

COMPENSATION AND PLAN ADMINISTRATION COMMITTEE CHARTER

General Purpose

The Compensation and Plan Administration Committee (“Committee”) will develop and review all compensation philosophies and practices to ensure that the programs are sufficient to attract and retain a talented senior management team and Board of Directors. The Committee has responsibility for reviewing and recommending to the Board of Directors all bonus and incentive programs, as well as all compensation and benefits for the Board of Directors. The Committee shall review and approve all bonus and incentive programs, as well as all compensation and benefits for executive officers. The Committee shall also review, oversee, and make recommendations to the Board of Directors on the Corporation’s Incentive Stock Plans (defined below), Employee Stock Purchase Plan, 401(k) Profit Sharing Plan, and any other compensation, bonus, stock equity, or other plans assigned to it by the Board of Directors (collectively, the “Plans”).

1. Major Committee Responsibilities.

- 1.1. Reviewing, assessing and approving all compensation and benefits for the Chief Executive Officer (“CEO”) and all other executive officers.
- 1.2. Align executive compensation with stockholder interests and expected business performance.
- 1.3. Target total compensation that reinforces planned performance, competitive market practices, and balances short-term and long-term executive focus.
- 1.4. Reviewing, assessing and proposing to the Board of Directors for consideration and approval (or recommendation for approval, if stockholder approval is required) compensation, benefits and incentives for the Board of Directors.
- 1.5. Provide a significant portion of senior officer compensation in the form of “at risk” elements such as variable performance-based cash incentives and equity participation.
- 1.6. Reviewing and proposing to the Board of Directors for approval any changes or modifications to current bonus plans including the Glenayre Incentive Plan and the Field Sales Compensation Plan.
- 1.7. Reviewing and approving salary actions for any employees whose base salary exceeds \$150,000.

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- 1.8. Reviewing, assessing and approving all compensation and benefits for the senior Human Resources employee in conjunction with his or her current manager.
- 1.9. Enable the Corporation to be competitive in securing and motivating superior caliber executive talent necessary for growth and profitability.
- 1.10. Reviewing and approving the total impact of yearly budgeted salary increases on the Corporation's consolidated payroll.
- 1.11. Reviewing and approving executive perquisite programs.
- 1.12. Review and oversee the Corporation's Long-Term Incentive Plan, the Incentive Stock Plan (collectively, the "Incentive Stock Plans"), the Employee Stock Purchase Plan and the 401(k) Profit Sharing Plan.
- 1.13. Propose amendments to the Incentive Stock Plans and the Employee Stock Purchase Plan for concurrence by the Board of Directors and, if required, for stockholder approval.
- 1.14. Propose amendments to other Plans for concurrence by the Board of Directors and, if required, for stockholder approval.
- 1.15. Approving participants in the Plans to the extent required by the terms of the Plans.
- 1.16. Approving awards of stock options under the Incentive Stock Plans in such form and amounts and with such limitations, restrictions and conditions, as it shall determine, consistent with the Incentive Stock Plans.
- 1.17. Interpreting the Plans and adopting, amending and rescinding administrative guidelines and other rules and regulations relating to the Plans.
- 1.18. Correcting any deficiency or omission or reconciling any inconsistency in any Plan or in any award that has been granted thereunder.
- 1.19. Performing such other functions as assigned by law, the Corporation's Certificate of Incorporation or bylaws, or the Board of Directors.
- 1.20. Reviewing the adequacy of this Charter and recommending any changes to the Board of Directors for approval.

2. Committee Composition.



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- 2.1. ***Size of Committee.*** The Committee shall be composed of at least three Directors.
 - 2.2. ***Proportion of Independent Directors.*** All members of the Committee will be independent.
 - 2.3. ***Definition of Independence.*** The definition of “independence” for members of the Committee shall be the same as the definition of “independence” for Directors as contained in the Board of Directors Charter, provided that in addition to such requirements, for a Committee member to be “independent”, the Committee member shall not (a) ever have been employed by the Corporation and (b) receive any “remuneration” (as defined in Treasury Regulation § 1.162-27(e)(3)) from the Corporation, either directly or indirectly, in any capacity other than as a member of the Board of Directors.
 - 2.4. ***Term Limits.*** Committee members will serve for a term of one year or the unexpired portion of the term of the Committee member who resigned or was removed if that unexpired portion is less than one year. Committee membership will be reviewed and assigned based on the results of the annual Committee and Director evaluations. The total amount of time an individual Director may serve on a Committee of the Company’s Board is limited to three Board membership terms.
3. **Selection of Committee Members.**
- 3.1. ***Selection Criteria.*** In addition to the qualifications required of all Directors, members of the Committee collectively should have experience or knowledge of accounting, business, management, executive compensation, and Securities and Exchange Commission requirements.
 - 3.2. ***Commitment.*** Committee members must be able to commit the requisite time for preparation and attendance at regularly scheduled Committee meetings, as well as be able to devote time and attention to other matters deemed necessary for good corporate governance. Each Committee member is expected to become familiar with the Committee’s responsibilities. Accordingly, each member should develop an understanding of: (a) the primary industries in which the Corporation operates; (b) executive compensation and general compensation programs; and (c) the impact compensation programs have on acquiring and retaining key personnel and on the finances of the Corporation.

