



Vicor Corporation Compensation Committee Charter

Adopted by the Board of Directors on October 18, 2013

Organization

This document (the "*Charter*") governs the conduct and operations of the Compensation Committee of the Board of Directors (the "*Board*") of Vicor Corporation (the "*Company*").

The Company is a "controlled company" in accordance with the corporate governance rules of The NASDAQ Stock Market, LLC (the "*NASDAQ Rules*"), as a single shareholder holds more than 50% of the voting power of the Company's outstanding capital stock. Accordingly, the Company is exempt from the requirements of NASDAQ Listing Rule 5605(d), which requires the compensation of a listed company's executive officers be determined by directors who meet the independence requirements of the NASDAQ Rules.

Notwithstanding exemption from NASDAQ Listing Rule 5605(d), the Board, recognizing the need to follow best governance practices in the fulfillment of its fiduciary duties, has established a Compensation Committee of the Board (the "*Committee*"), composed of such number of directors as may be fixed by the Board from time to time, but in any event not less than three directors. Each member of the Committee shall (i) satisfy the independence requirements set forth in the NASDAQ Rules; (ii) be a "non-employee director" within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"); and (iii) be an "outside director" pursuant to the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "*Code*").

Each member of the Committee shall be appointed annually by the Board to serve until his or her resignation or removal, and may be removed by the Board at any time with or without cause. Resignation or removal of a member of the Board (a "*Director*") from the Board, for whatever reason, shall automatically and without any further action constitute resignation or removal, as applicable, from the Committee. Any vacancy on the Committee, occurring for whatever reason, may be filled only by the Board.

The Board may designate one member of the Committee to be its chairperson (the "*Chair*").

The Committee shall meet at least quarterly and as often as it deems is appropriate to carry out its responsibilities under this charter. The Committee may, to the extent appropriate and permissible pursuant to applicable rules and regulations, invite other members of the Board, the Chief Executive Officer, the Chief Financial Officer, and/or representatives of the Company's Human Resources Department to participate in all or a portion of any meetings of the Committee. The Committee shall regularly report to the Board with respect to its activities.

Purpose

The purpose of the Committee shall be to:

- provide assistance to the Board in (i) overseeing and evaluating the Company's overall human resources policies and programs and (ii) developing and implementing compensation policies and programs appropriate for the Company and its subsidiaries, consistent with long-term enhancement of shareholder value and in support of the long-term strategic goals of the Company and its subsidiaries;

- provide oversight of the administration of the equity-based compensation and incentive plans of the Company and its subsidiaries; and
- prepare the Compensation Committee report that Securities and Exchange Commission proxy rules require to be included in the Company's annual proxy statement.

The Committee shall retain and compensate such outside legal or other advisers as it considers necessary or appropriate in discharging its role. The Committee shall have sole authority to retain, compensate, and terminate any consulting firm or other outside advisor on human resources or compensation matters to assist the Committee in the discharge of its duties. Further, the Committee is authorized to request any that officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor, or any other professional retained by the Company, attend any meeting of the Committee or meet with any members of, or advisors, to the Committee.

Except as specifically set forth herein or as required by applicable rule or regulation, the role of the Committee is advisory in nature and responsibility for determining the compensation of "Executive Officers" (as the term is defined in accordance with Rule 3b-7 promulgated under the Exchange Act) is retained by the Board.

Compensation

A member of the Committee may not, other than in his or her capacity as a member of the Committee, the Board, or any other committee established by the Board, receive directly or indirectly from the Company any consulting, advisory, or other compensatory fee. A member of the Committee may receive additional Director's fees to compensate such member for the significant time and effort expended by such member to fulfill his or her duties as a Committee member.

Duties and Responsibilities

The Committee has the responsibilities and powers set forth in this charter. The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances.

The following shall be the principal duties and responsibilities of the Committee. These are set forth as a guide with the understanding that the Committee may supplement them as appropriate.

- The Committee shall receive and review periodically, among others, the following documents: (i) reports setting forth the Company's exempt employee salary ranges and benefits (and the costs thereof); (ii) schedules setting forth forms and values of compensation for each Executive Officer; (iii) analyses summarizing, as appropriate, the value of each element of compensation, including potential future costs and the accounting treatment therefor; and (iv) data from independent sources on compensation, for functionally comparable positions in comparable organizations.
- The Committee shall establish and review annually the Company's philosophy and policy for the compensation of Directors. The Committee, based on this annual review, the Committee shall recommend to the Board the form and amount of compensation to be paid to Directors for the coming year.
- The Committee shall review periodically the Company's overall compensation programs for management, including (i) salary, bonus, and incentive compensation levels; (ii) deferred compensation; (iii) executive perquisites; (iv) equity compensations (including awards to induce employment); (v) severance agreements; and (vi) change-in-control benefits and other forms of management compensation, to determine whether they are appropriate, properly coordinated, and achieve the intended purpose(s).
- To the extent compensation of Executive Officers may be tied to the collective or individual achievement of certain performance objectives:
 - the Committee shall assess periodically such performance objectives to ensure the ongoing relevance of such objectives in connection with furthering the Company's strategic goals;

- the Committee shall develop and deliver recommendations to the Board regarding the form and amount of performance-based compensation of the Executive Officers (collectively or, if appropriate, on an individual basis), based on the Committee's assessment of such performance objectives; and
- The Committee shall, in consultation with management, oversee regulatory compliance with respect to human resources and compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that such performance goals have been attained for purposes of compliance with Section 162(m) of the Code.
- The Committee shall monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to 401(k) plans.
- The Committee shall oversee the Company's compliance with the requirement that, with limited exceptions, shareholders approve or ratify the Company's equity compensation plans.
- The Committee shall review and discuss with management the Compensation Discussion and Analysis (the "CD&A") by required by Item 402(b) of Regulation S-K and shall consider whether it will recommend to the Board that the CD&A be included in filings made by the Company under the Exchange Act.
- The Committee shall prepare the annual compensation committee report required by Item 407(e)(5) of Regulation S-K.
- To the extent the appropriate authority has been delegated by the Board or Board of any subsidiary of the Company, the Committee shall have the authority to review and approve actions with respect to the adoption, amendment, and termination of equity-based compensation plans of the Company and/or such subsidiary, in accordance with the terms of such plans, including but not limited to (i) designating eligible participants; (ii) determining the size, types, terms, and conditions of awards; (iii) approving the agreements or instruments reflecting awards; (iv) construing and interpreting the plans and agreements or instruments entered into thereunder; and (v) amending or waiving the terms and conditions of outstanding awards; provided, however, that, in each case, when shareholder approval of any action is required under rules and regulations applicable to such plan(s), the Committee shall make appropriate recommendations regarding the foregoing to the Board for approval.
- The Committee shall review and approve any employment agreements, severance arrangements, and similar agreements for Company employees, in each case, when and if appropriate.
- The Committee shall review, approve, and oversee any loans made by the Company to Company employees or third parties.
- The Committee shall perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.
- The Committee periodically, at its discretion:
 - shall perform an evaluation of its performance to determine whether it is functioning effectively; and
 - shall review and reassess this Charter and obtain the approval of the Board.