



## **THE COMPENSATION COMMITTEE CHARTER**

### **2016**

*This charter is intended as a component of the flexible governance framework within which the board, assisted by its committees, directs the affairs of Spirit. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, and Spirit's certificate of incorporation and bylaws, it is not intended to establish any legally binding obligations.*

### ***Purpose***

The purpose of the compensation committee is to carry out the board's responsibility for the compensation of Spirit's officers and directors, including by designing and recommending to the board for approval and evaluation, Spirit's compensation plans, policies and programs, and to produce an annual report on executive compensation for inclusion in Spirit's annual proxy statement.

### ***Membership***

The committee shall consist of three or more members of the board, each of whom, in the judgment of the board, shall be independent, if required, under New York Stock Exchange (NYSE) rules, and a majority of whom in the judgment of the board shall be non-employee directors for purposes of Rule 16b-3 under the Securities Exchange Act of 1934 (Exchange Act), and an outside director for purposes of Section 162(m) of the Internal Revenue Code of 1986. Committee members who are independent directors shall qualify as such under the rules of the NYSE and the Securities and Exchange Commission (SEC). Committee members should have an understanding of public company compensation issues and best practices. To the extent applicable, the committee shall meet such independence requirements as are enacted as a consequence of Section 952 of the Dodd-Frank Wall Street Reform and Consumer protection Act, or such requirements as may be structured or implemented from time to time through rules and/or regulations established by applicable regulatory authorities or the NYSE.

Committee members shall serve for a period of one year or, if later, until their successors are duly elected and qualified or until their earlier death, incapacity, resignation or removal. Any member may be removed by the board, with or without cause, at any time. Any vacancies on the committee shall be filled by the board. The chairperson of the committee shall be appointed from among the committee members by, and shall serve at the pleasure of, the board, shall preside at committee meetings, and shall have authority to convene meetings, set agendas for meetings, and determine the committee's information needs, except as otherwise provided by action of the committee. In the absence of the chairperson at a duly convened meeting, the committee shall select a temporary substitute from among its members to serve as chair of the meeting.

## ***Meetings***

The committee shall meet at least twice each year. The committee shall establish its own meeting schedule. Committee meetings may be held telephonically or by any other lawful means. A majority of the committee members shall constitute a quorum for the meeting, and the affirmative vote of a majority of the members present at a meeting at which a quorum is present shall constitute the action of the committee. The committee shall establish its own rules of procedure.

## ***Duties and Responsibilities***

In furtherance of its purpose, the committee shall:

1. Develop (and modify as appropriate) a compensation philosophy and strategies for directors and executive officers that is competitive and that promotes the recruitment and retention of talented individuals, and present the same to the board for approval.
2. Review and approve, on an annual basis, the corporate goals and objectives with respect to compensation for the chief executive officer (CEO). The committee shall evaluate at least once each year the CEO's performance in light of these goals and objectives and, based upon these evaluations, shall determine and approve the CEO's annual compensation, including salary, bonus, equity and non-equity incentive compensation, and perquisites.
3. Review and approve, on an annual basis, the evaluation process and compensation structure for Spirit's officers. The committee shall evaluate the performance of Spirit's senior executive officers and shall approve the annual compensation, including salary, bonus, and equity and non-equity incentive compensation, for senior executive officers. The committee shall also oversee management's decisions regarding the performance and compensation of Spirit's other officers.
4. Establish and review policies concerning perquisite benefits, which may include adopting a perquisite allowance policy for senior executive and other officers, which may be administered by the CEO on behalf of the committee, and which may provide for an annual perquisite reimbursement allowance within limits established by the committee, or such other perquisite policy as the committee believes desirable.
5. Review Spirit's equity incentive plans and other stock-based plans and recommend any changes to the board. The committee shall exercise all authority in administering those plans.
6. Review incentive compensation arrangements to confirm that incentive pay does not expose Spirit to unnecessary or excessive risk that is likely to have a material adverse effect on the financial statements, and review and discuss, at least annually, the relationship among risk management policies and practices, corporate strategy, and senior executive compensation.

7. Review the results of periodic say on pay votes and determine the weight to be given to those results in making compensation decisions.
8. Review and discuss with management the Compensation Discussion and Analysis (CD&A) in Spirit's annual proxy statement, and recommend to the board that CD&A be included in the proxy statement.
9. Determine whether employment agreements and severance arrangements or plans be established with senior executive officers and approve the terms of those agreements and plans.
10. Discuss the relationship between executive compensation and financial and share performance.
11. Discuss the ratio between CEO total annual compensation and the median annual compensation of Spirit's other employees.
12. Adopt a policy, or provide in executive employment agreements, for the clawback of unearned incentive compensation if Spirit is required to restate its financials due to material noncompliance with financial reporting requirements.
13. Prepare the compensation committee report to be included in the proxy statement.
14. Review the compensation paid to directors. No member of the committee will act to fix his or her own compensation except for uniform compensation to directors for their service on the board.
15. Conduct an annual self-evaluation of the committee's performance, including its effectiveness and compliance with this charter.
16. Review and reassess the adequacy of this charter annually, and recommend to the board any amendments the committee deems appropriate.
17. Report its findings, activities and recommendations to the board.
18. Have the authority to elect any officer whom the board has the authority to elect, other than the CEO.

### ***Committee Operations***

The committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the sole authority to select, retain, terminate, and approve the fees and other retention terms of compensation consultants, special counsel and other advisors as it deems appropriate. Spirit shall provide appropriate funding, as determined by the committee, for the payment of reasonable compensation, as determined by the committee, to compensation consultants, special counsel and other advisors.

In selecting a compensation consultant, the committee shall consider, without limitation, the following factors:

1. Whether the consulting company employing the compensation advisor is providing other services to Spirit;
2. How much the consulting company that employs the compensation advisor has received in fees from Spirit, as a percentage of that company's total revenue;
3. Whether the compensation advisor owns any shares of Spirit;
4. What policies and procedures have been adopted by the consulting company employing the compensation advisor to prevent conflicts of interest;
5. Whether the compensation advisor has any business or personal relationship with any committee member; and
6. Such other factors as determined by the committee or described in NYSE and SEC rules.

The committee shall have sole authority to retain, compensate, direct, oversee, and terminate the compensation consultant, special counsel and other advisors hired to assist the committee, who shall be accountable to the committee. Any compensation consultant selected by the committee shall not at the same time perform services for management or advise on any human resources matters.

In addition to any delegation of authority described herein, the committee shall have authority to delegate any of its responsibilities to such subcommittees as the committee deems appropriate, so long as such subcommittee is solely comprised of one or more members of the committee.