

**McAFEE, INC.**

**CHARTER OF THE  
COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS**

**Approved January 28, 2008  
As amended on July 29, 2008**

**A. PURPOSE**

The primary purpose of the Compensation Committee of the Board of Directors of McAfee is to assist McAfee and the Board in meeting their responsibilities (including responsibilities under applicable SEC and New York Stock Exchange rules) in the following areas:

- Review and approve all executive officer and non-employee director compensation programs and decisions;
- Review and provide advice regarding other compensation and benefit programs as requested by the Board or management of McAfee; and
- Administer McAfee's equity compensation plans.

**B. MEMBERSHIP**

The Compensation Committee shall consist of a minimum of two directors of McAfee, who will be appointed by the Board and serve at the discretion of the Board. Each member of the Committee shall be:

- A "non-employee director" for purposes of Section 16 and Rule 16b-3 of the Securities Exchange Act of 1934, as amended ("Section 16");
- An "outside director" for purposes of Regulation 1.162-27 under Section 162(m) of the Internal Revenue Code ("Section 162(m)"), unless this requirement is expressly waived by the Board as to a member;
- An "independent" director as defined in applicable listing standards or rules established by the NYSE; and
- An individual that meets the requirements of any other applicable rules and regulations that govern Committee membership."

To the extent that the rules of the NYSE (or other applicable exchange) require specific expertise for Compensation Committee members, the Committee members shall possess that expertise.

Unless otherwise necessary to appropriately staff board committees, no more than two members of the Compensation Committee shall simultaneously serve on the Audit Committee.

No director shall serve on the Committee for more than five consecutive years (commencing in 2007 and counting forward).

The Board or the Committee may designate a chairperson of the Committee. The Chairperson will work with McAfee management to determine the agenda, frequency and length

of meetings, facilitate communications among the Committee members and the full Board, and assume other appropriate responsibilities as requested by the Board or McAfee management.

### **C. RESPONSIBILITIES:**

The Committee's principal responsibilities include the following:

1. General Compensation Strategy. The Compensation Committee shall review and approve McAfee's long-term strategy for employee compensation. This includes determining the types of equity and other compensation plans to be used, and the shares and dollar amounts to be made available under such plans (subject to any required Board approval with respect to equity plans, as described below). The Committee will make specific compensation decisions for Executive Officers, as described below. Specific non-equity compensation for employees who are not Executive Officers will be determined by the appropriate executives and managers in consultation with Human Resources unless otherwise specified by the Committee.
2. Executive Officer Compensation Generally. The Compensation Committee has exclusive authority to make decisions regarding all forms of compensation for officers of McAfee who have been designated by the Board as officers under Section 16 of the Securities Exchange Act of 1934, as amended ("Executive Officers"). For this purpose, compensation shall include, but is not limited to, salary, bonus and stock compensation, severance arrangements, perquisites and all terms of or amendments to employment or consulting agreements or arrangements. As part of fulfilling this responsibility, the Committee will establish and periodically review McAfee's overall executive compensation philosophy and guiding principles.
3. Executive Performance Goals. The Committee will review and approve, on at least an annual basis, corporate goals for all variable cash and non-cash compensation, including bonuses, equity awards and variable benefits, if any, for the CEO and the other Executive Officers. Performance goals for each Executive Officer shall be established in collaboration with the CEO (except for goals for the CEO) and shall be set forth in writing.
4. Performance Evaluation and Compensation for the Chief Executive Officer. The Committee shall evaluate and report to the Board at least annually, the CEO's performance in light of the goals established by the Committee. The Committee shall establish and implement specific procedures for annual performance evaluations for the Chief Executive Officer. The procedures may vary from year to year, so long as they are designed to insure that performance evaluations occur at least annually.

In setting compensation for the CEO, the Committee shall consider the performance evaluation described above and compensation levels for CEOs at similar-sized businesses in similar industries or with similar operating profiles, as well as other factors it deems appropriate. The Committee shall, after consultation with the Board, set the CEO's annual compensation, including salary, bonus and equity compensation. The CEO shall not be present during the Committee's deliberations regarding, or voting on, his or her compensation.

5. Performance Evaluation and Compensation for the Chairman of the Board. For any Chairman who is not also the CEO, the Committee shall evaluate the Chairman's performance and report to the Board at least annually. In setting compensation for the

Chairman, the Committee shall consider the performance evaluation described above and compensation levels for the Chairmen at similar-sized businesses in similar industries or with similar operating profiles, as well as other factors it deems appropriate. The Committee shall, after consultation with the Board, set the Chairman's annual compensation, including salary, bonus and equity compensation. The Chairman shall not be present during the Committee's deliberations regarding, or voting on, his or her compensation.

6. Performance Evaluation and Compensation for other Executive Officers. At least annually, the Compensation Committee shall, in collaboration with the CEO, evaluate each Executive Officer's performance and recommend compensation (including cash bonuses, stock options, restricted shares, performance shares, or other performance-based compensation) in view of whether the goals have been achieved.

