

# **CHARTER OF THE COMPENSATION COMMITTEE**

## **COMMAND CENTER, INC.**

### **Purpose**

The Compensation Committee (the “Committee”) is responsible for working with management to establish appropriate compensation practices for Command Center, Inc. (the “Company”) and determining the compensation and other benefits for executive officers and directors of the Company. In addition, the Committee is responsible for overseeing the development and implementation of management development plans and succession planning practices to ensure that the Company has sufficient management depth to support its continued growth and the talent needed to execute long-term strategies, even in the event that one or more members of senior management retire or otherwise leave the Company. The Committee shall also administer any stock incentive plan then in effect, pursuant to which stock-based incentives may be awarded.

### **Composition**

The Committee shall be comprised of two or more directors as determined by the Board, each of whom shall be independent directors, and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. Each member of the Committee shall meet the independence requirements of all applicable laws, and rules and regulations of the Securities and Exchange Commission

The members of the Committee shall be appointed by the Board at the annual meeting of the Board and shall serve until their successors shall be duly elected and qualified. Unless a Chairman is elected by the full Board, the members of the Committee may designate a Chairman by majority vote of the full Committee membership. Members of the Committee may be removed, with or without cause, by the Board. The Board, on the recommendation of the Nominating and Corporate Governance Committee, shall appoint a new member or members or in the event that there is a vacancy on the Committee that reduces the number of members below two, or in the event that the Board determines that the number of members on the Committee should be increased.

### **Meetings**

The Committee shall meet at least four times each fiscal year, and may hold additional meetings in person or telephonically as often as may be necessary or appropriate, at the discretion of the Chairman of the Committee. Prior to each meeting, the Chairman of the Committee will circulate or discuss the agenda for the meeting with each member of the Committee. When appropriate, the Committee may meet in separate executive sessions with its advisors, management, general counsel and the independent auditor to discuss matters that the Committee or the other groups believe warrant Committee attention.

## **Minutes**

Minutes of each meeting shall be prepared under the direction of the Chairman of the Committee and circulated to each member of the Committee for review and approval, and then circulated to the members of the Board who are not members of the Committee. The Secretary of the Company shall archive the approved minutes.

## **Committee Authority and Responsibilities**

The specific authority and responsibilities of the Committee shall include, but are not limited to, the following:

1. Review the competitiveness of the Company's compensation programs to ensure (a) the attraction and retention of executives, (b) the motivation of executives to achieve the Company's business objectives, and (c) the alignment of the interests of key leadership with the long-term interests of the Company's shareholders.

2. Conduct an annual review of and recommend the company's compensation packages for executive officers of the Company, including the chairman and the chief executive officer. In connection therewith, the Committee shall review and recommend (a) the annual base salary level, (b) the annual cash bonus opportunity level, and (c) the long-term incentive opportunity level for each executive officer.

3. Periodically review the type and amount of Board compensation for non-employee directors and committee members, as appropriate, in relation to other comparable companies, make recommendations to the full Board regarding such compensation, and review and approve disclosures regarding directors' compensation required by the Securities and Exchange Commission and other government agencies.

4. Adopt and implement, as it sees fit, an executive management bonus plan to provide annual cash opportunities to executive officers. Annually review and recommend the objective performance measures and the performance targets for executive officers eligible for such executive management bonus plan.

5. Annually review and discuss the performance of the executive officers and the succession plans for each such officer's position.

6. The Chairman of the Committee shall annually review the performance of the chief executive officer and the chairman and meet with each such officer and with the Committee members to share the findings of such review.

7. Conduct an annual review of and approve the Company's management development and succession planning practices and strategies.

8. Review and approve employment terms and agreements for new executive officers, and severance arrangements for executive officers, and any change of control,

indemnification, or other employment or compensation-related agreements to be entered into with executive officers.

9. Approve, modify and administer any incentive stock plan, and fulfill the administration duties set forth in the applicable plan documents.

10. Prepare and approve the compensation committee report on executive compensation that is to be included in the annual report and proxy statement.

11. Retain at the Company's expense, a compensation consultant or firm to be used to assist the Committee in benchmarking and setting appropriate compensation levels and policies and to approve such consultant's or firm's fees and other retention terms.

12. Retain, at the Company's expense, legal counsel, accounting or other advisors as appropriate to assist in the performance of its duties hereunder, and approve the fees and other retention terms of such advisors.

13. Form and delegate responsibilities to subcommittees of the Committee, as may be necessary or appropriate.

14. Make regular reports to the full Board of Directors.

15. Review and assess the adequacy of this Charter annually, or more often as circumstances dictate, and update or revise the Charter as appropriate.

16. Periodically evaluate and take steps to improve the effectiveness of the Committee in meeting its responsibilities under this Charter.

**This Charter of the Compensation Committee was approved by the Board of Directors of Command Center, Inc. on December 10, 2008.**