

**CHARTER  
OF THE  
COMPENSATION COMMITTEE  
OF  
QUALITY SYSTEMS, INC.**

*(as modified and approved by the Board of Directors on May 22, 2013)*

**PURPOSE:**

The purpose of the Compensation Committee of the Board of Directors (the “Board”) of Quality Systems, Inc. (the “Company”) shall be to carry out the Board’s overall responsibility related to the compensation of its executive officers and Board members. The Compensation Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement.

**COMMITTEE MEMBERSHIP AND ORGANIZATION:**

The Compensation Committee will be appointed by and will serve at the discretion of the Board. The Compensation Committee shall consist of no fewer than two members. The members of the Compensation Committee shall meet the (i) composition requirements of Rule 5065(d)(2) of the Corporate Governance standards of the Nasdaq Stock Market (attached hereto as Exhibit A), and (ii) independence requirements of (a) Rule 5605(a)(2) of the Corporate Governance standards of the Nasdaq Stock Market (attached hereto as Exhibit B) and (b) the Company’s Bylaws (the applicable provisions of which is attached hereto as Exhibit C).

The members of the Compensation Committee will be appointed and replaced by the Board. Compensation Committee members will serve at the discretion of the Board.

**COMMITTEE RESPONSIBILITIES AND AUTHORITY:**

- The Compensation Committee shall annually determine and approve for the Chief Executive Officer and the executive officers of the Company (i) the annual base salary, (ii) the annual incentive bonus, including the specific goals and amounts, (iii) equity compensation, (iv) employment agreements, severance arrangements, and change in control agreements/provisions, and (v) any other benefits, compensation or arrangements. The Chief Executive Officer and the executive officers of the Company may not be present during the determination of or the deliberations on his or her compensation.
- The Compensation Committee shall annually perform a risk assessment of the Company’s executive compensation structure, programs and practices to determine whether they encourage excessive risk taking that would be reasonably likely to have a material adverse effect on the Company.
- The Compensation Committee shall annually review and recommend to the Board for approval compensation policies and programs for the non-employee directors.

- The Compensation Committee shall make reports to the Board as appropriate.
- The Compensation Committee shall receive reports from the Chief Executive Officer annually concerning developments of senior management and succession plans.
- The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- The Compensation Committee shall have authority, in its sole discretion, to retain or obtain the advice of a compensation consultant, legal counsel (other than in-house legal counsel) or other advisors (collectively, “Compensation Advisors”). The Compensation Committee shall also have the authority to obtain advice and assistance from in-house or internal legal, accounting or other advisors in carrying out its duties hereunder.
- The Compensation Committee shall be directly responsible for the appointment, compensation and oversight of Compensation Advisors retained by the Compensation Committee.
- The Company shall provide appropriate funding for the payment of reasonable compensation, as determined by the Compensation Committee, to the Compensation Advisors.
- Before selecting a Compensation Advisor, the Compensation Committee shall assess whether work performed or advice rendered by such Compensation Advisor would raise any conflicts of interest by taking into consideration the following six factors, as well as any additional factors that may be specified by the Nasdaq Stock Market or that the Compensation Committee may deem relevant:
  - The provision of other services to the Company by the firm employing the Compensation Advisor
  - The amount of fees received from the Company by the firm that employs the Compensation Advisor, as a percentage of the firm’s total revenues
  - The policies or procedures of the firm employing the Compensation Advisor that are designed to prevent conflicts of interest
  - Any business or personal relationship of the Compensation Advisor with a member of the Compensation Committee
  - Any stock of the Company owned by the Compensation Advisor

- Any business or personal relationships between the executive officers of the Company and the Compensation Advisor or the firm employing the Compensation Advisor

## **Exhibit A**

### **The Nasdaq Stock Market Rule 5605(d)(2):**

(a) Each Company must have, and certify that it has and will continue to have, a compensation committee of at least two members. Each committee member must be an Independent Director as defined under Rule 5605(a)(2). In addition, in affirmatively determining the independence of any director who will serve on the compensation committee of a board of directors, the board of directors must consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to:

