

## **Tom Brown, Inc. Compensation Committee Charter**

### **Purpose**

The purpose of the Compensation Committee (the “*Committee*”) is to discharge the responsibilities of the Board of Directors (the “*Board*”) of Tom Brown, Inc. (the “*Company*”) regarding compensation of the Company’s Chief Executive Officer (“*CEO*”) and other executive officers and key employees by approving and administering compensation, stock option and incentive programs that will attract and retain the highest quality individuals and reward them for their performance.

### **Organization**

The Committee shall consist of three or more directors all of whom in the judgment of the Board shall be independent. A person may serve on the Committee only if the Board determines that he or she (a) is “independent” in accordance with the New York Stock Exchange (“*NYSE*”) listing standards, (b) is a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (c) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code. The Committee shall meet at least two times each year and at such other times as it deems necessary to fulfill its responsibilities.

### **Responsibilities**

- Review and approve annual and long-term performance goals and objectives for executive officers. This responsibility includes (a) establishing the compensation and evaluating the performance of the CEO and other executive officers in light of the approved performance goals and objectives, (b) setting the compensation level of the CEO and other elected officers based upon the evaluation of the performance of the CEO and the other elected officers, respectively, and (c) making recommendations to the Board with respect to incentive based compensation plans and equity-based plans. In determining the long-term incentive component of the Company’s CEO and other elected officers, the Committee may consider: the Company’s performance and relative shareholder return; the value of similar incentive awards to chief executive officers and elected officers at comparable companies; and the awards given to the Company’s CEO and other elected officers in previous years.
- In its sole discretion, employ a compensation consultant to assist in the evaluation of the compensation of the Company’s CEO or other executive officers. (The Committee shall

have the sole authority to approve the fees and other retention terms with respect to such a compensation consultant.)

- Propose the adoption, amendment and termination of deferred compensation plans, stock option plans, incentive plans and other similar compensation plans as well as grant options and awards in respect of such plans and otherwise administer such plans in accordance with their terms.
- Produce an annual report on executive compensation for inclusion in the Company's annual proxy statement that complies with the rules and regulations of the Securities and Exchange Commission ("*SEC*"), NYSE and any other applicable rules and regulations.
- Conduct an annual performance evaluation of the Committee.