

CHEMED CORPORATION
COMPENSATION/INCENTIVE COMMITTEE
CHARTER

Composition and Term of Office

The Board of Directors has created and shall designate annually three or more members as the Compensation/Incentive Committee. They shall meet the independence requirements of the New York Stock Exchange. The members shall be designated annually by a majority of the full Board, and may be removed, at any time, with or without cause, by a majority of the full Board. Vacancies shall be filled by a majority of the full Board.

Purpose

The Committee shall discharge the Board's duties concerning executive compensation. It shall prepare a disclosure annually which complies with Securities and Exchange Commission regulations.

Responsibilities

The Committee shall have the following primary responsibilities:

1. Recommend to the Board levels of salary and incentive compensation payable to officers and other key employees of the Company;
2. Recommend to the Board the establishment of incentive compensation plans and programs;
3. Recommend to the Board the adoption and administration of certain employee benefit plans and programs of the Company;

4. Recommend to the Board the payment of additional year-end contributions by the Company under certain of its retirement plans;

5. Recommend to the Board compensation payable to non-employee directors;

6. Administer the Company's stock incentive plans;

7. Grant stock incentives to key employees of the Company;

8. Review and approve the Company's goals and objectives relevant to CEO compensation, evaluate the CEO's performance with respect to such goals, and set the CEO's compensation level based on such evaluation;

9. Determine annually whether to retain or terminate any compensation consultant, legal counsel or other adviser ("Compensation Adviser") used by the Company to assist in the evaluation of director, CEO, or senior executive compensation. Select a Compensation Adviser only after considering the following independence factors:

a. The provision of other services to the Company by the adviser;

b. The amount of fees received from the Company by the adviser, as a percent of their total revenue;

c. The adviser's policies and procedures concerning conflicts of interest;

d. Any business or personal relationship of the adviser with a member of the Committee;

e. Any Company stock owned by the adviser; and

f. Any business or personal relationship of the adviser with an executive officer of the Company.

Be directly responsible for the appointment, compensation and oversight of such firm; and

10. Perform such other functions as are from time to time assigned by the Board.

Committee Performance Evaluation

The Committee shall annually conduct an evaluation of its performance in fulfilling its responsibilities and meeting its goals, as outlined above.

Meetings

A majority of Committee members shall constitute a quorum for the transaction of business. The action of a majority of those present at a meeting at which a quorum is attained, shall be the act of the Committee. The Committee may delegate matters within its responsibility to subcommittees composed of certain of its members. The Committee shall meet as required, keep a record of its proceedings, and report thereon from time to time to the Board of Directors.

The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any compensation adviser.