

# UNIVERSAL INSURANCE HOLDINGS, INC.

## CHARTER OF THE COMPENSATION COMMITTEE

Revised as of October 24, 2018

### I. Purpose

The purpose of the Compensation Committee (“Committee”) is to assist the Board of Directors (“Board”) of Universal Insurance Holdings, Inc. (“Company”) in carrying out its responsibilities relating to the compensation of the Company’s directors and executive officers, including the administration of the Company’s equity-based compensation plans to the extent provided under those plans. Certain duties and responsibilities of the Committee are more specifically set forth below.

### II. Membership and Structure

The Committee shall consist of at least two directors determined by the Board, one of whom shall serve as the Chair of the Committee. To the extent that the Company’s securities are quoted on the New York Stock Exchange (“NYSE”) (or any other national securities association or exchange), Committee members shall meet the independence requirements of such exchange or association and applicable federal law. Additionally, no director may serve on the Committee unless he or she is a “Non-employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

Appointment to the Committee, including the designation of the Chair of the Committee, shall be made at least annually by the full Board. The Board may, in its discretion, from time to time remove members of the Committee and fill any vacancies on the Committee by a majority vote of the Company’s directors serving on the Board.

### III. Operations

**A. Authority and Resources.** The Committee, at its discretion, shall have the authority (including approval of fees and other retention terms), at the expense of the Company, to hire and terminate special legal or other outside advisors or experts (such as compensation consultants) to assist the Committee as it deems necessary to fulfill its duties under this Charter, including with respect to assisting the Committee in the design, implementation and evaluation of director, CEO or senior executive compensation. Any such advisors may be retained only after the Committee has considered such factors relating to independence as may be specified by applicable NYSE rules and such other factors the Committee considers relevant. The Committee may also perform such other activities consistent with this Charter, the Company’s Certificate of Incorporation and governing law, as the Committee or the Board deems necessary or appropriate.

The Committee is at all times authorized to have direct, independent and confidential access to the Company’s other directors, management and personnel to carry out the Committee’s purposes. The Company shall provide appropriate funding, as determined by the Committee, for

payment of ordinary administrative expenses of the Committee that are necessary or appropriate to permit the Committee to perform its duties under this Charter and to compensate any advisors.

**B. Meetings, Quorum and Reports.** The Committee shall meet as often as may be deemed necessary or appropriate in its judgment, and at such times and places as the Committee shall determine. The Committee may hold special meetings or act by unanimous written consent as the Committee may decide. The meetings may be in person or by telephone. At each meeting of the Committee, a majority of the Committee members will constitute a quorum for conducting business. The act of a majority of Committee members present at a Committee meeting at which a quorum is present will be the act of the Committee, unless a greater number is required by law, the Company's Certificate of Incorporation, its Bylaws or this Charter. The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee shall also make regular reports to the Board. The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

**C. Subcommittees and Delegation.** The Committee may form and delegate authority to subcommittees, or to one or more members of the Committee, when appropriate.

**D. Evaluations.** The Committee shall evaluate the adequacy of its own performance and this Charter on an annual basis, report to the Board the results of such evaluation and recommend any proposed changes to the Board for approval.

#### **IV. Duties and Responsibilities**

The Committee, to the extent it deems necessary or appropriate, shall:

- A. Establish the Company's executive compensation philosophy and oversee the Company's processes and procedures for consideration and determination of executive officer compensation.
- B. Review with the Company's management the compensation discussion and analysis of executive compensation to be included in the Company's proxy statement or annual report on Form 10-K and, if appropriate, recommend to the Board that it be so included, and produce the report of the Committee for inclusion in the Company's proxy statement.
- C. Determine the compensation of the Company's executive officers, except for the chief executive officer, for whom the Committee shall recommend to the independent members of the Board for determination such compensation. The Committee shall review and approve corporate goals and objectives relevant to such compensation of executive officers. In determining the amount, form and terms of such compensation, the Committee shall consider the annual performance evaluation of each executive officer conducted by the Board in light of corporate goals and objectives relevant to each executive officer's compensation, competitive market data pertaining to such compensation at comparable companies, and such other factors as it shall deem relevant,

and shall be guided by, and seek to promote, the best interests of the Company and its shareholders.

- D. Review and approve, for the chief executive officer and other executive officers of the Company, employment agreements, severance agreements and change in control agreements.
- E. Oversee, in consultation with management, regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve tax deductibility and, as and when required, establishing performance goals and certifying that performance goals have been attained.
- F. Administer the Company's equity-based compensation plans, to the extent provided under those plans, and fix and determine awards to employees pursuant to and as may be permitted or required under those plans. In determining such awards for employees other than the chief executive officer, the Committee may consider the recommendations of the chief executive officer or other executive officers of the Company as the Committee deems appropriate.
- G. Oversee shareholder communications and engagement on executive compensation matters, including shareholder votes on executive compensation, and assess the results of the Company's most recent advisory votes on executive compensation.
- H. Review, from time to time, and make recommendations to the Board with respect to the compensation of directors.
- I. Review and approve stock ownership guidelines for the executive officers and non-employee members of the Board, monitor compliance with such guidelines, if any, and interpret such stock ownership guidelines as appropriate.
- J. Review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.