

THERMADYNE HOLDINGS CORPORATION

COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS CHARTER

I. PURPOSE

The Compensation Committee (the "Committee") shall discharge the responsibilities of the Board of Directors (the "Board") in (i) determining appropriate compensation levels for the Company's executive officers; (ii) evaluating officer and director compensation plans, policies and programs; (iii) reviewing benefit plans for officers and employees; and (iv) producing an annual report on executive compensation for inclusion in the proxy statement.

II. COMMITTEE MEMBERSHIP

The Committee shall be comprised of three or more members of the Board, each of whom is determined by the Board to be "independent" in accordance with the rules of the Nasdaq National Market. In addition, no director may serve unless he or she (i) is a "Non-employee Director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (ii) satisfies the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code.

The members of the Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier resignation or removal. The Board may remove any member of the Committee, with or without cause, at any time.

The Board may appoint one member to be the Chairman. If the Board fails to appoint a Chairman, the members of the Committee shall elect a Chairman by majority vote of all members. The Chairman will chair all regular sessions of the Committee and set the agendas for Committee meetings.

III. COMMITTEE MEETINGS; ACTION BY THE COMMITTEE

The Committee shall have regular meetings on a semi-annual basis, or more frequently as circumstances dictate. Any member of the Committee may call a special meeting of the Committee. Meetings of the Committee may be held telephonically. A majority of the members of the Committee shall constitute a quorum sufficient for the taking of any action by the Committee.

The Committee shall also meet separately, on at least an annual basis, with the CEO, any Vice President of Human Resources (or similar position) and any other corporate officers as the Committee deems appropriate to discuss and review the performance criteria and compensation levels of key executives. However the Committee shall not, in any event, discuss the compensation level or

performance of any executive in any meeting at which such executive is present. Such meetings with management shall be in addition to the regular meetings of the Committee.

The Committee may form and delegate any of its responsibilities to a subcommittee so long as such subcommittee is solely comprised of members of the Committee. The requirements for action by a subcommittee shall, except as otherwise provided by act of the Committee, be the same as applicable to the Committee.

All non-management directors who are not members of the Committee may attend meetings of the Committee but may not vote. In addition, the Committee may invite to its meetings any director, member of management of the Company and such other persons as it deems appropriate. The Committee may also exclude from its meetings any persons it deems appropriate.

IV. **RESPONSIBILITIES AND AUTHORITY**

The responsibilities of the Committee are set forth below. The Committee shall also carry out any other responsibilities assigned to it by the Board from time to time.

In fulfilling its responsibilities, the Committee may investigate any matter brought to its attention. The Committee may retain outside counsel or other advisors and will receive adequate funding from the Company to engage such advisors. The Committee shall have the direct responsibility for the appointment, termination, compensation and oversight of compensation and benefit consultants retained by the Company in respect of executive compensation and shall have sole authority to negotiate and approve such consultant's fees and terms of engagement.

Compensation Arrangements

1. Establish and review the overall compensation philosophy of the Company.
2. Review and approve corporate goals and objectives relevant to CEO and other executive officers' compensation, including annual performance objectives.
3. Evaluate the CEO's and other executive officers' performance against those corporate goals and objectives, and determine the compensation level for each such person based on this evaluation.
4. Periodically review the Company's executive compensation programs to determine whether they are properly coordinated and achieving their intended purpose(s) and recommend any appropriate modifications.

5. Review and recommend to the Board new executive compensation programs.
6. Review and recommend to the Board any change in employee pension programs, and broadly review employee salary levels and ranges and employee fringe benefits.
7. Review and approve all equity compensation plans of the Company are not otherwise subject to the approval of the Company's shareholders.
8. Review and recommend to the Board any change in incentive compensation plans and equity-based compensation plans.
9. Review and recommend to the Board awards of shares or share options pursuant to the Company's equity-based plans.
10. Administer and monitor compliance by executives with the rules and guidelines of the Company's equity-based plans.
11. If and when appropriate, review and approve employment agreements, severance agreements, change in control provisions and agreements as well as any special supplemental benefits.

Reports

12. Prepare an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulation of the NASDAQ, SEC, and other applicable regulatory bodies.
13. The Committee should report regularly to the Board following each meeting, which reports shall include any recommendations the Committee deems appropriate and any other matters that are relevant to the fulfillment of the Committee's responsibilities. The report to the Board may be an oral report and may be made at any meeting of the Board of Directors.
14. The Committee should maintain minutes or other records of meetings and activities of the Committee.

Periodic Self-Evaluation

In addition, the Committee shall conduct periodic self-evaluations of the performance of the Committee, including the effectiveness and compliance with the Charter of the Committee. In addition, the Committee shall periodically review and reassess the adequacy of this Charter and recommend to the Board of Directors any improvements to this Charter that the Committee considers necessary or valuable.