

## Compensation Committee Charter

### Organization

The Compensation Committee (the "Committee") of the Board of Directors of Edgewater Technology, Inc. (the "Company") shall be appointed by the Board of Directors and shall consist of at least three directors. Each member of the Committee shall be a "Non-Employee Director" as defined in Rule 16b-3 promulgated by the Securities and Exchange Commission ("SEC") or any successor provisions and an "Outside Director" as defined in the regulations under Section 162(m) of the Internal Revenue Code of 1986, as amended ("IRC"), or any successor provisions. Each member of the Committee must also meet the "independent director" requirements of the NASDAQ Stock Market applicable to the Company ("NASDAQ Rules") and satisfy any other criteria for membership that are specified in the NASDAQ Rules and any other legal requirements relevant to the proper administration of the Company's compensation plans, including requirements under the federal securities laws and the IRC. Independence of the Committee shall be evaluated at least annually, or more frequently as circumstances may dictate, by the full Board of Directors, with assistance of outside counsel. The Committee shall have a Chairman appointed by the Board and be subject to the provisions of the Company's Amended and Restated Bylaws relating to committees of the Board of Directors, including those provisions relating to removing committee members and filling vacancies. Except as limited by law, regulation or the NASDAQ Rules, the Committee may form and delegate authority to subcommittees as it deems appropriate. For purposes of this Charter, "executive officers" shall include any officer of the Company who has been designated as a "reporting person" under Section 16 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or who is otherwise designated as an executive officer by the Board or the Committee for purposes of this Charter.

The Committee shall meet sufficiently often to discharge its responsibilities hereunder. Meetings of the Committee may be called by the Chairman of the Board, Chairman of the Committee or the Chief Executive Officer ("CEO") and may be held telephonically. A majority of Committee members will constitute a quorum for the transaction of business. The CEO and other officers of the Company may be invited to Committee meetings. The Committee shall maintain a written record of its proceedings.

### Statement of Policy and Purpose

The Committee shall provide assistance to the Board of Directors in fulfilling its oversight responsibility related to the compensation programs, plans and awards for directors and principal officers.

### Authority, Powers and Responsibilities

In discharging its appointment from the Board of Directors, the Committee will:

- Oversee the annual evaluation of management, including the matters noted below.
- Annually review and approve goals and objectives relevant to CEO compensation that are consistent with the Company's corporate governance principles. Annually evaluate the CEO's performance in light of those goals and objectives, and determine the CEO's compensation based on this evaluation, including but not limited to incentive compensation plans, equity-based plans and employment agreements. The CEO may not be present during voting or deliberations on his or her compensation.
- In determining the long-term incentive component of CEO compensation, consider objective criteria, including the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.
- Annually review, evaluate and determine the compensation of all other executive officers, including but not limited to incentive compensation plans, equity-based plans and employment agreements.
- Regularly review and determine the compensation of all directors, including equity-based plans taking into consideration the directors' responsibilities, the Company's performance and the compensation of directors at comparable companies.
- Have the authority, in its sole discretion, to retain or obtain the advice of a compensation consultant, legal counsel or other advisor (individually, a "compensation adviser" and collectively, the "compensation advisers"). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation adviser retained by the Committee. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation adviser retained by the Committee. The Committee may select, or receive advice from, a compensation adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors (and the Committee shall be obligated to conduct the independence assessment described herein with respect to any compensation adviser other than in-house legal counsel)<sup>1</sup>:

1. the provision of other services to the Company by the person that employs the compensation adviser;
2. the amount of fees received from the Company by the person that employs the compensation adviser, as a percentage of the total revenue of the person that employs the compensation adviser;
3. the policies and procedures of the person that employs the compensation adviser that are designed to prevent conflicts of interest;
4. any business or personal relationship of the compensation adviser with a member of the Committee;
5. any stock of the Company owned by the compensation adviser; and
6. any business or personal relationship of the compensation adviser or the person employing the compensation adviser with an executive officer of the Company.

Nothing in this charter shall be construed: (i) to require the Committee to implement or act consistently with the advice or recommendations of the compensation adviser; (ii) to affect the ability or obligation of the Committee to exercise its own judgment in the fulfillment of its duties; or (iii) to require a compensation adviser to be independent, only that the Committee consider the enumerated independence factors before selecting, or receiving advice from, a compensation adviser. The Committee may select, or receive advice from, any compensation adviser it prefers, including ones that are not independent, after considering the independence factors outlined above.

