



TELLURIAN INC.

## CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

As Approved and Amended by the Board of Directors on December 5, 2018

### I. Purposes of the Committee

The primary duties and responsibilities of the Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Tellurian Inc., a Delaware corporation (the “**Company**”), are to assist the Board in fulfilling its responsibilities with respect to the Company’s compensation plans, policies, programs, and practices, including:

- determining, and/or recommending to the Board for its determination, the compensation of the Company’s Chief Executive Officer (the “**CEO**”) and all other “executive officers” (as defined under Rule 3b-7 under the U.S. Securities and Exchange Act of 1934, as amended) of the Company (together with the CEO, the “**Executive Officers**”); and
- reviewing and approving, and/or recommending to the Board for its approval, equity and other incentive compensation plans, policies, and programs for the Company’s directors, Executive Officers, officers, employees, or consultants, and overseeing and administering such plans, policies, and programs in accordance with their terms.

### II. Composition of the Committee

**Membership.** The Committee shall be comprised of at least two directors as appointed by the Board. Unless a Chair of the Committee is appointed by the Board, the members of the Committee may elect a Chair by majority vote of all of the members of the Committee.

**Independence.** Each member of the Committee shall be independent, as defined and to the extent required under the applicable listing rules of The NASDAQ Stock Market LLC (“**Nasdaq**”), including being an “Independent Director” as defined under Nasdaq Rule 5605(a)(2), or the listing rules or standards of any other securities exchange or association on which the Company’s securities are traded, each as they may be amended from time to time, for purposes of compensation committee membership.

In addition, except as authorized in limited circumstances by the Board, no director may serve on the Committee unless he or she (i) is a “Non-Employee Director” for purposes of

Rule 16b-3 promulgated by the U.S. Securities and Exchange Commission (the “**SEC**”) under the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and (ii) to the extent required for awards intended to constitute “qualified performance-based compensation” within the meaning of Section 162(m) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Code. In the event the Board appoints a director to the Committee who does not qualify as a “Non-Employee Director” or an “outside director,” as applicable, the Committee may form one or more subcommittees, consisting exclusively of such directors who do so qualify, in order to address such matters as the Committee deems appropriate or as may be required by applicable law, listing rules or standards.

**Board determination.** The appointment of members to the Committee and the determination of the independence of each Committee member shall be made by the Board on an annual basis, or more frequently if necessary. In affirmatively determining the independence of any director who will serve on the Committee, the Board must consider all factors specifically relevant to determining whether the director has a relationship to the Company which is material to that director’s ability to be independent from Company management in connection with the duties of a Committee member, including, but not limited to:

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

The Board shall also fill any vacancies on the Committee as they occur and may remove any member of the Committee at any time, with or without cause.

### **III. Committee Meetings and Organization**

The Committee shall meet on a regularly-scheduled basis at least annually, or more frequently as circumstances dictate, at such times and places as the Committee may determine.

Unless otherwise restricted by the Company’s Certificate of Incorporation or By-Laws and subject to applicable law, members of the Committee may participate in a meeting of the Committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to the foregoing shall constitute presence in person at the meeting. In addition, unless otherwise restricted by the Company’s Certificate of Incorporation or By-Laws and subject to applicable law, any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all of the Committee members consent in writing.

The Chair shall preside at meetings of the Committee and shall have authority to convene meetings, set meeting agendas, and determine the Committee’s information needs, except as otherwise provided by action of the Committee. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members to serve as Chair of the meeting. To the extent practicable, the meeting agenda, draft minutes from the prior

meeting, and supporting materials shall be provided to members of the Committee prior to each meeting to allow time for review.

The Committee shall keep minutes of each meeting, which shall be approved by the Committee members and submitted to the Company's Secretary for filing with the corporate records. From time to time on a regular basis and as requested by the Board or the Chairman of the Board, the Chair shall report to the Board on the activities and duties of the Committee.

The Committee shall meet at least annually with the CEO and any other corporate officers the Board and Committee deem appropriate to discuss and review the performance criteria and compensation levels of key executives. The Committee may ask members of management, legal counsel, or others to attend its meetings and provide information to the Committee. However, the CEO may not be present during voting or deliberations on his or her compensation.

