

# TRANS WORLD CORPORATION

## Compensation Committee Charter

I. **The Committee's Purpose.** The Compensation Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Trans World Corporation ("TWC" or the "Company") for the primary purpose of:

A. Overseeing overall Company compensation policies and their specific application to executive officers elected by the Board and members of the Board; and

B. Preparing an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.

II. **The Committee's Duties and Responsibilities.** The Committee has the following duties and responsibilities (responsibilities with respect to setting compensation of the Chief Executive Officer and other executive officers of the Company elected by the Board cannot be delegated to Company management).

A. ***General.***

1. To approve compensation principles that apply generally to Company employees;

2. To make recommendations to the Board with respect to incentive compensation plans and equity based plans;

3. To select a peer group of companies against which to benchmark/compare the Company's compensation systems for executive officers elected by the Board;

4. To administer and otherwise exercise the various authorities prescribed for the Committee by the Company's equity plans and other compensation plans;

5. To monitor compensation trends and solicit independent advice where appropriate; and

6. To perform any other activities as the Committee deems appropriate, or as are requested by the Board, consistent with this Charter, the Company's Bylaws and applicable laws and regulations.

B. ***Executive Officers.***

1. To regularly review and evaluate compensation of executive officers of the Company elected by the Board (see also special additional responsibilities with respect to the Chief Executive Officer in II.C. below);

2. To approve any compensation-related action for executive officers of the Company elected by the Board; and

3. To review and approve compensation arrangements for individuals who will be made offers to join the Company as an executive officer elected by the Board.

**C. Chief Executive Officer.**

1. To review and approve corporate goals and objectives relevant to the Chief Executive Officer's compensation;

2. To evaluate the performance of the Chief Executive Officer in light of the approved corporate goals and objectives;

3. To set the base salary and incentive compensation of the Chief Executive Officer based on the Committee's evaluation of the competitive compensation practices and the Chief Executive Officer's performance in achieving the corporate goals established for the position by the Committee; and

4. To set the long-term incentive component of the compensation of the Chief Executive Officer considering the Company's performance and relative shareholder return, and the value of incentive awards to chief executive officers at other comparable companies.

**D. Directors.**

1. To regularly review and evaluate the compensation program for Directors and, as appropriate, recommend changes to the Board; and

2. To administer and otherwise exercise the various authorities prescribed for the Committee by TWC's non-employee directors stock plans.

**III. Authority to Retain Experts.** Any compensation consultant used to assist in the evaluation of Director, Chief Executive Officer or executive officer compensation, as well as such other experts as the Committee deems necessary in the performance of its duties, will be selected, directed and, if appropriate, terminated by the Committee. The Company will pay all fees and expenses relating to the engagement of any such consultant.

**IV. Annual Performance Evaluation of the Committee.** At least annually, the Committee will evaluate how well it has fulfilled its purpose during the previous year, and will report its findings to the full Board.

**V. Effective Date.** This Compensation Committee Charter shall become effective upon its adoption by the Board and shall not be retroactive.