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- 3.3. *Independence.* The independence (as defined in Section 2.3) of each individual considered for membership on the Committee shall be taken into account in order to satisfy Section 2.2.
- 3.4. *Appointment; Removal.* All members of the Committee shall be appointed by the Board of Directors. The Committee Chair will be appointed by the Board of Directors. Any member may be removed by action by the Board of Directors at any time for any reason.
- 3.5. *Resignations.* Any member of the Committee may resign as a Committee member at any time. It is expected that the resigning member will resign in writing and will give appropriate notice to the Committee Chair of his or her intention to resign.

4. Compensation.

- 4.1. *Compensation.* The compensation for service on the Committee shall be determined by the Board of Directors. The compensation level and structure for the Committee as well as all committees will be recommended by this Committee.
- 4.2. *Expense Reimbursement.* Committee members will be reimbursed for all reasonable expenses incurred while attending Committee meetings, training of the Committee or otherwise at the request of the Board of Directors.

5. Committee Meeting Procedures.

- 5.1. *Frequency and Length of Meetings.* The Committee will meet at least once each quarter. The length of the meetings will be determined by the agenda.
- 5.2. *Setting Agendas.* The Committee Chair will establish the agenda for each Committee meeting. Any Committee member may suggest the addition of other items on the agenda.
- 5.3. *Attendance Expectations.* All Committee members are expected to attend all the meetings of the Committee.
- 5.4. *Advanced Distribution of Committee Materials.* Information that is important to the Committee's understanding of the specific matters to be discussed at the Committee meeting should be distributed by the Committee Chair or management in writing to the Committee at least 48 hours before the Committee meeting. This material should be concise,

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well organized and supported by any background data necessary to place the information in context. Presentations on specific subjects to the Committee should be sent to Committee members in writing in advance so that Committee meeting time may be conserved and discussion time may be focused on questions that the Committee has about the material. For highly sensitive matters, the content may be discussed at the meeting without any prior written materials.

- 5.5. *Attendance by Non-Members.* The Committee may, from time to time, invite other members of the Board of Directors, senior management or other employees of the Corporation into Committee meetings to provide additional insight into the matters being discussed because of their personal involvement in or knowledge about these matters.
- 5.6. *Quorum.* At all Committee meetings, a majority of the total number of the Committee's members shall constitute a quorum for the transaction of business.
- 5.7. *Minutes.* The Committee Chair will designate someone to record the minutes of each Committee meeting. All minutes shall be filed with the Corporation's records and maintained in the same manner as the minutes of the meetings of the Board of Directors.
6. **Committee Action Without a Meeting.**
- 6.1. *Written Consent.* The Committee may take any action by unanimous written consent that the Committee might take at a meeting.
- 6.2. *Filing of Written Consent.* Any written consent of the Committee pursuant to Section 6.1 shall be filed with the Corporation's records and maintained in the same manner as the minutes of the meetings of the Board of Directors.
7. **Committee Performance.**
- 7.1. *Assessment of Committee Effectiveness.* The Governance and Nominating Committee will provide an annual assessment to the Board of Directors of each Committee's performance.
8. **Committee Relationships.**

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- 8.1. *Interaction with Management.* The Committee will have complete access to the Corporation's management to discuss matters or requests materials relating to the Committee's responsibilities.
- 8.2. *Access to Independent Auditors and Outside Legal Counsel.* The Committee will have full access to the designated outside legal counsel, independent auditors or to any other consultants deemed beneficial by the Committee.
9. **Leadership Development.**
- 9.1 *Committee Development.* In addition to training received as a member of the Board of Directors, selected members of the Committee may receive targeted training. The Chair of the Board of Directors will approve all training.
10. **Amendments to Charter.**
- 10.1. *Amendments.* This Charter may be amended or repealed by action of the Board of Directors at any time.