In order to fulfill this responsibility, the Committee shall direct the CEO to prepare written performance evaluations for all Executive Officers (other than the CEO) and recommend annual compensation for them. The evaluations shall include an assessment of performance against the goals established by the Committee. In setting compensation for each Executive Officer, the Committee shall consider the performance evaluation described above and compensation levels for executives in similar roles at similar-sized businesses in similar industries or with similar operating profiles, as well as other factors it deems appropriate. The Committee will then set annual compensation for each Executive Office (including cash bonuses, stock options, restricted shares or units, performance shares, or other performance-based compensation). No Executive Officer shall be present during the Committee's deliberations regarding, or voting on, his or her compensation.

7. Board of Directors Compensation. The Committee will review and approve equity compensation for the Board. For all other compensation, the Committee will review and make recommendations to the Board for approval.
8. SEC Disclosures. The Committee shall annually review and approve (or recommend that the Board approve) disclosures to McAfee's stockholders for inclusion in its annual proxy statement or annual report on Form 10K, as required by the rules and regulations of the Securities and Exchange Commission as they may be amended from time to time. As of the date of adoption of this charter, the required disclosures include "Compensation Discussion and Analysis" and a Compensation Committee Report. To the extent that an Executive Officer has not achieved goals established for him or her, and the Committee uses its discretion to award bonus or other variable compensation to the Executive Officer, the disclosures described above shall include the Committee's reasons for awarding the variable compensation.
9. Equity Compensation Plans. The Compensation Committee will administer all of McAfee's equity compensation plans (collectively "Equity Plans"). Administration will include but shall not be limited to the following:
  - Approve grants of equity awards under the Equity Plans;
  - Approve the principal forms to be used in connection with the Equity Plans (such as grant and exercise forms);
  - Approve amendments to awards outstanding under the Equity Plans, subject to Board approval as required by law or this Charter, or as otherwise deemed appropriate;
  - Interpret specific provisions of the Equity Plans;

- Authorize the repurchase of shares from terminated employees pursuant to applicable law; and
- Perform other administrative duties assigned to the Committee under any Equity Plan, or assigned to the Committee by the Board in a manner not inconsistent with any Equity Plan.

10. Certain Procedures and Provisions Relating to Equity Awards. Grants of awards under Equity Plans shall be made only at meetings of the Committee or the Board, and not by unanimous written consent. Corporate counsel shall attend any and all meetings where awards are granted and shall promptly prepare minutes of each meeting.

Meetings for approval of awards shall be on regularly scheduled dates, which shall be set by the Committee. The Committee shall generally make equity awards each quarter at a meeting of the Committee held during the open trading window period following the release of financial results for the immediately preceding quarter. Exceptions to these requirements shall be permitted for equity grants awarded in connection with the hiring of a new employee or in instances where the Board or the Committee deems it necessary for employee retention and in the best interests of McAfee to grant an equity award outside of a regularly scheduled meeting. If an exception is made for an award to an Executive Officer, the reasons for the exception shall be included in the disclosures required by Section C(8).

Stock option grants to directors (other than automatic grants under a director option plan) and to Executive Officers shall be reviewed periodically, but in no event less than once per year, by a majority of the independent members of the Board of Directors to monitor compliance with the Company's governance policies and procedures.

The Committee shall maintain a policy providing that (a) the date of grant of an option shall be the date on which the Board or Compensation Committee makes the determination to grant the option; (b) executive Officers shall be prohibited from determining the grant date of any stock option award; and (c) notice of the determination shall be provided to each individual to whom an option is granted promptly but in no event more than three weeks after the date of grant.

11. Board Responsibilities for Equity Plans. The Board has exclusive authority with respect to the following; however, the Committee may make recommendations to the Board with respect to any of these matters.

- Amend any Equity Plan, except to the extent the Committee is expressly authorized by the plan to approve amendments;
- Approve the reservation of shares for issuance under any Equity Plan; and
- Take any other actions that are required to be taken by the Board under the Equity Plans or by applicable laws.

12. Other Matters. The Committee shall assume all other compensation-related duties as the Board may request from time to time.

#### **D. PROCEDURAL MATTERS**

1. Experts and Advisors. The Committee may retain, at McAfee's expense, outside counsel, compensation consultants or other experts or advisors of its choice that it deems necessary or appropriate in the performance of its duties. At least once per year during 2008; 2009 and

2010, the Committee shall select and retain an independent compensation consultant to conduct a comparative study of McAfee's Executive Officer compensation policies, practices, and procedures relative to other public companies and to prepare and submit a report to the Committee.

2. Delegation. The Committee may delegate its responsibilities under this Charter to one or more of its members, subject to the following limitations: (a) authority to grant equity awards shall be limited to the Committee or the full Board, and shall not be delegated to any other person or body; and (b) authority to make decisions relating in any way to compensation for Executive Officers shall be limited to the Committee, and shall not be delegated to any other person or body.
3. Charter Review. The Committee shall review at least annually the adequacy of this Charter and recommend to the Board any proposed changes.
4. Committee Performance Evaluation. The Committee shall evaluate its performance at least annually unless the Board performs such an evaluation of the Committee. .
5. Reports to the Board. The Committee shall regularly report to the Board on significant matters related to the Committee's responsibilities.
6. Minutes. The Committee shall maintain written minutes of its meetings, which will be filed in McAfee's minute books along with minutes of the Board meetings.