

## **RF MICRO DEVICES, INC.**

### **COMPENSATION COMMITTEE CHARTER**

#### **I. Committee Purpose**

The Board of Directors has established the Compensation Committee to exercise the Board's authority concerning compensation of the Company's officers, as well stock-based and incentive compensation paid to employees and service providers generally, subject to the limitations and requirements of Section 55-8-25 of the North Carolina Business Corporation Act (the "NCBCA") and the provisions of this Charter. The Committee will evaluate the compensation of the officers of the Company and its subsidiaries and, if applicable, its controlled affiliates and fix their compensation in accordance with the Company's compensation philosophy. The Committee will prepare the Committee report on executive compensation that the rules of the Securities and Exchange Commission (the "SEC") require be included in the Company's annual proxy statement. The Committee will evaluate and make recommendations to the Board concerning compensation of directors. In addition, the Committee will discharge certain responsibilities relating to the Company's incentive and employee benefit plans generally. For the purpose of this Charter, the term "officer" will have the meaning given to it in Rule 16a-1 under the Securities Exchange Act of 1934.

#### **II. Committee Membership and Procedure**

The Committee will consist of no fewer than three members. Each member will meet the independence requirements of The Nasdaq Stock Market and, if deemed appropriate from time to time, will meet the definition of "non-employee director" set forth in Rule 16b-3 under the Securities Exchange Act of 1934 and the definition of "outside director" set forth in Section 162(m) of the Internal Revenue Code of 1986.

The Board will appoint the members of the Committee annually. The members will serve until their successors are appointed or until their earlier death, resignation or removal. The Board will designate the Chairman of the Committee or, if the Board fails to do so, the members of the Committee will elect a Chairman by majority vote. The Board will have the power at any time to change the size and membership of the Committee and to fill vacancies on the Committee, provided that any new member must satisfy the requirements of this Charter and any other applicable requirements. The rules and procedures of the Committee will be governed by the NCBCA and the Company's bylaws and, to the extent not inconsistent with the NCBCA and the bylaws, this Charter and the Company's Corporate Governance Guidelines.

The Committee will meet at least once a year and at such other times as are necessary to carry out the Committee's responsibilities. The Chairman of the Committee, the Chairman of the Board or the Chief Executive Officer may call meetings of the Committee.

The Committee will record and maintain minutes of its meetings. The Chairman of the Committee or a Committee member designated by the Chairman will make a report to the Board

of the Committee's meetings, actions taken at meetings or by consent, and recommendations made since the most recent Board meeting, unless the Committee has previously circulated an interim report addressing the matter or matters.

### **III. Committee Authority and Responsibilities**

The authority and responsibilities of the Committee are as follows:

**A.** Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

**B.** Review from time to time, modify if necessary and approve (1) the Company's philosophy concerning executive compensation, which will give appropriate consideration to linking the compensation of the Company's officers to the long-term interests of the shareholders and (2) the components of executive compensation to align them with the Company's compensation philosophy

**C.** Annually evaluate the compensation of the Chief Executive Officer and determine, at a regularly scheduled meeting of the Committee held in executive session, the components and amounts of his or her compensation consistent with the Company's compensation philosophy, and discuss in the Committee's annual proxy statement report the factors and criteria applied by the Committee in determining the compensation of the Chief Executive Officer, including the relationship of the Company's performance to such compensation (describing each quantitative and qualitative measure of the Company's performance on which such compensation was based).

**D.** Annually evaluate, in conjunction with the Chief Executive Officer, the compensation of other officers and approve, at a regularly scheduled meeting of the Committee held in executive session, the components and amounts of compensation for each officer, and discuss in the Committee's annual proxy statement report the relationship of the Company's performance to such compensation. If desired by the Committee, the Chief Executive Officer may attend the executive session of the Committee held for this purpose, although the Chief Executive Officer may not vote.

**E.** Approve revisions to the Company's officer salary structure and discuss such revisions with the Chief Executive Officer.

**F.** Periodically evaluate the terms and administration of the Company's long-term and short-term incentive plans and employee benefit plans, whether cash or equity based, to ensure they are consistent with the Company's compensation philosophy, consider the desirability of amending or terminating existing plans or adopting new plans and determine (based on the advice of legal counsel) whether to request the Board to approve a proposal to amend or terminate an existing plan or to adopt a new plan and whether to submit such a proposal to a vote of the shareholders.

**G.** Serve as administrator of the Company's stock option and other employee benefit plans in accordance with their terms.

**H.** Annually evaluate and if appropriate modify the methodology for awarding stock-based and other incentive compensation to all non-executive employees (including new hires) and other service providers, and the levels of awards.

**I.** Approve employment agreements, severance agreements or change in control agreements for the Chief Executive Officer and officers or amendments to such agreements as, when and if appropriate.

**J.** Approve annual retainer and meeting fees for the Board and committees of the Board, including, if applicable, compensatory awards of stock to directors.

**K.** Periodically evaluate and make recommendations to the Board concerning the compensation of directors.

The Committee may condition its approval of any compensation on ratification by the Board if Board action is required to comply with applicable law, including the NCBCA or Section 162(m) of the Internal Revenue Code.

#### **IV. Additional Resources**

The Committee will have the right to use reasonable amounts of time of the Company's internal audit personnel and independent auditors, other internal staff and legal counsel and also will have the right to hire and fire independent compensation experts and other advisers to assist and advise the Committee in connection with its responsibilities. The Committee will keep the Company's Chief Financial Officer advised as to the general range of anticipated expenses for outside consultants and advisers and will obtain Board approval for expenditures exceeding \$25,000 in any one year.

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