

## ACADIA HEALTHCARE COMPANY, INC.

### COMPENSATION COMMITTEE CHARTER

#### Purpose

There shall be a committee of the Board of Directors (the “Board”) of Acadia Healthcare Company, Inc. (the “Company”) to be known as the Compensation Committee (the “Committee”). The purpose of the Committee is to (i) discharge the Board's responsibilities relating to compensation of the Company's executive officers, (ii) review and recommend to the Board stock plans and other incentive compensation plans, policies and programs, as well as approve individual executive officer compensation, intended to attract, retain and appropriately reward employees in order to motivate their performance in the achievement of the Company's business objectives and align their interests with the long-term interests of the Company's shareholders and (iii) prepare the compensation committee report on executive compensation required to be included in the Company's annual report or proxy statement.

#### Composition of the Committee

The Committee shall consist of three or more directors. Each of the directors on the Committee shall meet the applicable director independence requirements included in the listing requirements of The NASDAQ National Market or the listing requirements of any other exchange or trading system that is the primary exchange or system for trading of the Company's listed common stock (as applicable, the “Listing Requirements”). In the event that any member of the Committee does not qualify as a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), such member may continue to serve on the Committee so long as (1) the Board approves all equity-based awards and compensatory equity grants made by the Company in accordance with Rule 16b-3 under the Exchange Act or (2) such member who does not qualify as a “non-employee director” for purposes of Rule 16b-3 under the Exchange Act abstains and recuses himself or herself from the approval of any equity-based awards and compensatory equity grants made by the Company in accordance with Rule 16b-3 under the Exchange Act (with a subcommittee consisting solely of two or more “non-employee directors” approving such awards and grants). In addition, at least two members of the Committee shall each qualify as an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”). Only members of the Committee who qualify as outside directors shall participate in discussions regarding awards that are intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Board.

The members of the Committee shall be appointed by the Board. Members shall serve for such terms as the Board may determine, or until their earlier resignation, death or removal by the Board. The members of the Committee may be removed by a majority vote of the Board in its complete discretion. Subject to applicable law, regulations and the Listing Requirements, the Board will have the power to at any time change the size and membership of the Committee and to fill any vacancy on the Committee by a majority vote of the Board; provided, that any new member satisfy the requirements of this charter (as may be amended, this “Charter”). The Board will designate a chairman of the Committee or, if it does not do so, the members of the Committee will elect a chairman by majority vote. The rules and procedures of the Committee will be governed by this Charter, any guidelines adopted by the Board from time to time, the Company's bylaws and applicable law.

#### Meetings

The Committee shall meet with such frequency and at such intervals as it shall determine is necessary to carry out its duties and responsibilities, but in any case, not less than twice a year. The Committee will meet at such times as determined by its chairperson or as requested by a majority of its members. Notice of all meetings shall be given, and waiver thereof determined, and all actions of the Committee shall be taken, pursuant to and in accordance with the Company's bylaws. The chairperson will preside, when present, at all meetings of the Committee. The Committee may meet by telephone or video conference and may take action by written consent.

Each member of the Committee shall have one vote. One-third of the members, but not less than two members, shall constitute a quorum. The Committee shall be authorized to take any permitted action only by the affirmative vote of a majority of the Committee members present at any meeting at which a quorum is present, or by the unanimous written consent of all of the Committee members. Any such written consent shall have the same force and effect as a unanimous vote of the Committee.

The Committee shall maintain copies of minutes of each meeting of the Committee and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. Such minutes shall be distributed to each Committee member for such member's approval and, upon such approval, made available to the members of the Board. At each Board meeting, the chairman of the Committee or a Committee member designated by the chairman, will make a report to the Board of the Committee's meetings, actions taken at any meetings or by consent and recommendations made since the most recent Board meeting, in each case except to the extent such matters have been addressed in an interim report circulated by the Committee.

The Committee may invite such members of management and other persons to its meetings as it may deem desirable and appropriate. Additionally, at each meeting, the Committee shall have the opportunity to meet in executive session without any members of management present. The Chief Executive Officer ("CEO") of the Company may not be present for the voting or deliberations on the compensation of the CEO.

The Committee may adopt its own rules of procedure not inconsistent with (i) this Charter, (ii) the bylaws of the Company, (iii) the laws of the State of Delaware, (iv) the Company's Code of Conduct and (v) the Listing Requirements.

### **Delegation**

The Committee may form, and delegate authority to, subcommittees when it deems appropriate and to the extent permitted by law.

