

CHARTER FOR THE
COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS
OF
UBIQUITI NETWORKS, INC.

1. Purpose.

The purpose of the Compensation Committee of the Board of Directors (the “Board”) of Ubiquiti Networks, Inc. (the “Company”) shall be to:

- provide oversight of the Company’s compensation policies, plans and benefits programs;
- assist the Board in discharging its responsibilities relating to (1) oversight of the compensation of the Company’s Chief Executive Officer (the “CEO”) and other executive officers, including officers subject to reporting requirements under Section 16 (“Section 16”) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and (2) approving and evaluating the executive officer compensation plans, policies and programs of the Company; and
- administer the Company’s equity compensation plans for its employees, consultants and nonemployee directors.

The compensation programs for the Company’s executive officers shall be (1) designed to attract, motivate and retain talented executives responsible for the success of the Company, (2) determined within a competitive framework and (3) based on the achievement of the Company’s overall financial results and individual contributions.

In furtherance of these purposes, the Compensation Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

2. Membership and Organization.

Composition. The Compensation Committee members shall be appointed by, and shall serve at the discretion of, the Board. The Compensation Committee shall consist of no fewer than two members of the Board. The Board may designate one member of the Committee as its chair. The Compensation Committee may form and delegate authority to subcommittees when appropriate. Members of the Compensation Committee must meet the following criteria:

- the independence requirements of the Marketplace Rules of the Nasdaq Global Market (the “Nasdaq”);

- the non-employee director definition of Rule 16b-3 promulgated under Section 16, promulgated by the Securities and Exchange Commission (“SEC”); and
- the outside director definition of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “IRC”).

Meetings, Procedures and Compensation.

- The Compensation Committee will set its own schedule of meetings and will meet at least two times annually, with the option of holding additional meetings at such times as it deems necessary or appropriate. The Compensation Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. Meetings of the Compensation Committee may be held telephonically.
- The Compensation Committee may invite to its meetings any director, officer or employee of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Compensation Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities, including non-management directors who are not members of the Compensation Committee. No officer shall be present at meetings at which such officer’s performance and compensation are being discussed and determined.
- The Compensation Committee may form subcommittees for any purpose that the Compensation Committee deems appropriate and may delegate to such subcommittees such power and authority as the Compensation Committee deems appropriate. Specifically, at its discretion, the Compensation Committee shall have the authority to designate a Committee for equity awards to new or continuing employees or consultants of the Company who are not subject to Section 16 (collectively, “Eligible Service Providers”) with the authority to grant options or stock purchase rights to Eligible Service Providers within guidelines established by the Compensation Committee from time to time. Minutes of any subcommittee will be filed with the minutes of the meetings of the Board. The Compensation Committee shall not delegate to a subcommittee any power or authority required by law, regulation or listing standard to be exercised by the Compensation Committee as a whole.
- The Board may designate one member of the Compensation Committee as its chairperson. If the Board does not designate a chairperson, a majority of the members of the Compensation Committee may elect a chairperson of the Compensation Committee.

- Members of the Compensation Committee shall receive such fees, if any, for their service as Compensation Committee members as may be determined by the Board in its sole discretion. Fees may be paid in such form of consideration as is determined by the Board. Members of the Compensation Committee may not receive any compensation from the Company except the fees that they receive for service as a member of the Board or any committee thereof.
- In addition to preparing the report in the Company's proxy statement in accordance with the rules and regulations of the SEC, the Compensation Committee will summarize its examinations and recommendations to the full Board as may be appropriate, consistent with the Compensation Committee's charter.

3. Responsibilities and Duties.

To the extent deemed necessary or appropriate, the Compensation Committee shall:

Set Compensation for Executive Officers

- Review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate his or her performance in light thereof, and consider factors related to the performance of the Company in approving the compensation level of the CEO. The CEO may not be present during deliberations or voting on such matters or any matters relating to his or her compensation.
- Review and approve the compensation for other executive officers identified by the Compensation Committee; provided, however, that only the Compensation Committee or the Board shall be permitted to approve any grant or amendment to any grant of equity incentive compensation to any executive officer.
- Review and make recommendations to the full Board, or approve, any contracts or other transactions with current or former executive officers of the Company, including consulting arrangements, employment contracts, severance or termination arrangements and loans to employees made or guaranteed by the Company.
- Review the results of any advisory stockholder votes on executive compensation and consider whether to recommend adjustments to the Company's executive compensation policies and practices as a result of such votes.

Monitor Incentive and Equity-Based Compensation Plans

- Establish and administer annual and long-term incentive compensation plans for senior executives, including:
 - Establishing performance objectives and certifying performance achievement; and
 - Reviewing and approving all equity-based compensation plans and grant awards of shares and stock options pursuant to such plans.
- Administer the Company’s equity incentive plans. In its administration of the plans, the Compensation Committee may, pursuant to authority delegated by the Board, (i) grant stock options or stock purchase rights to individuals eligible for such grants (including grants to individuals subject to Section 16 in compliance with Rule 16b-3 promulgated thereunder) and in accordance with procedures and guidelines as may be established by the Board and (ii) amend such stock options or stock purchase rights. The Compensation Committee shall also make recommendations to the Board with respect to amendments to the plans and changes in the number of shares reserved for issuance thereunder.
- Approve all equity incentive grants to executive officers of the Company to ensure that such grants comply with Section 162(m) of the IRC.
- Oversee the Company’s overall compensation philosophy, compensation plans and benefits programs by reviewing management reports with respect thereto. The Compensation Committee shall also make recommendations to the Board with respect to improvements or changes to such plans or the adoption of new plans when appropriate.
- Authorize the repurchase of shares from terminated employees pursuant to applicable law.
- Review and recommend compensation programs for outside directors.

Compliance and Governance Issues

- Draft, review and discuss with management the Compensation Discussion and Analysis (“CD&A”) and related disclosures required by the SEC. The Committee will also review and recommend the final CD&A to the Board for inclusion in the annual report (Form 10-K) and proxy.
- Prepare the Compensation Committee Report required by the rules of the SEC to be furnished with the Company’s annual report and proxy statement.

- Review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.
- Report regularly to the Board (i) following meetings of the Compensation Committee, (ii) with respect to such other matters as are relevant to the Compensation Committee's discharge of its responsibilities and (iii) with respect to such recommendations as the Compensation Committee may deem appropriate. The report to the Board may take the form of an oral report by the chairperson or any other member of the Compensation Committee designated by the Compensation Committee to make such report.
- Review the risks associated with the Company's compensation policies and practices, including an annual review of the Company's risk assessment of its compensation policies and practices for its employees.
- Review periodically the performance of the Compensation Committee.

The Compensation Committee shall perform such other functions as assigned by law, the Company's certificate of incorporation or bylaws or the Board.

Authority; Outside Advisors. The Committee has the authority to take any actions it considers appropriate to fulfill the above responsibilities and duties, including, without limitation, the authority to retain such outside counsel, experts, and other advisers as it determines appropriate to assist it in the performance of its functions, including, without limitation, sole authority to retain and terminate one or more compensation consulting firms, and to approve the fees and other retention terms for any such firm that is retained by it. The Committee shall have full access to any relevant records of the Company and may request that any officer or other employee of the Company or the Company's outside counsel meet with any members of, or consultants to, the Committee. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to any advisers employed by the Committee, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. In connection with the foregoing, the Committee shall comply with any applicable Securities and Exchange Commission or Nasdaq requirements regarding the consideration of the independence of any compensation consultant, counsel or other adviser.