

Cubic Corporation
Charter of the Executive Compensation Committee

This Charter of the Executive Compensation Committee (this “**Charter**”) was adopted by the Board of Directors (the “**Board**”) of Cubic Corporation (“**Cubic**”) on June 26, 2013, and amended on October 27, 2014.

Purpose.

The Executive Compensation Committee (the “**Committee**”) is established by the Board of Cubic to assist the Board in discharging its responsibilities relating to compensation of Cubic’s Executives (as defined below), including by designing (in consultation with management or the Board), evaluating and approving Cubic’s compensation plans, policies and programs. The Committee may undertake additional responsibilities as directed by the Board.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with Cubic’s bylaws and applicable law. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

Members.

The Committee shall be composed of at least two directors as determined by the Board, none of whom shall be an employee of Cubic and each of whom shall (a) satisfy the independence requirements of the New York Stock Exchange (“**NYSE**”), (b) be a “non-employee director” within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “**1934 Act**”), and (c) be an “outside director” under the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “**Code**”).

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause, by the Board. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

Responsibilities.

The Committee shall:

1. Annually review and approve goals and objectives relevant to compensation for the chief executive officer, elected executive officers and principal officers of principal subsidiaries (the “**Executives**”), evaluate each Executive’s performance in light of those goals and objectives, and either as a Committee or together with the other independent directors of the Board, determine and approve the Executive’s compensation based on that evaluation. It shall also approve the compensation of any relatives of any director or Executive.

2. Approve employment and severance agreements, transition protection agreements and other oral or written material commitments concerning the Executives.

3. Review and approve any annual or periodic objective measurements concerning compensation for the Executives.

4. Manage and periodically review and approve all annual bonus, long-term incentive compensation and equity plans, and with respect to each plan shall have the authority to:

(a) conduct general administration;

(b) set performance targets under all annual bonus and long-term incentive compensation plans as appropriate, including, as and when required, committing to writing any and all performance targets for all Executives who may be “covered employees” under Section 162(m) of the Code within the first 90 days of the performance period to which such target relates or, if shorter, within the period provided by Section 162(m) of the Code in order for such target to be “pre-established” within the meaning of Section 162(m);

(c) certify that any and all performance targets used for any performance-based equity compensation plans have been met before payment of any Executive bonus or compensation or exercise of any Executive award granted under any such plan(s), which certification shall be in accordance with the requirements under Section 162(m) of the Code, as and when required;

(d) approve all amendments to, and terminations of, all compensation plans and any awards under such plans, unless the terms of such plans expressly require Board approval;

(e) grant, set the terms of and modify any awards under any performance-based annual bonus, long-term incentive compensation and equity compensation plans to Executives or current employees with the potential to become the chief executive officer or an Executive, including stock options and other equity rights (e.g., restricted stock and stock purchase rights); and

(f) make recommendations to the Board with respect to awards for Cubic’s directors under Cubic’s equity incentive plan(s).

5. The Committee’s authority to conduct plan reviews may include reviewing the plan’s administrative costs, reviewing current plan features relative to any proposed new features, and assessing the performance of the plan’s internal and external administrators if any duties have been delegated

6. (a) Review and discuss with management Cubic’s compensation discussion and analysis to be included in Cubic’s annual proxy statement or Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission, (b) review and discuss with management the disclosure included in Cubic’s annual proxy statement related to the engagement of advisors to the Committee, and (c) prepare and approve the Compensation Committee report to be included in Cubic’s annual proxy statement.

7. Evaluate the performance of the Committee on an annual basis.

Meetings.

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of Cubic's bylaws that are applicable to the Committee.

All non-management directors that are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of Cubic's management, representatives of the independent auditor, the internal auditor, any other financial personnel employed or retained by Cubic or any other persons whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Committee may also exclude from its meetings any person it deems appropriate, including but not limited to, any non-management director that is not a member of the Committee.

The Committee shall have the sole authority, in accordance with applicable securities laws, rules and regulations and NYSE listing standards, to retain or terminate, as needed, any independent counsel, compensation and benefits consultants and other outside experts or advisors ("*compensation advisors*") to assist in performing its duties. The Committee shall be responsible for the appointment, compensation and oversight of the work of any compensation advisors retained by the Committee. Subject to any exceptions under NYSE listing standards, prior to selection and engagement of any compensation advisor, the Committee shall undertake an analysis of the independence of each such outside advisor under the independence factors specified in the applicable requirements of the 1934 Act and NYSE listing standards. The Committee may utilize the services of Cubic's regular counsel or other advisors to Cubic and is not required to retain compensation advisors who are independent of Cubic. Cubic shall provide appropriate funding, as determined by the Committee in its sole discretion, for payment of compensation to any such compensation advisors retained by the Committee.

The Chair shall report to the Board following meetings of the Committee and as otherwise requested by the Chairman of the Board.

Charter.

At least annually, the Committee shall review and reassess this Charter. The Committee may adopt, and recommend amendments to, this Charter (the consent of the Board being required).

Delegation of Duties.

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, except that it 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 or any matters that involve Executive compensation or any matters where it has determined such compensation is intended to comply with Section 162(m) of the Code by virtue of being approved by a committee of "outside directors" or is intended to be exempt from Section 16(b) under the 1934 Act pursuant to Rule 16b-3 by virtue of being approved by a committee of "non-employee directors."