

# REAL GOODS SOLAR, INC.

## COMPENSATION COMMITTEE CHARTER

### Purpose

The purpose of the Compensation Committee of Real Goods Solar, Inc.'s ("Real Goods") Board of Directors (the "Committee") is to, among other things, (i) review and approve the compensation of Real Goods' executive officers and the grant of stock options and other stock based compensation to Real Goods' executive officers and employees and (ii) produce the report on executive compensation for inclusion in Real Goods' annual proxy statement or annual report in accordance with applicable rules and regulations.

### Authority

The Committee shall have the following specific powers and duties:

1. To review and approve all actions involving the compensation of Real Goods' executive officers, including salary, bonuses and benefits;
2. To review and approve all grants of options and other compensation to executive officers and employees under Real Goods' 2008 Long-Term Incentive Plan and any other compensation plans and equity-based plans;
3. To review management's recommendations for compensation of Real Goods' executive officers, including base salary, bonuses and any other compensatory arrangements, and to review management's recommendations for the grant of stock options and other stock based compensation to Real Goods' officers;
4. To request that management obtain information in order for the Committee to assess the compensation of Real Goods' executive officers, including compensation surveys and studies of the compensation practices of comparable companies;
5. To oversee, review and make recommendations to the Board of Directors regarding the adoption of or revisions to compensation plans, equity-based plans and employee benefit programs for executive officers, including plans pertaining to management salaries, incentive compensation, pensions and retirements savings;
6. To have prepared and to review and discuss with Real Goods' management the compensation discussion and analysis disclosure required by the Securities and Exchange Commission and, based on this review and discussion, recommend to the Board of Directors the inclusion of such disclosure in Real Goods' proxy statement or annual report, in accordance with applicable rules and regulations;
7. To review and recommend executive compensation policies and practices for the executive officers generally, including the relationship of corporate and individual performance to such policies and practices;
8. To prepare the Compensation Committee Report required by the Securities and Exchange Commission for inclusion in Real Goods' proxy statement or annual report, in accordance with applicable rules and regulations;

9. To review and recommend to the Board of Directors, any special employment contract or other similar special agreement, such as a severance arrangement or a supplementary pension, for any executive officer;
10. To serve as a counseling committee to the Chief Executive Officer regarding matters of key personnel selection, compensation matters and such other matters as the Board of Directors may from time to time direct;
11. To hold such regular meetings as may be necessary and such special meetings as may be called by the Chairman of the Committee or at the request of Real Goods' management;
12. To review the programs and policies of Real Goods designed to ensure compliance with applicable laws and regulations relating to compensation of executive officers and monitor the results of these compliance efforts;
13. To report through its Chairman to the Board of Directors following the meetings of the Committee;
14. To maintain minutes or other records of meetings and activities of the Committee;
15. To review the powers of the Committee annually and report and make recommendations to the Board of Directors on these responsibilities, as appropriate;
16. To conduct or authorize investigations into any matters within the Committee's purpose and powers;
17. The Committee shall be empowered to retain independent counsel, accountants, or others to assist it in the conduct of any investigation; and
18. To consider such other matters in relation to the compensation policies of Real Goods as the Committee may, in its discretion, determine to be advisable.