

AAON, INC.

COMPENSATION COMMITTEE

CHARTER*

The Board of Directors (the "Board") of AAON, Inc. (the "Company") has established a Compensation Committee (the "Committee") for the purpose of carrying out the duties and responsibilities listed herein.

Composition and Meetings

The Committee shall consist of at least two members of the Board, each of whom shall satisfy the independence requirements under Rule 10C-1(b)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the listing standards of NASDAQ.

Committee members shall be designated by resolution adopted by a majority of the whole Board and may be removed by the Board in its discretion. The Board may appoint additional or replacement members of the Committee from time to time. The Board may appoint one member of the Committee to act as Chair of the Committee.

The Committee will meet as frequently as necessary to fulfill its responsibilities under this Charter, but not less than 4 times each year. The Committee may meet in person or by video conference, conference call or similar means of remote communication by means of which all persons participating in the meeting can hear each other, as needed to conduct the business of the Committee. The Chair will preside at each meeting of the Committee, and, in consultation with the other members of the Committee, shall set the frequency of meetings and the agenda of items to be addressed at each meeting. In the event the Chair of the Committee is not present at a meeting, the Committee members present at that meeting shall designate one of its members as the acting chair of such meeting. A majority of the members of the Committee shall constitute a quorum for transacting business at a meeting of the Committee. The act of a majority of Committee members present at a Committee meeting at which a quorum is in attendance shall be the act of the Committee, unless a greater number is required by law, or its bylaws. Any Committee member may be excused from a meeting to permit the remaining members of the Committee to act on any matter in which such member's participation is not appropriate, and such member's absence will not destroy the quorum of the meeting. The Committee may act by unanimous written consent. The Committee shall periodically meet in executive session without the presence of the management during voting or deliberations on executive compensation. Minutes shall be prepared for each meeting of the Committee, which minutes shall be submitted to the Committee for approval at a later meeting.

The Committee may request any officer or employee of the Company or any subsidiary thereof, or any representative of outside legal, accounting, or other advisors, to attend any meeting of the Committee.

In fulfilling its responsibilities, the Committee has the authority to delegate any of its responsibilities to a subcommittee comprised of one or more of the Committee members or to selected members of management, subject to requirements of the Company's bylaws and applicable laws, regulations and the terms of stockholder approved plans. To the extent required, any such subcommittee must consist solely of at least two members of the Committee who are non-employee directors for the purposes of Rule 16b-3 promulgated under the Exchange Act, as in effect from time to time.

Duties and Responsibilities

The following are the principal responsibilities and duties of the Committee. These responsibilities are set forth as a guide, with the understanding that the Committee may supplement them as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities. The Committee shall have the direct responsibility and authority of the Board to perform the following duties:

1. Review and approve the Company's goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO") and the Company's other executive officers.
2. Evaluate the performance of the CEO and of the Company's other executive officers in accordance with policies and principles established by the Committee from time to time, including the Company's goals and objectives relevant to the compensation of the CEO and the other executive officers.
3. Determine and approve, either as a Committee or (as directed by the Board) together with other Board members who satisfy the applicable independence requirements under the listing standards of NASDAQ, the compensation level of the CEO and the other executive officers based on the Committee's evaluation of the performance of the CEO and the other executive officers, using those criteria deemed appropriate by the Committee from time to time, including, with respect to the long-term incentive component of the CEO's compensation, the Company's performance and relative shareholder return, the value of incentive awards granted to principal executive officers of comparable companies and awards granted to the CEO of the Company in past years. In evaluating and determining the CEO and the other executive officer compensation, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation ("Say on Pay Vote") required by Section 14A of the Exchange Act. The CEO cannot be present during any voting or deliberations by the Committee on his compensation.

* No provision of this Charter is intended to create any right in favor of any third party, including any stockholder, officer, director, or employee of the Company, in the event of a failure to comply with any provision hereof.

4. Review and determine the form and amount of compensation of the non-management members of the Board, including cash, equity-based awards, and other compensation, in accordance with guidelines and general principles established by the Committee from time to time.

5. Administer, and make recommendations to the Board with respect to, incentive-compensation plans and equity-based plans, establish and verify annual performance targets and criteria for the granting of equity awards to the Company's officers and other employees, review and approve the granting of equity awards in accordance with such criteria and determine potential bonus amounts.

6. Recommend from time to time such voluntary contributions to the AAON, Inc. Savings and Investment Plan [401(k) plan] as the Committee determines to be appropriate based on the Company's operating results. In this regard, the Committee's role is one of oversight and, except as the Committee otherwise expressly determines or applicable law otherwise expressly requires, the Committee shall not act as a fiduciary with respect to any benefit plans or programs under ERISA or otherwise.

7. Produce, review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") and the related executive compensation information as required by the Securities and Exchange Commission (the "SEC"), and recommend that the CD&A be included in the Company's annual report on Form 10-K and proxy statement filed with the SEC.

8. Review and approve any new or materially amended employment agreements, severance arrangements and change in control agreements and provisions when, and if, appropriate, as well as any special supplemental benefits between the Company and its current or prospective executive officers.

9. Review at least annually the Company's compensation policies, and practices and programs for executive officers and other employees to assess whether such policies, and practices and programs could lead to excessive risk-taking behavior that would be reasonably likely to have a material adverse effect on the Company.

10. Review and approve the implementation of, or revision to, any clawback policy allowing the Company to recoup compensation paid to the Company employees and administer and enforce any clawback policy consistent with the terms of the policy.

11. Establish and monitor compliance with any stock ownership and holding guidelines of the Corporation that are applicable to executive officers or directors.

12. Review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.

13. Periodically discuss with management, as deemed appropriate and in coordination with the Board, reports from management regarding the development, implementation, and effectiveness of the Company's human capital management policies and strategies. This includes, but is not limited to, policies and strategies related to recruiting, retention, career development and progression, management succession (except where covered by the Governance Committee), diversity, and employment practices.

14. Report periodically to the Board on the actions and deliberations of the Committee.

15. Review and reassess the adequacy of this Charter as appropriate and recommend changes to the Board as and where appropriate.

16. Conduct an annual performance evaluation of the Committee's performance and report the results of such evaluation to the Board.

17. Perform such other responsibilities within the scope of its functions as the Committee may determine or as may otherwise be required by law or regulation, or as the Board may from time to time direct.

Committee Resources and Outside Advisors

The Committee shall also have the sole authority to retain and terminate compensation consultants to assist it in evaluating the Company's compensation plans, particularly those pertaining to its Board members, CEO and other executive officers of the Company, and to approve the fees and other terms relating to the provision of those services. In addition, the Committee shall have the authority, without seeking prior Board approval, to retain outside legal, accounting, and other advisors, as the Committee determines necessary or appropriate to assist it in carrying out its duties. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to any advisors retained by the Committee. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor, and the authority granted in this charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this charter.

In retaining or seeking advice from compensation consultants, outside counsel and other

advisors (other than the Company's in-house counsel), the Committee must take into consideration the factors specified in SEC Rule 10C-1 and NASDAQ Rule 5605(d)(3). The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors. The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

Amendment

This Charter may be amended from time to time by the Board, and any amendment must be reported and disclosed as required by and in accordance with applicable laws, rules, and regulations.