

EXHIBIT A

CHARTER OF THE COMPENSATION COMMITTEE of the BOARD OF DIRECTORS Of Power-One, Inc.

- 1. Purpose.** The purpose of the Compensation Committee (the “Committee”) of Power-One (the “Company”) is to (a) discharge the responsibilities of the Board of Directors (the “Board”) of Power-One relating to compensation of the Company’s executives and directors; (b) produce an annual report on executive compensation for inclusion in the Company’s proxy statement, and (c) and take such other actions within the scope of this Charter as the Committee deems necessary or appropriate.

The Company’s compensation policies should be designed to allow the Company to recruit and retain superior talent and to create a direct relationship between compensation and performance. Compensation payable to the Company’s executives should create proper incentives to enhance long-term shareholder value; be perceived as comparable to other Company employee’s compensation and that of peer-company executives; and be transparent relative to executive performance objectives and resulting compensation. The Committee intends to fully disclose all components of executive and director compensation.

- 2. Membership.** The Committee will be comprised of two or more directors. All members of the Committee will be “independent” under the independence requirements of the NASDAQ, qualify as non-employee directors under Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “34 Act”), and “outside directors” under Internal Revenue Code Section 162(m), and other applicable law. The members and the Chairperson of the Committee will be appointed annually for terms of one year by vote of the independent members of the Board. Committee members may be removed and vacancies filled at any time by a majority vote of the independent directors of the Board. The Board delegates to the Committee the express authority to do the following to the fullest extent permitted by applicable law and the Company’s Certificate of Incorporation and Bylaws:
 - (a) Compensation Policies.** Review and make recommendations to the Board with respect to management’s proposals regarding the Company’s overall compensation policies, and establish performance-based incentives that support and reinforce the Company’s long-term strategic goals, organizational objectives and shareholder interests.
 - (b) Chief Executive Officer (the “CEO”) and Chief Operating Officer (the “COO”) Compensation and Goals.** Review and approve corporate goals and objectives relevant to the CEO’s and the COO’s compensation; evaluate the CEO’s and the COO’s performance in light of those goals and objectives; and determine the

CEO's and the COO's compensation *based* on this evaluation. In determining the long-term incentive component of CEO and COO compensation, the Committee should consider the Company's performance and shareholder return, the value of similar incentive awards to CEOs and COOs at comparable companies, and the awards given to the Company's CEO and COO in past years. Neither the CEO nor the COO may attend any portion of a meeting where their compensation is being reviewed or discussed.

- (c) **Executive Officers.** Review and consult with the CEO and COO as to the compensation for other executives and establish, review and approve compensation plans in which any executive is eligible to participate. Receive and evaluate performance target goals for those executives and review periodic reports from the CEO and COO as to their performance and recommended compensation. Appendix A lists the executive offices/positions which will be included in this evaluation. The list may be modified at any time at the discretion of the Committee or the Board. The inclusion of a given named office on Appendix A does not imply that a given office may be active at any given time (e.g. Chief Accounting Officer).
- (d) **Incentive Compensation Plans.** Make recommendations to the Board with respect to the Company's incentive-compensation plans and equity-based compensation plans and approve for submission to shareholders all new stock option and equity compensation plans. The Committee will to the extent it determines to be advisable grant stock options, stock appreciation rights, and performance based awards designed to qualify as performance-based compensation within the meaning of Internal Revenue Code Section 162(m).
- (e) **Overall Review of other Plans.** Review all other compensation plans of the Company in light of Company and plan objectives, needs, and current benefit levels, and approve any amendments
- (f) **Board.** Set and review the compensation for the Board and committee members, taking into consideration the level of director compensation for companies of comparable size and complexity.
- (g) **Succession Planning.** Monitor and make recommendations to the Board not less than once each year with respect to succession planning for the CEO and COO. Review and consult with the CEO on succession planning for the other Appendix A executives.
- (h) **Annual Report.** Produce an annual report on executive compensation for inclusion in the Company's proxy statement.
- (i) **Annual Review.** Annually review the Committee's own performance.
- (j) **Review and Publication of Charter.** Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. Publish the Charter as required by the rules and regulations of applicable law and as otherwise deemed advisable by the Committee and the Board.

- (k) **Other Actions.** Perform any other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee or the Board deems necessary or appropriate.
 - (l) **Recommendations; Reports.** Make recommendations and report to the Board and other Board committees with respect to compensation policy of the Company or any of the foregoing matters.
- 3. **Recusal.** If any member of the Committee is required to recuse themselves with respect to any matter that might otherwise be properly acted upon by the Committee, such will be noted in the minutes and the director will not attend that portion of the Committee meeting.
- 4. **Meetings.** The Committee will meet with such frequency, and at such times as its Chairperson, or a majority of the Committee, determines, but not less than four times a year. A special meeting of the Committee may be called by the Chairperson and will be called promptly upon the request of any two Committee members. The agenda of each meeting will be prepared by the Chairperson and circulated to each member prior to the meeting date. Unless the Committee or the Board adopts other procedures, the provisions of the Company's Bylaws applicable to meetings of the Board will govern meetings of the Committee.
- 5. **Minutes.** Minutes of each meeting will be kept with the regular corporate records. The Corporate Secretary will take the minutes unless otherwise decided by the Committee.
- 6. **Subcommittees.** The Committee has the power to appoint subcommittees, but no subcommittee will have any final decision making authority on behalf of the Board.
- 7. **Reliance; Experts; Cooperation.**
 - 7.1 **Retention of Independent Counsel and Advisors.** The Committee has the authority to retain at the Company's expense such independent counsel and other advisors and experts as it deems necessary or appropriate to carry out its duties.
 - 7.2 **Reliance Permitted.** In carrying out its duties, the Committee will act in reliance on management, the independent public accountants, internal auditors, and outside advisors and experts, as it deems necessary or appropriate.
 - 7.3 **Investigations.** The Committee has the authority to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties.
 - 7.4 **Required Participation of Employees.** The Committee will have unrestricted access to the independent public accountants, the internal auditors, internal and outside counsel, and anyone else in the Company, and may require any to attend a meeting of the Committee or to meet with any members of, or consultants or advisors to, the Committee.

Appendix A

Executives whose compensation is determined by the Committee:

1. Chairman and Chief Executive Officer
2. President and Chief Operating Officer
3. Chief Financial Officer
4. Chief Accounting Officer
5. Any Senior Vice President (e.g. Sales, Human Resources, Investor Relations)
6. Secretary & General Counsel
7. Any Division/Major Business Unit President who reports directly to President and Chief Operating Officer