

## **FORUM PACIFIC, INC.**

### **COMPENSATION COMMITTEE CHARTER**

#### **I. PURPOSE**

The primary purpose of the Committee is to establish a formal and transparent procedure for developing policy on remuneration of directors and officers to ensure that their compensation is consistent with the Company's culture, strategy and the business development in which it operates.

The responsibility of the Committee shall include compensation of executive Directors (directors who also head a department or unit of the Company or perform any work related to its operation) and Non-Executive Directors (directors who do not head a department or unit of the Company or do not perform any work related to its operation).

#### **II. COMPOSITION AND QUALIFICATIONS**

The Board shall appoint the directors who shall serve as members of the Committee. The Committee shall consist of at least three (3) directors, one of whom shall be an independent director.

#### **III. DUTIES AND RESPONSIBILITIES**

- a) Designate the levels of remuneration of the Company which shall be sufficient to attract and retain the services of qualified and competent directors and officers who are needed to run the Company successfully;
- b) Oversee the implementation of a stock option plan or other long-term incentive plan linked to shareholder value creation;
- c) Such other responsibilities as may be delegated by the Board

#### **IV. CONDUCT OF MEETINGS**

The Committee shall meet at least once a year and at such other times as determined by its Chairman, upon reasonable written notice to the members. A majority of its member will constitute a quorum. The Committee shall maintain written minutes of its meetings.

The Committee may invite any officer or employee of the Company, and legal counsel to attend meetings and provide information or advice to the Committee.

**V. PROCEDURES FOR ESCALATION TO THE BOARD OF DECISION OF THE COMMITTEE**

The Chairman shall endorse to the Board any matters determined by the members of the Committee to be appropriate for Board action or approval.