#### **IV. Committee Authority and Responsibilities**

The Committee shall have the following authority and responsibilities:

1. ***Overall compensation objectives and policies.*** Determine and approve, and/or recommend to the Board for its approval, the objectives of the Company's compensation programs and policies as they relate to the Company's CEO and other Executive Officers;
2. ***Corporate goals and objectives for compensation of CEO and other Executive Officers.*** At least annually, review and approve, and/or recommend to the Board for its approval, the corporate goals and objectives relevant to the compensation of the Company's CEO and other Executive Officers, including annual and long-term performance goals and objectives;
3. ***Compensation of CEO and other Executive Officers.*** The Committee shall be responsible for determining and approving, and/or recommending to the Board for its determination and approval, the compensation of the CEO and all other Executive Officers of the Company, and in connection therewith shall evaluate at least annually the performance of the Company's Executive Officers against the corporate goals and objectives approved by the Committee and/or the Board, as the case may be, and such other factors as the Committee deems relevant, and, based on this evaluation, make its determination for, or recommend to the Board for its determination, the compensation (including individual elements of salary, bonus, incentive and equity compensation, including any awards under any equity-based compensation or non-equity-based incentive compensation plan of the Company, supplemental retirement arrangements, and any material perquisites) for the CEO and other Executive Officers;
4. ***Compensation for other senior management personnel.*** Determine and approve, and/or recommend to the Board for its determination and approval, the compensation levels (including any incentive awards under any equity-based compensation and/or non-equity-based incentive compensation plans of the Company, and any supplemental retirement arrangements and/or material

perquisites) for members of senior management of the Company (other than the CEO and other Executive Officers) as the Committee may from time to time determine to be appropriate in the Committee's discretion;

5. ***Employment and other compensation arrangements for CEO and other Executive Officers and other senior management personnel.*** Review and approve, and/or recommend to the Board for its approval, any employment agreements, severance arrangements, change in control agreements and provisions, retirement arrangements, and any special or supplemental benefits (including any material perquisites) with respect to the CEO and other Executive Officers and, as the Committee may from time to time determine to be appropriate in the Committee's discretion, any other member of senior management of the Company;
6. ***Equity-based compensation plans.*** Review, approve and/or recommend to the Board for its approval the adoption of any equity-based compensation plan for the Company's directors, officers, employees, or consultants, and any modifications or termination of any such plan, and oversee and administer such plans as provided by the terms thereof, including reviewing, approving and/or authorizing (or recommending to the Board for its approval and/or authorization) awards made pursuant to such plans, and monitor compliance with such rules, policies, and guidelines for the issuance of awards pursuant to such plans as the Committee and/or the Board may establish, including designation of the employees or service providers to whom awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, including, without limitation, the certification of any award intended to be qualified under Section 162(m) of the Code. The Committee shall also be responsible for approving, making and administering any inducement awards outside of the existing equity plans;
7. ***Non-equity-based incentive compensation plans.*** Review and approve, and/or recommend to the Board for its approval, the adoption of any non-equity-based incentive compensation plan for the Company's CEO, any other Executive Officer and, as the Committee determines in its discretion, other members of senior management and other employees and consultants of the Company, and any modifications of any such plan, and oversee and administer such plans as provided by the terms thereof, including reviewing, approving and/or authorizing (or recommending to the Board for its approval and/or authorization) awards made pursuant to such plans, and monitor compliance with such rules, policies, and guidelines for the issuance of awards pursuant to such plans as the Committee or the Board may establish, including designation of the employees or service providers to whom awards are to be granted, the amount of awards and the terms and conditions applicable to awards, including, without limitation, the certification of any award intended to be qualified under Section 162(m) of the Code;
8. ***Employee retirement or other benefit plans.*** Review and approve, and/or recommend to the Board for its approval, the adoption of any employee retirement

plan, and any other employee benefit plan, and any material modifications of any such plans;

9. ***Compensation Discussion and Analysis (“CD&A”) and related Committee report.*** If the Company is required by applicable SEC rules or otherwise desires to include in the Company’s annual report on Form 10-K and/or proxy statement on Schedule 14A a CD&A pursuant to applicable SEC rules, review and discuss the Company’s CD&A with management, and, based on such review and discussion, recommend to the Board whether the CD&A shall be included in the Company’s annual report on Form 10-K and/or proxy statement on Schedule 14A, and prepare the Committee report related thereto for inclusion in the Company’s annual report on Form 10-K and/or proxy statement on Schedule 14A pursuant to Item 407(e)(5) of SEC Regulation S-K;
10. ***Compensation risk oversight.*** Consider information and reports with respect to whether the Company’s incentive compensation policies, practices, and arrangements encourage unnecessary or excessive risk taking, and present concerns to the Board;
11. ***Non-employee director compensation.*** Review the form and amount of non-employee director compensation at least annually, and make recommendations with respect thereto to the Board for approval;
12. ***Share ownership guidelines.*** Monitor compliance of directors and Executive Officers with the Company’s share ownership guidelines, if any, and as the Committee may from time to time determine to be appropriate in the Committee’s discretion from time to time, review and reassess the adequacy of any such share ownership guidelines, and approve, and/or recommend to the Board for its approval, any material modifications of such share ownership guidelines;
13. ***Shareholder advisory votes regarding compensation.*** Review and approve (and/or recommend to the Board for approval) the proposals regarding the say-on-pay vote and the frequency of the say-on-pay vote to be included in the Company’s proxy statement. Consider the results of the most recent shareholder advisory vote on executive compensation and the frequency of such vote, as required by applicable SEC rules and, to the extent the Committee deems it appropriate, take such results into consideration in connection with its review and approval (and/or its recommendation to the Board for Board approval) of executive compensation and the frequency with which the Company will conduct say-on-pay votes;
14. ***Clawback policy.*** Review and approve, and/or recommend to the Board for its approval, the terms of any compensation “clawback” or similar policy or arrangement between the Company and the Executive Officers and other officers subject to Section 16 of the Exchange Act, and as the Committee may from time to time determine to be required by applicable SEC or stock exchange rules or appropriate in the Committee’s discretion, approve, and/or recommend to the Board for its approval, any material modifications of any such policy or arrangement; and

15. ***Sarbanes-Oxley.*** Monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits.

