

The Princeton Review, Inc.

Compensation Committee Charter

I. General Statement of Purpose

The Compensation Committee of the Board of Directors (the “Compensation Committee”) of The Princeton Review, Inc. (the “Company”), on behalf of the Board of Directors (the “Board”), discharges the Board’s responsibilities relating to compensation of the Company’s directors and executives, oversees the Company’s overall compensation structure, policies and programs, reviews the Company’s processes and procedures for the consideration and determination of director and executive compensation, and is responsible for producing a report for inclusion in the Company’s proxy statement relating to its annual meeting of stockholders or annual report on Form 10-K, in accordance with applicable rules and regulations. The primary objectives of the Compensation Committee are to develop and implement compensation policies and plans that are appropriate for the Company in light of all relevant circumstances and which provide incentives that further the Company’s long-term strategic plan and are consistent with the culture of the Company and the overall goal of enhancing stockholder value, ensure the attraction and retention of key management personnel, the motivation of management to achieve the Company’s corporate goals and strategies, and the alignment of the interests of management with the long-term interests of the Company’s stockholders.

II. Compensation Committee Composition

The number of individuals serving on the Compensation Committee shall be fixed by the Board from time to time but shall consist of no fewer than three members, each of whom shall satisfy the independence standards established pursuant to Rule 4200(a)(15) of the Marketplace Rules of NASDAQ. In determining the members of the Compensation Committee, the Board will consider whether the members qualify as “non-employee directors” as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and as “outside directors” as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended.

The members of the Compensation Committee shall be appointed annually by the Board and may be replaced or removed by the Board at any time, with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from the Compensation Committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board shall designate one member of the Compensation Committee to serve as Chairman of the Compensation Committee.

III. Meetings

The Compensation Committee shall meet as often as it determines is appropriate to carry out its responsibilities, which meetings may be in person or by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. As provided in the Company’s by-laws a majority of the members of the Compensation Committee shall constitute a quorum for purposes of holding a meeting and the Compensation Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Compensation Committee may act by unanimous written consent in accordance with the Company’s bylaws. The Chairman of the Compensation Committee, in consultation with the other members and management, may set meeting agendas consistent with this Charter.

IV. Compensation Committee Activities

The Compensation Committee's purpose and responsibilities shall be to:

A. Review of Charter

- Review and reassess the adequacy of this Charter annually and submit any proposed changes to the Board for approval.

B. Processes and Procedures for Considering and Determining Director and Executive Compensation

- Review and reassess periodically (and where appropriate, make such recommendations to the Board as the Compensation Committee deems advisable with regard to) the Company's processes and procedures for the consideration and determination of director and executive compensation, and review and discuss with management any description of such processes and procedures to be included in the Company's proxy statement.

C. Compensation Committee Report

- Review and discuss with management the Compensation Discussion and Analysis to be included in the Company's proxy statement or annual report on Form 10-K ("CD&A").
- Based on the Compensation Committee's review and discussions with management of the CD&A, make a recommendation to the Board that the CD&A be included in the Company's proxy statement or annual report on Form 10-K.
- Prepare the Compensation Committee Report to be included in the Company's proxy statement or annual report on Form 10-K in accordance with the applicable rules and regulations of the Securities and Exchange Commission, any securities exchange on which the Company's securities are traded, and any other rules and regulations applicable to the Company.

D. Performance Evaluation of the Compensation Committee

- Determine in its sole and absolute discretion whether it should conduct a performance evaluation of the Compensation Committee and, if conducted, report to the Board on the results of such evaluation.

E. Incentive-Compensation and Equity-Based Plans

- Review and determine, or recommend to the Board for determination, incentive-based compensation plans and equity-based plans, in each case consistent with the terms of such plans.
- Review and determine, or recommend to the Board for determination, with regard to policies and procedures for the grant of equity-based awards by the Company.

F. Matters Related to Compensation of the Company’s Chief Executive Officer

- Review and approve the corporate goals and objectives that may be relevant to the compensation of the Company’s Chief Executive Officer (“CEO”).
- Evaluate the CEO’s performance in light of the goals and objectives that were set for the CEO and determine and approve the CEO’s compensation based on such evaluation. In connection with determining the long-term incentive component of the CEO’s compensation, the Compensation Committee should consider 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 Company’s CEO in past years.
- Review periodically the aggregate amount of compensation being paid or potentially payable to the CEO through the use of tally sheets or such other method as the Compensation Committee may determine.
- The CEO may not be present during voting or deliberations concerning his or her compensation.

G. Matters Related to Compensation of the Officers Other Than the Chief Executive Officer

- Determine the compensation of all officers of the Company other than the CEO; for purposes hereof the term “officer” has the meaning defined in Section 16 of the Exchange Act and Rule 16a-1 promulgated thereunder.
- Review periodically the aggregate amount of compensation being paid or potentially payable to the Company’s officers through the use of tally sheets or such other method as the Compensation Committee may determine.

V. Additional Compensation Committee Authority

The Compensation Committee is authorized, on behalf of the Board, to do any of the following, as the Compensation Committee deems necessary or appropriate in its discretion:

A. Matters Related to Compensation of the Company’s Directors and Members of Senior Management

- Review and determine, or recommend to the Board for determination the compensation of the directors of the Company, including with respect to any equity-based plans.
- Review and determine, or recommend to the Board for determination the compensation of all members of senior management of the Company (other than the CEO and other officers described above), including with respect to any incentive-compensation plans and equity-based plans.
- Review periodically the aggregate amount of compensation being paid or potentially payable to members of the Company’s senior management through the use of tally sheets or such other method as the Compensation Committee may determine.

B. Matters Related to Compensation Consulting Firms or Other Outside Advisors

- Exercise sole authority to retain and terminate any consulting firm or other outside advisor on compensation matters that is to be used by the Company or the Compensation Committee to assist in the evaluation of director, CEO or executive officer compensation, and to determine the nature and scope of their assignment and the material elements of the instructions or directions to be given to such consulting firm or advisor.
- Exercise sole authority to approve any fees and other retention terms of any consulting firm or other outside advisor on compensation matters.
- Instruct any consulting firm or other outside advisor to report directly to the Compensation Committee in connection with any engagement regarding director, CEO or executive officer compensation.

C. Succession Planning

- Review and discuss with the Board corporate succession plans for the CEO and other key officers of the Company.

VI. General

- The Compensation Committee may establish and delegate authority to one or more subcommittees consisting of one or more of its members, when the Compensation Committee deems it appropriate to do so in order to carry out its responsibilities.
- The Compensation Committee shall make regular reports to the Board concerning areas of the Compensation Committee's responsibility.
- In carrying out its responsibilities, the Compensation Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Compensation Committee may consult. The Compensation Committee shall have the authority to request that any 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 to render advice to the Company attend a meeting of the Compensation Committee or meet with any members of or advisors to the Compensation Committee. The Compensation Committee shall also have the authority to engage legal, accounting or other advisors to provide it with advice and information in connection with carrying out its responsibilities and shall have sole authority to approve any such advisor's fees and other retention terms.
- The Compensation Committee may perform such other functions as may be requested by the Board from time to time.

ADOPTED: March 10, 2009