- (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and
- (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

#### **(b) Non-Independent Committee Member under Exceptional and Limited Circumstances**

Notwithstanding paragraph 5605(d)(2)(a) above, if the compensation committee is comprised of at least three members, one director who does not meet the requirements of paragraph 5605(d)(2)(a) and is not currently an Executive Officer or employee or a Family Member of an Executive Officer, may be appointed to the compensation committee if the board, under exceptional and limited circumstances, determines that such individual's membership on the committee is required by the best interests of the Company and its Shareholders. A Company that relies on this exception must disclose either on or through the Company's website or in the proxy statement for the next annual meeting subsequent to such determination (or, if the Company does not file a proxy, in its Form 10-K or 20-F), the nature of the relationship and the reasons for the determination. In addition, the Company must provide any disclosure required by Instruction 1 to Item 407(a) of Regulation S-K regarding its reliance on this exception. A member appointed under this exception may not serve longer than two years.

## **Exhibit B**

### **The Nasdaq Stock Market Rule 5605(a)(2):**

An “independent director” means a person other than an Executive Officer or employee of the Company or any other individual having a relationship which, in the opinion of the Company’s board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. For purposes of this rule, “Family Member” means a person’s spouse, parent, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person’s home. The following persons shall not be considered independent:

(a) a director who is, or at any time during the past three years was, employed by the Company;

(b) a director who accepted or who has a Family Member who accepted any compensation from the Company in excess of \$120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following:

(i) compensation for board or board committee service;

(ii) compensation paid to a Family Member who is an employee (other than an Executive Officer) of the Company; or

(iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation.

Provided, however, that in addition to the requirements contained in this paragraph (b), audit committee members are also subject to additional, more stringent requirements under Rule 5605(c)(2).

(c) a director who is a Family Member of an individual who is, or at any time during the past three years was, employed by the Company as an Executive Officer;

(d) a director who is, or has a Family Member who is, a partner in, or a controlling Shareholder or an Executive Officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following:

(i) payments arising solely from investments in the Company's securities; or

(ii) payments under non-discretionary charitable contribution matching programs.

(e) a director of the Company who is, or has a Family Member who is, employed as an Executive Officer of another entity where at any time during the past three years any of the Executive Officers of the Company serve on the compensation committee of such other entity; or

(f) a director who is, or has a Family Member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years.

(g) in the case of an investment company, in lieu of paragraphs (a)-(f), a director who is an "interested person" of the Company as defined in Section 2(a)(19) of the Investment Company Act of 1940, other than in his or her capacity as a member of the board of directors or any board committee.

**Exhibit C**  
**[from the Bylaws of Quality Systems, Inc.]**

At least a majority of the members of the board of directors (the “Board”) shall be independent directors as defined below.

An “independent director” means a person other than an executive officer or employee of the Company or any other individual having a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The following persons shall not be considered independent:

(a) a director who is, or at any time during the past three years was, employed by the Company;

(b) a director who accepted or who has a family member who accepted any compensation from the Company in excess of \$100,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following:

(i) compensation for Board or Board committee service;

(ii) compensation paid to a family member who is an employee (other than an executive officer) of the Company; or

(iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation.

Provided, however, that in addition to the requirements contained in this paragraph (b), audit committee members are also subject to additional, more stringent requirements under Nasdaq Rule 5605(c)(2).

(c) a director who is a family member of an individual who is, or at any time during the past three years was, employed by the Company as an executive officer;

(d) a director who is, or has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following:

(i) payments arising solely from investments in the Company’s securities; or

(ii) payments under non-discretionary charitable contribution matching programs.

(e) a director of the Company who is, or has a family member who is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the Company served on the compensation committee of such other entity; or

(f) a director who is, or has a family member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years.

A "family member" for these purposes means a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home.