



## **COMPENSATION COMMITTEE CHARTER**

- I. **Purpose of Committee.** The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Investors Title Company (the “Company”) for the primary purposes of reviewing and overseeing Company compensation policies and their application to members of the Board and the executive officers of the Company.
- II. **Organization.** The Committee will be composed of at least three Directors. Information regarding Committee member qualifications, Committee member appointment and removal, committee structure and operations, and Committee reporting to the Board are set forth in the Company’s Board of Directors Standard Committee Charter Provisions.
- III. **Authority and Responsibilities.** The committee’s authority and responsibilities are set forth below.
- A. **General.** In general the Committee is responsible for:
1. approving compensation principles that apply generally to Company employees;
  2. making recommendations to the Board with respect to incentive compensation plans and equity-based plans;
  3. administering and otherwise exercising the various authorities prescribed for the Committee by the Company’s stock option and restricted stock plans;
  4. assisting the Board in its oversight of the evaluation and management of any material risks related to the Company’s compensation policies and practices;
  5. performing any other activities that the Committee deems appropriate, or that are requested by the Board, consistent with this Charter, the Company’s By-laws, and applicable laws and regulations; and
  6. reviewing this Charter at least annually to ensure that it is effective and in compliance with applicable laws and regulations and recommending any changes to the Board.
- B. **Executive Officers.** With respect to the Company’s executive officers, the Committee is responsible for:
1. reviewing and approving corporate goals and objectives relevant to the compensation of the Executive Officers;
  2. evaluating the performance of the Executive Officers in light of the approved corporate goals and objectives;
  3. reviewing and determining, or recommending to the full Board for its determination, each element of compensation for the Executive Officers, provided that the Chief Executive Officer of the Company may not be present during voting or deliberations with respect to his or her compensation; and
  4. in reviewing and determining Executive Officer compensation, considering the results of the most recent stockholder advisory vote on executive compensation (“say on pay vote”).

C. **Compensation Consultants and Advisers.** Effective as of July 1, 2013, the Committee:

1. may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser as it deems necessary in the performance of its duties;
2. will be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Committee;
3. will receive appropriate funding from the Company, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee; and
4. will, to the extent required by applicable Nasdaq listing rules, consider the independence factors specified by Nasdaq Listing Rule 5605(d)(3)(D) *before* selecting, or receiving advice from, a compensation consultant, legal counsel (other than in-house counsel) or other adviser to the Committee.

The Committee is not required to retain its own adviser or to implement or act consistently with the advice or recommendations of any adviser. The Committee may retain, or receive advice from, any compensation adviser it prefers, including advisers that are not independent, after considering the specified independence factors. The Committee will consider the specified independence factors for each adviser to the Committee at least annually.

Effective as of January 1, 2013, the Committee shall evaluate whether the work of any compensation consultant (as described in Item 407(e)(3)(iii) of Regulation S-K under the Exchange Act) has raised any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K under the Exchange Act.

D. **Disclosure of Executive Compensation.** With respect to executive compensation disclosure, the Committee is responsible for each of the following to the extent required by the Securities and Exchange Commission's rules and regulations:

1. reviewing and discussing with management the Compensation Discussion and Analysis ("CD&A") section of the Company's proxy statement.
2. preparing a Compensation Committee Report stating that the Committee has (a) reviewed and discussed the CD&A with management, and (b) based on such review and discussions, recommended to the Board that the CD&A be included in the Company's proxy statement and Form 10-K.