

## **COMPENSATION COMMITTEE CHARTER**

### **NOBILITY HOMES, INC.**

#### **Purpose**

The Compensation Committee shall recommend to the full board of directors all compensation of senior management, review and approve corporate goals and objectives relevant for executive compensation, set the criteria for awards under incentive compensation plans and determine whether such criteria have been met, and oversee matters relating to the company's long term incentive plans, including administering the company's equity incentive plans.

#### **Duties and Responsibilities**

The Compensation Committee will:

- Evaluate the performance of the CEO and other executive officers in light of the goals, objectives and criteria established by the Compensation Committee and recommend to the full board of directors such executive officers' compensation based on this evaluation.
- Make recommendations to the full board of directors for awards under the company's quarterly cash incentive bonus program and any other incentive compensation program subsequently adopted by the board.
- Periodically review the company's philosophy regarding executive compensation and advise the CEO and board of directors relative to different compensation approaches.
- Recommend to the board incentive compensation plans and equity-based plans.
- From time to time receive data to assess the company's competitive position for the components of executive compensation by reviewing executive compensation surveys, studies, and information concerning the compensation paid by other companies.
- Produce the compensation committee report required to be included in the company's annual meeting proxy statement or Form 10-K.

#### **Membership**

- The Compensation Committee will have a minimum of three directors appointed by the board of directors.
- All Compensation Committee members shall be "independent," as defined by NASDAQ.

#### **Consultants**

The Compensation Committee shall have sole authority to retain and terminate consultants of its selection to advise it with respect to the company's compensation plans and benefits programs, including sole authority to approve the compensation of the consultants and other terms of their

engagement. The Compensation Committee also shall have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

### **Compensation Committee Meetings and Action**

- The Compensation Committee will meet quarterly at the call of its Chairman.
- In addition, the Compensation Committee may hold special meetings at the call of its Chairman or the Chairman of the Board.
- A majority of the Compensation Committee members will be quorum for the transaction of business.
- The action of a majority of those present at a meeting at which a quorum is present will be the act of the Compensation Committee.
- Any action required to be taken at a meeting of the Compensation Committee will be deemed the action of the Compensation Committee without a meeting if all of the Compensation Committee members executed, either before or after the action is taken, a written consent and the consent is filed with the Corporate Secretary.
- The CEO shall not be present during voting or deliberations by the Compensation Committee on the CEO's compensation.
- The Compensation Committee may appoint and delegate authority to subcommittees when appropriate, subject to applicable requirements under Florida law.
- The Chairman will report from time to time to the board on Compensation Committee actions.