



## **ROCK OF AGES CORPORATION**

### **Compensation Committee Charter** **Adopted on April 28, 2005**

#### **Purpose**

The purposes of the Compensation Committee (the "Committee") are to discharge the Board of Directors' (the "Board") responsibilities (including the duties and responsibilities set forth under "Duties and Responsibilities" below) relating to the evaluation and compensation of the Company's Chief Executive Officer (the "CEO") and other executive officers, and to produce an annual report on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations. The Committee also makes recommendations to the Board regarding succession planning and development for senior executives and positions as needed.

#### **Membership**

The Committee shall be comprised of three or more directors who qualify as independent directors ("Independent Directors") within the meaning of the rules of the National Association of Securities Dealers, Inc. applicable to issuers of securities traded on the Nasdaq Stock Market (the "NASD Rules") and the Securities and Exchange Commission, except to the extent the NASD Rules permit a director who is not an Independent Director to serve on the Committee.

The members of the Committee, including the Chairperson of the Committee, shall be appointed annually by the Board. Members may be replaced by the Board at any time, but shall otherwise serve until their successor has been named.

#### **Meetings and Procedures**

The Committee shall be governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), actions without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to fix its own rules of procedure, which shall be consistent with the Amended and Restated By-Laws (the "By-Laws") of the Company and this Charter.

The Committee shall meet at least once annually. Additional meetings may occur as the Committee or its chair deems advisable. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company, and shall report regularly to the Board on its activities, as appropriate.

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other advisers as it deems necessary.

### **Duties and Responsibilities**

The Committee shall have the following duties and responsibilities, in addition to any others that may be assigned by the Board from time to time, with the understanding that the Committee may diverge from this guide as appropriate given the circumstances:

1. Review and approve the corporate goals and objectives relevant to the compensation of the CEO.
2. At least annually, evaluate the CEO's performance as measured against the goals and objectives outlined above.
3. Set the salary and other cash and equity compensation for the CEO based on the evaluation described in paragraph 2. In setting compensation, the Committee should also consider the Company's performance based on criteria established by the Committee.
4. At least annually, review succession planning and development strategies for senior level positions and executive officers of the Company.
5. Make recommendations to the Board with respect to incentive compensation plans and equity-based plans.
6. Set the salaries of employees who are officers of the Company.
7. Review and act upon proposed terms of any new plans, programs and arrangements that are made available only to certain executives of the Company, or, as appropriate, make such recommendations to the Board with respect thereto as it deems advisable.
8. Administer the Company's 2005 Stock Plan and any similar prior or future plan, and make the determinations and interpretations and take other such action as contemplated by said plans. The Committee shall have the exclusive right to make or, on behalf of the Company, amend any grants of awards under the said plans to eligible employees and make all decisions concerning the timing, pricing, the amount of such awards and all other determinations and interpretations as contemplated by said plans.

9. Review the proposed terms of any new incentive program and any major amendment of an existing program, and make such recommendations to the Board with respect thereto as it may deem advisable.
10. Take such other actions and do such things as may be referred to it from time to time by the Board.