

ZORAN CORPORATION
COMPENSATION COMMITTEE
CHARTER

I. Purpose

This Charter specifies the scope of the responsibilities of the Compensation Committee (“**Committee**”) of the Board of Directors (“**Board**”) of Zoran Corporation (“**Company**”) and the manner in which those responsibilities shall be performed, including the Committee’s structure, processes and membership requirements.

The primary purpose of the Committee is to discharge the Board’s responsibilities relating to compensation and benefits of the Company’s executive officers. In carrying out these responsibilities, the Committee shall review all components of executive officer compensation for consistency with the Committee’s compensation policies in effect from time to time.

The Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations of the Securities and Exchange Commission.

The Committee intends to make all awards of stock option, restricted stock, restricted stock units and or other equity awards pursuant to the Company’s Equity Awards Policy, a copy of which is attached to this Charter.

II. Organization and Membership Requirements

The Committee shall be comprised of at least two directors, each of whom shall satisfy the independence requirements established by the rules of Nasdaq. A director shall not serve as a member of the Committee if the Chief Executive Officer or any other executive officer of the Company serves on the compensation committee of another company that employs that director as an executive officer.

The members shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee and shall serve until their successors are duly elected and qualified or their earlier resignation or removal. Any member of the Committee may be replaced by the Board on the recommendation of the Nominating and Corporate Governance Committee. Unless a chairman of the Committee is elected by the full Board, the members of the Committee may designate a chairman by majority vote of the full Committee. The Committee may from time to time delegate duties or responsibilities to subcommittees or to one member of the Committee.

III. Meetings

The Committee shall meet as often as it deems appropriate, but not less frequently than four times per year, to review the compensation of the executive officers of the Company, and otherwise perform its duties under this charter.

A majority of the members shall represent a quorum of the Committee, and, if a quorum is present, any action approved by at least a majority of the members shall represent the valid action of the Committee.

The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

IV. Committee Authority and Responsibilities

To fulfill its responsibilities and duties, the Committee shall:

1. Review and approve all compensation for the Chief Executive Officer, including salary and incentive-based and equity-based compensation and awards.
2. Review and approve annual performance objectives and goals relevant to compensation for the Chief Executive Officer and evaluate the performance of the Chief Executive Officer in light of these goals and objectives.
3. Consider, in determining the long-term incentive component of compensation for the Chief Executive Officer, the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the Company's Chief Executive Officer in past years.
4. Review and approve all compensation for the Company's other executive officers, including salary and incentive-based or equity-based compensation and awards.
5. Approve all employment, severance, or change-in-control agreements, special or supplemental benefits, or provisions including the same, applicable to executive officers.
6. Periodically review and advise the Board concerning regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company's compensation programs for the Chief Executive Officer and other executive officers relative to comparable companies in the Company's industry.
7. Prepare an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations of the Securities and Exchange Commission.
8. Perform such other activities consistent with this Charter, the Company's Bylaws and applicable law, as the Committee or the Board deems necessary or appropriate.
9. Make regular reports to the Board regarding the foregoing.
10. Review and reassess the adequacy of this Charter as appropriate and recommend any proposed changes to the Board.
11. At least once every three years the Compensation Committee shall select and retain an independent consultant to compare Zoran's executive compensation policies, practices

and procedures with those of other comparable public companies and report to the Compensation Committee on the results of that study.

The Committee shall have the authority to obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate, to perform its duties hereunder. Without limitation, the Committee shall have the authority to retain or terminate any consulting firm used to evaluate compensation issues. The fees and costs of any consultant or advisor engaged by the Committee to assist it in performing its duties hereunder shall be borne by the Company.

Attachment: Equity Awards Policy

ZORAN CORPORATION

Equity Award Policy

This Equity Award Policy summarizes the policies of the Board of Directors (“**Board**”) of Zoran Corporation (“**Company**”) with respect to all grants of stock options, restricted stock, restricted stock units and any other equity awards.

1. Option grants (including but not limited to executive officer, rank and file, promotion and new hire grants) are generally to be approved only at regular quarterly meetings of the Compensation Committee or the Board of Directors. Grants may only be made effective on the later of: (i) the second trading day following the Company’s public announcement of its financial results for the preceding quarter, or (ii) the date of the meeting. If options are awarded at a special board meeting (i.e., other than the regular quarterly meetings), the effective date of the grant will be the date of the meeting.
2. All option grants must be approved by the Compensation Committee or the Board. The authority to approve option grants may not be delegated.
3. Grants should be recorded promptly in the Company’s electronic data base. Grantees should receive prompt written notification of their grants.
4. The annual focal review process will identify a specific date to complete the process of generating intended grantees and recommended grant amounts to be submitted to the Compensation Committee and/or Board for approval in accordance with the Company’s option grant policy.
5. The Compensation Committee charter shall include a statement noting that it is the intention of the Committee to award options priced on the grant date and not at a discount, or other language signifying the commitment to transparency and consistency in the approval of equity compensation.
6. The Company shall provide (in consultation with outside counsel, auditors and/or other advisors, or through reimbursement for attendance at an appropriate certification or education program) an annual update to appropriate Finance Staff on recent accounting developments or pronouncements, including developments related to accounting and disclosure for stock options and equity compensation.
7. As soon as practicable before any Compensation Committee or Board meeting at which option grants are to be considered, a list detailing all proposed grantees (by name or by category of employment) and amounts of proposed grants shall be circulated to the Committee or Board, and such list as modified by the Committee or Board shall be appended to the final Minutes for all such meetings.
8. All future Company stock option plans shall clearly define “exercise price,” “grant date” and “fair market value” of stock. In no event shall the exercise price of an award be determined by reference to the fair market value of stock on a day other than the grant date of the award, except as provided in paragraph 1 above and except for stock options

granted in connection with acquisitions.

9. The Company shall comply with all legal and GAAP requirements for proper disclosure and accounting of stock options. At least annually, the Audit Committee shall meet with the Company's independent auditor to discuss the auditor's review of all equity compensation granted during the year and related accounting.
10. The Company shall assist directors and executive officers with required filings to disclose stock option grants within two business days after grant.
11. The Company shall maintain all Board and Compensation Committee minutes reflecting stock option grants and shall maintain stock administration or human resources data sufficient to identify stock option grantees and the date and number of such awards for ten years after the grant date. Such information shall be made available to the Company's independent auditors as part of their financial review.
12. Information regarding the aggregate number of stock options awarded by the Company during the preceding period shall be disclosed in the Company's Annual Report.
13. Each of the preceding measures shall remain in place for at least three years from the date of adoption, unless required to be changed or eliminated to comply with federal or state law, stock exchange listing requirements, or similar circumstances.
14. The preceding measures may be changed only with the affirmative vote of a majority of the independent members of the Board of Directors.