

# **SWITCH & DATA FACILITIES COMPANY, INC.**

## **COMPENSATION COMMITTEE CHARTER**

### **I. PURPOSE**

The purposes of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Switch & Data Facilities Company, Inc., a Delaware corporation (the "Company") are to oversee the Company's compensation and employee benefit plans and practices, including its executive, director, incentive and equity-based compensation plans and to produce any report on executive compensation required by any applicable rules and regulations.

### **II. COMPOSITION**

The Committee shall be comprised of three or more directors, each of whom in the business judgment of the Board, qualifies as (a) an "independent director" under the listing standards of the National Association of Securities Dealers' NASDAQ Stock Market ("NASDAQ"), (b) a "non-employee director" within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and (c) an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended. In addition, all of the Committee members must meet such other requirements as may be adopted by NASDAQ and the Securities and Exchange Commission ("SEC") from time to time. The Committee members and the Committee chairman will be appointed annually by the Board, and can be removed at any time in the Board's sole discretion by a majority vote of the Board. Vacancies on the Committee shall be filled by a majority vote of the Board at the next meeting of the Board following the occurrence of the vacancy or by a written consent of the Board.

### **III. MEETINGS**

The Committee shall meet at any time and from time to time, when and as determined in its discretion, but not less frequently than annually. The Committee may ask members of management or others to attend any meeting and provide pertinent information as necessary; provided, however, no person, including but not limited to the Company's chief executive officer (the "CEO"), shall be present while the Committee is deliberating, or voting on, such person's compensation. The Committee shall prepare and render to the Board reports of its meetings, actions and recommendations.

The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized to adopt its own rules of procedure not inconsistent with (a) any provision of this charter, (b) any provision of the By-Laws of the Company, or (c) the laws of the state of Delaware.

#### IV. COMMITTEE RESPONSIBILITIES

##### A. Executive Compensation

The Committee shall have the following authorities and responsibilities with respect to the Company's executive compensation plans:

1. To review at least annually the goals and objectives of the Company's executive compensation programs, and change, or recommend that the Board change, these goals and objectives if the Committee deems it appropriate.
2. To review at least annually the Company's executive compensation plans in light of the Company's goals and objectives with respect to such plans, and, if the Committee deems it appropriate, adopt, or recommend to the Board, the adoption of, new, or the amendment of existing, executive compensation plans, subject, in the case of any equity-based plan, to stockholder approval as may be required by applicable rules and regulations.
3. To evaluate annually the performance of the CEO, and to set his or her compensation level based on this evaluation. In determining the long-term incentive component of the CEO's compensation, the Committee shall consider all factors it deems relevant and appropriate.
4. To evaluate annually the performance of the other executive officers of the Company, and to approve the compensation level of each based on this evaluation. To the extent that long-term incentive compensation is a component of any such executive officer's compensation, the Committee shall consider all factors it deems relevant and appropriate in determining the appropriate level of such compensation, including, but not limited to, the factors applicable with respect to the CEO.
5. To review and approve any employment, severance or termination arrangements to be made with any current or former executive officer of the Company.

##### B. Incentive and Equity-Based Compensation Plans

The Committee shall have the following responsibilities with respect to the Company's incentive and equity-based compensation plans:

1. To review at least annually the goals and objectives of the Company's incentive-compensation and equity-based plans, and change, or recommend that the Board change, these goals and objectives if the Committee deems it appropriate.

2. To review at least annually the Company's incentive and equity-based compensation plans in light of the goals and objectives of these plans, and amend, or recommend that the Board amend, these plans if the Committee deems it appropriate, subject, in the case of any equity-based plan, to stockholder approval as may be required by applicable rules and regulations.
3. To establish criteria for the granting of options and other equity grants to the Company's officers and other employees and approve the granting of options and other equity grants in accordance with such criteria.
4. To establish performance goals and certify that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code, as and when required.

C. Other Compensation and Employee Benefit Plans

1. To review at least annually the goals and objectives of the Company's general compensation plans and other employee benefit plans, and recommend that the Board change these goals and objectives if the Committee deems it appropriate.
2. To review at least annually the Company's general compensation plans and other employee benefit plans in light of the goals and objectives of these plans, and amend, or recommend that the Board amend, these plans if the Committee deems it appropriate.
3. To evaluate annually the appropriate level and types of compensation for Board and Committee service by non-employee members of the Board and to recommend changes therein to the Board.

D. Other

1. To produce any report on executive compensation required by applicable rules and regulations, including the "Report of the Compensation Committee on Executive Compensation" for inclusion in the Company's proxy statement in accordance with applicable SEC rules and regulations.
2. To perform such duties and responsibilities as may be assigned to the Committee or to the Board (to the extent such duties and responsibilities have been delegated by the Board to the Committee).
3. To perform any other activities consistent with this charter, the Company's By-Laws and governing laws as the Committee or the Board deem appropriate.

## V. DELEGATION TO SUBCOMMITTEE

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or other listing standard to be exercised by the Committee as a whole.

## VI. ADVISORS

The Committee shall have the exclusive authority, at the Company's expense, to retain or terminate (including authority to approve fees and other retention terms) any compensation consultants to be used to assist the Committee in the evaluation of director, CEO, officer or other employee compensation, and such independent consulting, legal and other advisors as it shall deem appropriate.

Date Adopted: December 18, 2006