

# **COSTAR TECHNOLOGIES, INC.**

## **COMPENSATION COMMITTEE CHARTER**

As amended on \_\_\_\_\_, 2018

### **I. General Statement of Purpose**

The Compensation Committee of the Board of Directors (the “*Compensation Committee*”) of Costar Technologies, Inc. (the “*Company*”), on behalf of the Board of Directors (the “*Board*”), discharges the Board’s responsibilities relating to compensation of the Company’s directors and officers, oversees the Company’s overall compensation programs and is responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement relating to its annual meeting of stockholders or annual report on Form 10-K, in accordance with applicable rules and regulations. The primary objective of the Compensation Committee is to develop and implement compensation policies and plans that are appropriate for the Company in light of all relevant circumstances and which provide incentives that further the Company’s long-term strategic plan and are consistent with the culture of the Company and the overall goal of enhancing enduring stockholder value.

### **II. Compensation Committee Composition**

The number of individuals serving on the Compensation Committee shall be fixed by the Board from time to time but shall consist of no fewer than two members, each of whom shall satisfy the independence standards established pursuant to rules and regulations of the NASDAQ Stock Market (“*Nasdaq*”).

The members of the Compensation Committee shall be appointed by the Board and may be replaced or removed by the Board at any time with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from this committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board shall designate one member of the Compensation Committee to serve as Chairman of the Compensation Committee.

A director shall not serve on the Compensation Committee if any executive officer of the Company currently serves, or has served within the last twelve (12) months, on the compensation committee of the board of directors of an entity that employs such director as an executive officer.

### **III. Meetings**

The Compensation Committee generally is to meet as often as it determines is necessary or appropriate to carry out its responsibilities under this charter in person or by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear

each other. A majority of the members of the Compensation Committee shall constitute a quorum for purposes of holding a meeting and the Compensation Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Compensation Committee may act by unanimous written consent. The Compensation Committee shall maintain written minutes of its meetings, which minutes shall be filed with the minutes of the meetings of the Board.

#### **IV. Compensation Committee Activities**

The Compensation Committee's purpose and responsibilities shall be to:

##### **A. Review of Charter**

- Periodically review and reassess the adequacy of this Charter and submit any proposed changes to the Board for approval.

##### **B. Annual Report on Executive Compensation**

- Produce an annual report on executive compensation for inclusion in the Company's annual proxy statement or Form 10-K, as applicable, in accordance with the applicable rules and regulations of the Securities and Exchange Commission, any securities exchange or automated quotation system on which the Company's securities are traded, and any other rules and regulations applicable to the Company.
- To the extent applicable, review and discuss the disclosures in the Company's "Compensation Discussion and Analysis" with management and, based on such review and discussions, make a recommendation to the Board as to the inclusion of the "Compensation Discussion and Analysis" in the Company's annual proxy statement or Form 10-K, as applicable.

##### **C. Performance Evaluation of the Compensation Committee**

- Perform a periodic performance evaluation of the Compensation Committee and report to the Board on the results of such evaluation.

##### **D. Recommendations Regarding Incentive-Compensation Plans, Equity-Based Plans and Equity Grants**

- Review and approve all incentive-based compensation plans and equity-based plans, administer such plans, and approve grants of options and other equity awards to all executive officers, directors and other eligible individuals.

##### **E. Matters Related to Compensation of the Company's Officers**

- Periodically review and advise the Board concerning the Company’s overall compensation philosophy, policies and plans, including a review of both regional and industry compensation practices and trends.
- Identify any peer group of companies to be used for comparison purposes in connection with any review of executive officer compensation.
- Review and approve the corporate goals and objectives that may be relevant to the compensation of the Company’s Chief Executive Officer (“*CEO*”). Evaluate the CEO’s performance in light of such goals and objectives and determine and approve the CEO’s compensation (including, but not limited to, salary, bonus, incentive compensation, equity awards, benefits and perquisites) based on such evaluation. In connection with determining the long-term incentive component of the CEO’s compensation, the Compensation Committee should consider, among other things, the Company’s performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the Company’s CEO in past years. The Company’s Chief Executive Officer may not be present during voting or deliberation concerning his or her compensation.
- Review and approve the corporate goals and objectives that may be relevant to the compensation of the Company’s other officers, and approve the compensation (including, but not limited to, salary, bonus, incentive compensation, equity awards, benefits and perquisites) of such officers. For the purposes hereof the term “officer” has the meaning defined in Section 16 of the Securities Exchange Act of 1934, as amended, and Rule 16a-1 promulgated thereunder.
- Review and approve any employment agreements or arrangements with officers of the Company, including with respect to any perquisites and other personal benefits to the Company’s executive officers, and any material amendments to any of the foregoing.
- Review the results of any advisory stockholder votes on executive compensation and consider whether to recommend adjustments to the Company’s executive compensation policies and practices as a result of such votes.

## **V. Additional Compensation Committee Authority**

The Compensation Committee is authorized, on behalf of the Board, to do any of the following, as the Compensation Committee deems necessary or appropriate in its discretion:

- Exercise sole authority to retain and terminate any consulting firm (or other outside advisor on compensation matters) that is to be used by the Company or the Compensation Committee to assist in the evaluation of executive officer, director

or senior executive compensation. The Compensation Committee shall also have sole authority to approve the consultant's fees, which shall be paid by the Company, and other retention terms.

- Annually review and make recommendations to the Board with respect to the compensation of all directors and members of senior management of the Company (other than the executive officers), including with respect to any incentive-compensation plans and equity-based plans.
- Monitor and assess risks associated with the Company's compensation policies and consult with management regarding such risks

## **VI. General**

- The Compensation Committee may establish and delegate authority to one or more subcommittees consisting of one or more of its members, when the Compensation Committee deems it appropriate to do so in order to carry out its responsibilities.
- The Compensation Committee shall make regular reports to the Board concerning areas of the Compensation Committee's responsibility.
- In carrying out its responsibilities, the Compensation Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Compensation Committee may consult. Prior to selecting, or receiving advice from, any counsel, expert or advisor, the Compensation Committee shall consider the independence of such advisor based on the independence factors listed in Nasdaq Rule 5605(d)(3); provided, however, that the Compensation Committee shall not be prohibited from obtaining advice from advisors that it determines are not independent. The Compensation Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Company attend a meeting of the Compensation Committee or meet with any members of or advisors to the Compensation Committee. The Compensation Committee shall also have the authority to engage legal, accounting or other advisors to provide it with advice and information in connection with carrying out its responsibilities and shall have sole authority to approve any such advisor's fees, which shall be paid by the Company, and other retention terms.
- The Compensation Committee may perform such other functions as may be requested by the Board from time to time or as are required by law, applicable rules of Nasdaq (or such other principal stock exchange or quotation service on which the Company's securities are listed or quoted) and as are consistent with the

purpose of the Compensation Committee and as the Board or the Compensation Committee deems appropriate.