

# **PLANAR SYSTEMS, INC.**

## **Compensation Committee Charter**

### **A. PURPOSE AND SCOPE**

The primary function of the Compensation Committee is to assist the Board of Directors in fulfilling its responsibilities with regard to oversight and determination of executive compensation by: (i) reviewing, recommending and approving salaries and other compensation of the Corporation's executive officers; (ii) administering the Corporation's equity incentive and compensation plans, including reviewing, recommending and approving stock option and other equity incentive and compensation awards to executive officers; and (iii) reviewing, recommending and taking action upon any other compensation practices or policies of the Corporation as the Board may request or the Committee may determine to be appropriate.

### **B. COMPOSITION AND MEETINGS**

The Committee shall be comprised of a minimum of two members of the Board as appointed by the Board, each of whom shall meet any independence requirements promulgated by the Securities and Exchange Commission, the National Association of Securities Dealers, any exchange upon which securities of the Corporation are traded, or any governmental or regulatory body exercising authority over the Corporation (each a "Regulatory Body"), and each member of the Committee shall be 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.

The members of the Committee shall be appointed by the Board annually. Each member of the Committee shall serve until his or her successor has been duly appointed and qualified or until his or her earlier resignation or removal. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

The Committee shall meet as necessary to enable it to fulfill its responsibilities and duties as set forth herein. The Committee shall report its actions to the Board and keep written minutes of its meetings which shall be recorded and filed with the books and records of the Corporation.

As the Committee or the Chief Executive Officer deems appropriate, the Committee may consult with the Chief Executive Officer concerning any compensation matters. The Committee, when appropriate, may form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Board or Company officers.

### **C. RESPONSIBILITIES AND DUTIES**

The Committee shall have the following duties and responsibilities, in addition to any duties and responsibilities assigned to the Committee from time to time by the Board of Directors:

1. Develop executive compensation philosophy and establish and annually review and approve policies regarding executive compensation programs and practices.
2. Determine, after consultation with the Board of Directors, the compensation of the Chief Executive Officer of the Corporation. In determining the amount, form, and terms of such compensation, the Committee shall consider the annual performance evaluation of the CEO in light of the Corporation's goals and objectives relevant to CEO compensation, competitive market data pertaining to CEO compensation at comparable companies, and such other factors as it shall deem relevant, and shall be guided by, and seek to promote, the best interests of the Corporation and its shareholders.
3. Determine salaries, bonuses, and other matters relating to compensation of the executive officers of the Corporation. In determining the amount, form, and terms of such compensation, the Committee shall consider the officer's performance in light of the Corporation's goals and objectives relevant to executive compensation, competitive market data pertaining to executive compensation at comparable companies, the recommendations of the CEO, and such other factors as it shall deem relevant, and shall be guided by, and seek to promote, the best interests of the Corporation and its stockholders. The CEO of the Corporation may be present at meetings during which such compensation is under review and consideration but may not vote.
4. Administer the annual performance plan and performance evaluation of the CEO
5. Establish and administer the annual and long-term incentive compensation plans and arrangements for the Company's executive officers, including the CEO.
6. Review and approve, or make recommendations to the Board regarding, other executive employment, compensation, severance and retirement plans, arrangements and programs.
7. As requested by the management of the Corporation, review, consult and make recommendations and/or determinations regarding employee compensation and benefit plans and programs generally, including employee bonus and retirement plans and programs.
8. Administer the Corporation's equity incentive plans, including the review and grant of stock option and other equity incentive grants to executive officers.
9. Administer the Corporation's employee stock purchase plan.
10. Review and approve the Report of the Compensation Committee on Executive Compensation to be included in the Corporation's annual proxy statement.
11. Monitor and facilitate, on behalf of the Board of Directors, management's succession planning activities.

12. Annually review and reassess the adequacy of its charter and recommend any changes to the full Board.
13. Take such other actions regarding the Corporation's compensation plans and policies as are in the best interests of the Corporation and its shareholders as the Committee shall deem appropriate or as shall be required by any Regulatory Body.

In fulfilling its responsibilities, the Compensation Committee shall have the authority, and shall be afforded resources sufficient, to engage independent compensation consultants or legal advisers when determined by the Committee to be necessary or appropriate. The Compensation Committee shall have sole authority to retain and terminate any such consultant or legal adviser, including sole authority to approve the fees and other retention terms.