The Committee shall additionally have the following specific responsibilities and authority:

1. ***Committee advisers.*** Subject to the compensation adviser independence evaluation provisions below, the Committee may, in its sole discretion, retain or terminate, or obtain the advice of, any compensation consultant, legal counsel, or other advisers or consultants as the Committee determines necessary or advisable to carry out its duties. The Committee shall be directly responsible for the appointment, compensation, and oversight of the work of any compensation consultant, legal counsel, and other adviser retained by the Committee, and each such compensation adviser shall be accountable to and report directly to the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel, or any other adviser retained by the Committee. The Committee will have authority to approve the engagement of any such adviser or consultant or their affiliates for additional services to the Company;
2. ***Compensation adviser independence considerations.*** With respect to the Committee's authority and responsibilities as to compensation matters, the Committee may select, or receive advice from, a compensation consultant, legal counsel, or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors:
  - the provision of other services to the Company by the person that employs the compensation consultant, legal counsel, or other adviser;
  - the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel, or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel, or other adviser;
  - the policies and procedures of the person that employs the compensation consultant, legal counsel, or other adviser that are designed to prevent conflicts of interest;
  - any business or personal relationship of the compensation consultant, legal counsel, or other adviser with a member of the Committee;
  - any stock of the Company owned by the compensation consultant, legal counsel, or other adviser; and

- any business or personal relationship of the compensation consultant, legal counsel, other adviser, or the person employing the adviser with an executive officer of the Company.

Nothing in the above provisions shall be construed (i) to require the Committee to implement or act consistently with the advice or recommendations of any compensation consultant, legal counsel or other adviser to the Committee; or (ii) to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of the responsibilities of the Committee.

Nothing in the above provisions shall be deemed to require that a compensation consultant, legal counsel, or other compensation adviser to the Committee 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 six independence factors outlined above.

For purposes of the above provisions, the Committee is not 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 SEC Regulation S-K: (i) 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 (ii) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice;

3. ***Annual self-assessment.*** The Committee shall conduct a self-assessment of the Committee's performance on an annual basis and present a report to the Board on the results and conclusions;
4. ***Annual review of charter.*** The Committee shall review and reassess the adequacy of this Charter on an annual basis and shall recommend any proposed changes to the Charter to the Board for approval. This Charter shall be amended as appropriate to comply with all applicable requirements of the SEC and Nasdaq, and any other applicable securities exchange or market. This Charter, as amended, shall at all times be made available on the Company's website; and
5. ***Other activities.*** Perform any other activities consistent with this Charter, the Company's Certificate of Incorporation and By-Laws, the Company's policies and applicable laws, rules, and regulations as the Committee or the Board deems necessary or appropriate.

## V. Miscellaneous

***Committee access and information.*** In order to carry out the Committee's purposes, duties, and responsibilities, the Committee is authorized at all reasonable times to have full access to all books, records, and facilities of the Company, and to have direct, independent, and confidential access to the Company's other directors, management, and personnel. The Committee is authorized to conduct or authorize investigations into any matters relating to the purposes, duties, or responsibilities of the Committee. The Committee is also authorized to obtain, at the Company's expense, compensation surveys, reports on the design and implementation of compensation programs for the Company's directors, officers, and employees, and other data and documentation as the Committee considers appropriate.

***Reliance on others.*** Each member of the Committee shall be entitled to rely on information, opinions, reports, or statements prepared or presented by officers and employees of the Company, consultants, legal counsel, other advisers or other persons with professional or expert competence. Nothing in this Charter is intended to preclude or impair the protection provided by Section 141(e) of the Delaware General Corporation Law for good faith reliance by members of the Committee on reports or other information provided by others.

***Delegation of authority.*** The Committee may form and delegate authority and duties to sub-committees of the Committee as it deems appropriate in carrying out its duties and responsibilities, provided that in fulfilling its duties and responsibilities, the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole. To the extent permitted by and consistent with applicable law (including the requirements of Rule 16b-3 under the Exchange Act) and the provisions of an applicable compensation plan, the Committee may delegate to one or more executive officers of the Company the authority to grant awards to employees of the Company or any subsidiary of the Company who are not directors or executive officers of the Company.