- Review and make recommendations to the Board with respect to incentive compensation and equity-based compensation plans that are subject to approval by the Board. The Committee shall annually assess the desirability of proposing and make recommendations to the Board with respect to any new incentive-compensation plans and equity-based plans and any increase in shares reserved for issuance under existing plans. In addition, the Committee, or a majority of the independent directors serving on the Board, shall approve any tax qualified, non-discriminatory employee benefit plans (and any parallel non-qualified plans) for which stockholder approval is not sought and pursuant to which stock options or stock may be acquired by officers, directors, employees or consultants of the Company.
- Administer the Company's equity-based compensation plans in accordance with the terms, provisions and conditions of such plans. The Committee shall (i) administer and implement the Company's incentive compensation plans and equity-based plans, including, but not limited to, (a) approving option grants and restricted unit or other awards, (b) interpreting the plans, (c) determining rules and regulations relating to the plans, (d) modifying or canceling existing grants or awards and (e) imposing limitations, restrictions and conditions upon any grant or award as the Committee deems necessary or advisable and (ii) approve for executive officers of the Company (y) any amendments to such executive's employment agreement, any proposed severance arrangements or change in control and similar agreements/ provisions, and any amendments, supplements or waivers to the foregoing agreements, in each case as, when and if deemed necessary or advisable, and (z) any perquisites or special or supplemental benefits. The Committee, or a majority of the independent directors serving on the Board, shall approve any inducement awards granted in reliance on the exemption from stockholder approval contained in NASDAQ Rule 5635(c)(4). All of the foregoing shall be administered in accordance with applicable law, rules and regulations, and to the extent appropriate or necessary to comply with any federal securities or tax law requirements, such as Rule 16b-3 of the Exchange Act or Section 162(m) of the IRC.
- Review (i) the principles-based disclosure requirements of the Company concerning disclosure mandated by Item 402(b) of Regulation S-K ("CD&A"), (ii) all material elements of the Company's compensation of its executive officers and (iii) the most important factors relevant to an analysis of compensation policies and decisions. The Committee shall further assist the Company, its management and counsel in reviewing and confirming the accuracy of the Company's CD&A in order to be reflective of the foregoing and the individual circumstances of the Company and its executives.
- Review of the Company's incentive compensation arrangements for all employees of the Company to determine whether the Company's incentive compensation arrangements are reasonably likely to have a material adverse effect on the Company and meet at least annually with management to discuss and review the relationship between the Company's risk management policies and practices and the Company's incentive compensation arrangements.
- Review the governance requirements of Item 407 of Regulation S-K, and in particular Item 407(e)(5), which requires the Committee to review and discuss the CD&A with management (the "CD&A Review") and, based on such review and discussions, the Committee shall recommend to the Board of Directors that the CD&A be included in the Company's annual (or special) meeting proxy statement on Schedule 14A ("Proxy Statement"), or if necessary, the Company's Annual Report on Form 10-K ("10-K") or information statement ("14C") on Schedule 14C (the "CD&A Recommendation"). The Committee further shall issue annually a "Compensation Committee Report" (in addition to the Company's obligation to prepare the CD&A disclosure noted above), which shall (i) state that the Committee conducted the CD&A Review and made the CD&A Recommendation, as part of the required disclosures pursuant to Item 407(e)(5) of Regulation S-K, and the name of each member of the Committee shall appear below such Compensation Committee Report and (ii) be included in the Proxy Statement, or if necessary, the 10-K or 14C.
- Review and reassess annually the adequacy of this Charter and the performance of the Committee and obtain the approval of the Board of Directors of any recommended changes to the Charter or the Committee. The Committee shall (i) annually review its own performance as compared to the requirements of this Charter, (ii) have the authority to investigate all matters brought to its attention with full access to all books, records, facilities, and personnel of the Company for such matters and the power to retain outside professionals for this purpose, all at the expense of the Company and (iii) have such other authority and responsibilities as may be assigned to it from time to time by the Board.
- Undertake all further actions and discharge all further responsibilities imposed upon the Committee from time to time by applicable rules of the SEC, NASDAQ and any other federal or state statute or regulation applicable to the Company

from time to time.

## **Charter Adoption and Amendments**

This Charter was adopted effective December 10, 2003, was amended and restated effective on September 27, 2006, June 10, 2009, June 16, 2010, June 8, 2011, June 6, 2012 and June 5, 2013.

<sup>1</sup> The Committee shall not be required to conduct an independence assessment for a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K: (a) consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors of the Company, and that is available generally to all salaried employees, and/or (b) providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation adviser and about which the compensation adviser does not provide advice..