

**CHARTER OF THE COMPENSATION COMMITTEE OF
TBC CORPORATION**

I. PURPOSE

The Board of Directors of TBC Corporation (the "Company") has delegated to its Compensation Committee (the "Committee") all the power and authority of the Board of Directors to fix the compensation of executive officers of the Company and to determine compensation guidelines for the entire company. In addition, the Committee administers the Company's compensation and stock option plans, other than its Retirement Plan and its 401(k) Savings Plan.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to anyone in the Company. The Committee has the ability to retain, at the Company's expense, such consultants or experts it deems necessary or desirable to assist the Committee in the performance of its duties.

II. COMPOSITION

The Committee shall be comprised of three or more directors as determined by the Board, after considering the recommendation of the Nominating [and Governance] Committee. Each member of the Committee shall meet the independence requirements of the National Association of Securities Dealers, Inc. (the "NASD") and the rules and regulations of the Securities and Exchange Commission (the "SEC").

The members of the Committee shall be elected by the Board of Directors at its annual meeting each year and shall serve until their successors are elected and qualified. If a Committee Chair is not elected by the Board of Directors, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

III. MEETINGS

The Committee shall meet as frequently as circumstances dictate. A meeting may be called by the Committee Chairman or any two members of the Committee. A majority of the members of the Committee shall constitute a quorum of the Committee and a majority of the members in attendance shall decide any question brought before any meeting of the Committee.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Committee shall:

1. Determine, approve and implement the Company's pay philosophy for its executives and key employees.

2. Determine which executive officers of the Company will be employed pursuant to written employment agreements; approve the form of such employment agreements; and approve the terms and execution of such employment agreements.
3. Approve any change in control agreements between the Company and any of its employees.
4. Approve the base salaries of each of the Company's executive officers; review such base salaries at least once annually; and approve any changes in those base salaries.
5. At least once each year, obtain from the Company's Chief Executive Officer a written self-assessment of his performance as chief executive officer.
6. Review and evaluate the performance of the Company's Chief Executive Officer at least annually, using objective criteria and considering the Chief Executive's Officer's self-assessment of his performance.
7. Approve and/or recommend to the Board for approval, all incentive compensation plans for the Company's executive officers and key employees, including annual bonus or short term incentive compensation plans, as well as long term incentive compensation plans, if any; designate the executive officers and other key employees who will be participants in such plans and the terms of their participation.
8. Approve and/or recommend to the Board for approval, payouts to executive officers under all incentive compensation plans.
9. Administer all stock option and restricted stock plans of the Company, including without limitation, awarding options and restricted stock under any plan at such times, under such circumstances, and pursuant to such terms as the Committee may determine.
10. Approve, and/or recommend to the Board of Directors for approval, all supplemental retirement benefit plans for any officers or other employees of the Company and administer all such plans.
11. Approve all employee benefit plans providing perquisites or other benefits not generally made available to all salaried employees of the Company.
12. Issue an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations of the SEC, and perform such other duties as may be the responsibility of a compensation committee under the rules and regulations of the SEC, the NASD, or other governmental or regulatory bodies.

13. Provide policy guidance and oversight on human resource policies and practices, as requested by the Chief Executive Officer or as deemed appropriate from time to time by the Committee.
14. Review the compensation and benefits provided by the Company to its outside directors and recommend to the Board of Directors such changes therein as the Committee may from time to time deem appropriate.
15. Review with the Company's counsel legal compliance or other matters that impact the duties of the Committee, the compensation policies of the Company, or the compensation paid or payable to any of the Company's executive officers.
16. Regularly update the Board of Directors about Committee activities and actions.
17. Review and recommend to the Board for approval, amendments to this Charter as the Committee may from time to time deem appropriate.
18. Perform any other activities consistent with this Charter and the Company's By-Laws and governing law as the Committee or the Board of Directors deems necessary or appropriate from time to time.

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