performance of the Chief Executive Officer in light of the performance criteria established by the Board with the recommendation of the Corporate Governance Committee.
4. Establish the annual salaries of all Exelon officers (other than the Chief Executive Officer, whose salary will be established by the independent directors, and the President and Executive Vice Presidents, whose salaries will be established by the full Board) and subsidiary officers of the level of senior vice president and above, within established salary grades and ranges approved by the Board, using management's qualitative evaluation of performance and taking into consideration such other factors as the Committee in its discretion may consider appropriate. The Committee shall make recommendations to the Board regarding the annual salaries of the President and the Executive Vice Presidents. In developing recommendations regarding compensation, the Committee may utilize the services of an independent compensation consultant who reports directly to the Committee and shall consider the performance evaluations prepared by the full Board.
5. Act to elect officers, senior vice president and below, and to establish such officers' and other employees' compensation, and to adopt and amend

employee benefit, retirement, deferred compensation and other plans applicable to officers and employees of Exelon and its subsidiaries and affiliated entities, subject to the limitations established by the Board and the Bylaws of the Company and any limitations in authority over such affiliated entities.

6. Report executive compensation in the Company's annual proxy statement, detailing the bases on which executive compensation was determined for that year. The report shall discuss factors considered by the Committee in evaluating the Company's performance and the specific relationship between such measures and the level of executive compensation awarded that year and shall otherwise comply with Securities and Exchange Commission rules applicable to such report.
7. Administer, interpret and make recommendations to the full Board regarding the performance goals and formula for applying such goals under annual incentive compensation plans. The Committee shall select the employees to receive awards and determine the amounts and form of awards to be made under the terms of such plans; provided that the Committee may delegate to the Chief Executive Officer and the Senior Vice President and Chief Human Resources Officer such selection and determination for non-officer employees. In the case of the Chief Executive Officer, the President and Executive Vice Presidents, the Committee shall make recommendations regarding these plans for the Board's approval.
8. Administer and interpret the terms of the Long Term Incentive Plan. The Committee shall review and make recommendations to the full Board regarding annual performance goals for the plan, determine the individuals to whom grants shall be made, when, in what amounts and subject to what conditions, and approve or ratify all awards of stock options, restricted stock, dividend equivalents, stock appreciation rights, performance units, performance shares and phantom stock under such plan ("Stock-based Awards"). In the case of the Chief Executive Officer, the President and Executive Vice Presidents, the Committee shall make recommendations regarding this plan for the Board's approval. It shall be the policy of the Company not to reprice options awarded under the Long Term Incentive Plan and to seek shareholder approval of all equity compensation plans created after July 29, 2003.
9. Review and oversee other benefit and compensation programs for officers, managers and other personnel.
10. Delegate to the CEO and the Senior Vice President and Chief Human Resources Officer approval of salaries, incentives and other compensation and benefit programs (other than Stock-based Awards, with respect to which the Committee delegates no authority and except as set forth in item 4 above), and amendments to such programs, for Exelon and its subsidiaries and affiliated entities, including controlled affiliates; provided that the total potential expenditures under any such program (or related to any such amendment) so approved shall not exceed \$50 million.
11. Monitor compliance with the stock ownership requirements for directors and executives as set forth in the Exelon Corporate Governance Principles.

12. Evaluate annually the performance of the Committee in the fulfillment of its functions and the performance of its responsibilities.

REPORTING RESPONSIBILITY

All action taken by the Committee shall be reported to the Board of Directors at the next regularly scheduled Board meeting following such action.