### **External Advisors**

The Committee shall have the authority, resources and reasonable funding (which shall be provided by the Company) necessary to discharge its duties and responsibilities, including the authority to select, retain, oversee the work of, terminate and approve the fees, costs and other retention terms of outside counsel, compensation consultants, experts and other professional advisors it deems appropriate to assist in the performance of its functions, as determined by the Committee, without seeking approval from the Board or management; provided, that the Committee shall keep the Company's chief legal officer ("General Counsel") reasonably apprised as to the general range of anticipated expenses. The Company shall pay ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. Prior to selecting, or receiving advice from, outside counsel, compensation consultants, experts or other advisors, the Committee shall assess, among other considerations, the factors relevant to

the advisors' independence prescribed by the Listing Requirements. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered confidential and privileged communications of the Company and the Committee will take all necessary steps to preserve the confidential and privileged nature of those communications. The Committee shall also have authority to obtain advice and assistance from any officer or employee of the Company. The Committee shall have full, unrestricted access to Company records.

### **Duties and Responsibilities**

*The Committee's primary responsibilities include, but are not limited to:*

1. Review and approve (and negotiate as appropriate) compensation arrangements with each executive officer of the Company, including without limitation, to the extent applicable, each officer of the Company who is a "named executive officer" as defined in Item 402(a) of Regulation S-K or who is an "officer" for purposes of Section 16 of the Exchange Act, and for such other senior officers of the Company as the Committee deems appropriate (collectively, "Executive Officers"), including:
  - (i) annual base salary level;
  - (ii) bonus and other annual incentives;
  - (iii) options, equity grants, supplemental executive retirement plans and other long-term incentives;
  - (iv) employment agreements, offer letters, term sheets, retention agreements, severance/separation/release arrangements, and change in control provisions/agreements, and/or relocation agreements, and any amendments, supplements and policy modifications thereto, in each case to the extent applicable;
  - (v) any other perquisites or supplemental benefits, other than those available generally to salaried employees;
  - (vi) any other employment, compensation, or benefit related-terms that is either non-customary or not in the form approved by the Committee; and
  - (vii) any amendments, supplements or modifications to any of the foregoing clauses (i) through (vi).
2. Annually review the performance of the CEO, the other Executive Officers and such other senior officers of the Company as the CEO may deem appropriate, it being understood that any such evaluation, other than that of the CEO, may be based upon an evaluation of such officer by the CEO or such other supervising officer or officers as appropriate; provided that the CEO may not be present during the voting or deliberations related to the CEO's performance or compensation.
3. Review and discuss with the CEO and General Counsel on public disclosures relating to compensation matters and the issuance of a report on executive compensation (the "CD&A") in accordance with applicable rules and regulations of the Securities and Exchange Commission ("SEC") for inclusion in the Company's annual report and proxy statement with the SEC as approved by the Committee. Based on such review and discuss, the Committee shall make a recommendation to the Board as to whether such CD&A shall be included in such annual report

or proxy statement and shall prepare the compensation committee report required to be included in such annual report or proxy statement.

4. Oversee the administration of, and approval of, grants and terms of any grants of options, restricted stock or other equity awarded under the Company's stock option and restricted stock and other equity-based compensation plans, or otherwise to the extent previously approved by the entire Board, which may include the delegation of authority to the CEO for purposes of issuing options to persons other than (i) the Company's Executive Officers (including the CEO); and (ii) such other senior officers of the Company as the Committee may deem appropriate.
5. Approve, adopt, amend and/or terminate any of the Company's employee incentive plans, including without limitation, (i) the Acadia 2011 Incentive Compensation Plan and (ii) any plan relating to the grant of restricted stock, options or other equity awards or equity based compensation, and all other employee incentive plans.
6. Oversee the administration of other material employee benefit plans for the Company, including the Company's 401(k) plan.
7. Review periodically with the CEO and the full Board the succession plans and retirement procedures relating to the positions held by senior executives of the Company.
8. Review and approve compensation for members of the Board, including periodically reviewing the compensation paid to non-employee directors, and recommending appropriate changes. No member of the Committee will act to fix his or her own compensation except for uniform compensation to directors and committee members for their services as such.
9. Retain outside counsel, compensation consultants and other advisors, as deemed appropriate, to advise the Committee on executive and director compensation practices and policies, compensation programs and policies of the Company, or other matters within the charter of the Committee, and make recommendations to the Board and the Company's management as appropriate. Establish the scope of the role of such advisors, monitor any other relationship the Company has with such advisors and consider whether any such relationships create a conflict of interest. In assessing the independence of any such advisors, the Committee shall assess, among other considerations, the factors prescribed by the Listing Requirements.
10. In coordination with the Corporate Governance and Nominating Committee, review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
11. Undertake and review with the Board an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairman of the Committee or any other member of the Committee designated by the Committee to make this report.
12. Review and discuss with management the Company's risk management practices and policies and, in light of such information, evaluate how the Company's compensation policies and practices for all employees may affect the Company's risk management practices and/or risk taking incentives, and whether such effects would be reasonably likely to be material to the

Company. The Committee shall promptly report to the full Board any risk that is reasonably likely to be material to the Company.

13. Report to the Board on a regular basis and make such recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.

**Powers of the Committee**

The Committee shall have all of the powers of the Board that are necessary or appropriate for the Committee to fulfill its purposes, engage external advisors and carry out its duties and responsibilities as set forth in this Charter.