

**CHARTER OF THE
COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE
DECKERS OUTDOOR CORPORATION**

1. PURPOSE

The Compensation and Management Development Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Deckers Outdoor Corporation (the “Company”) to discharge the responsibilities of the Board relating to the compensation of the Company’s directors, Chief Executive Officer (“CEO”) and the Company’s other executive officers as determined with reference to Section 16 of the Securities Exchange Act of 1934, as amended (together with the CEO, the “Executive Officers”) and the oversight and approval of the management continuity planning process. The Committee has overall responsibility for approving and evaluating the director and Executive Officer compensation plans, policies and programs of the Company, as well as the succession plans relating to the Executive Officers.

To carry out this purpose, the Committee shall:

- (1) Review and approve corporate goals and objectives relevant to compensation of the Executive Officers.
- (2) Evaluate the performance of the Executive Officers in light of those goals and objectives.
- (3) Determine and approve the compensation level of the Executive Officers based on this evaluation.
- (4) Make recommendations to the Board with respect to incentive-compensation plans and equity-based plans.
- (5) Oversee and approve the management continuity planning process.
- (6) Review and evaluate the succession plans relating to the Executive Officers.

2. COMMITTEE MEMBERSHIP AND ORGANIZATION

The Committee shall be comprised of no fewer than three members. Each member of the Committee shall meet the independence requirements adopted by the Board with reference to the requirements of the NASDAQ Marketplace Rules and the Securities and Exchange Commission and shall be “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code Of 1986. Each member shall be free of any relationship that, in the opinion of the Board, would interfere with his or her individual exercise of independent judgment. The Corporate Governance and Nominating Committee shall recommend directors to be appointed as members of the Committee to the Board. The Board shall appoint members of the Committee and may replace or remove members from time to time. The Board shall appoint one of the members as Chair. Committee

members shall serve for a period of one year unless a member resigns or is replaced by the Board and their successor appointed.

The Committee shall determine which officers of the Company or other visitors to invite to the Committee's meetings, provided the CEO may not be present during voting or discussion of his or her compensation. The Committee shall meet regularly, but not less than twice annually, in executive session to discuss any matters that the Committee believes should be discussed privately. In the sole discretion of the Committee, the Committee may meet in executive session at any time.

3. COMMITTEE RESPONSIBILITIES AND AUTHORITY

To carry out the purposes expressed in Paragraph 1 above, the Committee shall have the responsibilities and authority set forth below. The Committee shall have sole authority to retain and terminate any consulting firm used to assist in the evaluation of directors or Executive Officer compensation, including sole authority to approve the consulting firm's fees and other retention terms. The Committee also shall have authority to obtain advice and assistance from internal or external legal, accounting or other advisors and the sole authority to approve the payment of the advisor's fees and other retention items. All fees and other retention items for compensation consultants, internal or external legal, accounting or other advisors shall be paid by the Company.

(1) Review from time to time and approve the Company's compensation strategy to ensure that management is rewarded appropriately for its contributions to Company growth and profitability and that the executive compensation strategy supports Company objectives and stockholder interests.

(2) Annually review and approve for the Company's Executive Officers, as applicable: (a) annual base salary level, (b) annual incentive opportunity level, (c) long-term incentive opportunity level (either cash-based, equity-based or otherwise), (d) any employment agreements or severance or retirement arrangements, and (e) any special or supplemental benefits except as provided in paragraph (5) below. The Committee may solicit and, if received, may accept or reject the recommendation of the CEO with respect to the foregoing for any Executive Officer (other than the CEO). The CEO may not be present during voting on or discussion of his or her compensation, but the CEO may participate in discussions regarding compensation for the Company's other Executive Officers. All stock awards granted to the Company's Executive Officers shall be granted under the Company's equity incentive compensation plans.

(3) Annually review and approve, subject to ratification by the Board, annual retainer and meeting fees for directors and members of Board committees, any additional compensation for service as a committee chairman, service as a lead director, or any other benefit payable by virtue of the director's position as a member of the Board, including expense reimbursement limits and per diem allowances, and the terms and awards of stock compensation for members of the Board.

(4) Review and, subject to paragraph (5) below, approve the Company's (a) equity incentive compensation plans and any stock options or other awards thereunder, (b) employee stock purchase plan and (c) executive bonus plan or plans as they relate to Executive Officers, and in each case shall review and approval any material changes or amendments to such plans. To the extent that any such plans are qualified under Section 162(m) and require Committee to certify whether performance goals have been met, the Committee shall make such certification prior to making any payments under such plans. The Committee shall oversee the Company's 401(k) Plan Committee

and shall have responsibility for 401(k) Plan amendments. The Committee will assure that the equity incentive compensation plans are administered in a manner consistent with the Company's equity incentive compensation plan documents.

(5) The following shall be presented as a recommendation to the full Board and approved by the full Board: (a) any action that is required by law or regulation to be submitted to the stockholders of the Company for approval, and (b) any approval, amendment, or termination of change in control agreements/provisions related to directors or Executive Officers of the Company. In the event the recommendation of the Committee is not approved by the Board, the recommended action must be returned to the Committee for further discussion. Any future Committee recommendation regarding such item must, again, be presented to the Board for its approval.

(6) Annually review the performance of the CEO and the Executive Officers of the Company, and report on the Committee's review to the Board and the CEO.

(7) Produce the report on executive compensation and a compensation discussion and analysis ("CD&A") for inclusion in the Company's proxy statement. The Committee shall recommend to the full Board that the CD&A be included in the proxy statement or shall disclose to the full Board the reasons that it cannot make such a recommendation.

(8) Discuss, review, adopt (or recommend to the Board for adoption) and revise on a periodic basis, plans for orderly succession to the positions of Chairman, President, Chief Executive Officer and Chief Operating Officer. The Committee shall also make an annual report to the Board on succession planning and work with the full Board and management to identify recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals. Review periodically the Company's overall management, development and succession programs, including such topics as career paths and attracting and retaining high quality employees.

(9) Form and delegate authority to subcommittees, or delegate authority to members, when appropriate, provided that such subcommittees will be composed exclusively of members of this Committee and will operate pursuant to a written charter.

(10) Review and re-examine this Charter at least annually and make recommendations to the Board with respect to any proposed changes.

(11) Annually report to the full Board regarding its own performance against the responsibilities outlined in this Charter and as otherwise established by the Board.

(12) Such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board or the Chairman, or as designated in compensation plan documents.

4. MEETING AND MINUTES

(1) The Committee will meet at least twice annually and will also meet, as required, in response to the needs of the Board and as necessary to fulfill their responsibilities.

(2) The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. Two (2) members of the Committee shall

constitute a quorum for doing business. Committee actions shall be taken by unanimous vote if only a quorum is present at a meeting; or by majority vote of the Committee members present at a meeting where at least three (3) members are present. The Committee may also act through unanimous written consent and such consents will be filed with the minutes of the meetings of the Board.

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