



CAL AMP CORP.
COMPENSATION COMMITTEE CHARTER

1. Members

The Board of Directors shall appoint a Compensation Committee of at least three members, consisting entirely of independent directors, and shall designate one member as chairperson. Members of the Compensation Committee shall be appointed by the Board of Directors upon the recommendation of the Governance and Nominating Committee and may be removed by the Board of Directors in its discretion. For purposes hereof, an “independent director” shall be a director who meets the NASDAQ definition of “independent director”, as determined by the Board of Directors. In addition, (i) if any compensation or benefit plan administered by the Compensation Committee is subject to Rule 16b-3 of the Securities Exchange Act of 1934, each Compensation Committee member shall also qualify as a “disinterested person” as such term is defined under Rule 16b-3, and (ii) if an award or payment under any compensation or benefit plan administered by the Compensation Committee would be subject to the deduction limitation under Section 162(m) of the Internal Revenue Code of 1986 at least two members of the Compensation Committee shall also qualify as “outside directors” as such term is defined under Section 162(m) and regulations thereunder.

2. Purposes, Duties, and Responsibilities

The purpose of the Compensation Committee shall be to discharge the responsibilities of the Board of Directors relating to compensation of the Company’s executives, to produce the annual report on executive compensation for inclusion in the Company’s annual proxy statement and to oversee the Company’s overall compensation structure, policies and programs. The duties and responsibilities of the Compensation Committee shall be to:

- a. Recommend to the Board of Directors an executive compensation policy that:
 - i. Supports the Company’s overall business strategy and objectives.
 - ii. Attracts and retains key executives.
 - iii. Links total compensation with business objectives and the performance of the Company under a variety of business conditions.
 - iv. Provides competitive total compensation opportunities at a reasonable cost while enhancing shareholder value.
- b. Review and approve goals and objectives relevant to CEO compensation, evaluate the CEO’s performance in light of those goals and objectives, compare the CEO’s compensation against a peer group, and recommend the CEO’s compensation to the Board of Directors for approval by a majority of the independent directors.



- c. Review and approve goals and objectives relevant to executive officer compensation (other than the CEO), evaluate the performance of executive officers in light of those goals and objectives, compare executive officer compensation against a peer group, and recommend executive officer compensation to the Board of Directors for approval by a majority of the independent directors, in each case with the participation of the CEO.
- d. Make recommendations to the Board of Directors with respect to the Company's incentive compensation and equity based compensation plans, including overseeing the development of new compensation plans and the revision of existing plans as deemed necessary.
- e. Make recommendations to the Board of Directors with respect to executive officer perquisites and employee benefits.
- f. Make recommendations to the Board of Directors with respect to the compensation of non-employee directors.
- g. Administer the Company's incentive compensation and equity-based plans and approve stock option grants, restricted stock awards, and other equity-based or incentive awards under these plans, including any performance criteria relating to these plans or awards.
- h. Annually evaluate the performance of the Compensation Committee and the adequacy of its charter.

3. Outside Advisors

The Compensation Committee shall have the authority to retain such outside counsel, experts, and other advisors as it determines appropriate to assist it in the full performance of its functions, including sole authority to retain and terminate any compensation consultant used to assist the Compensation Committee in the evaluation of director, CEO or executive compensation, and to approve the consultant's fees and other retention terms.

4. Meetings

The Compensation Committee shall meet as often as it deems necessary or appropriate in its judgment, either in person or telephonically, and at such times and places as the Compensation Committee shall determine. The Compensation Committee shall report regularly to the full Board of Directors with respect to its meetings. The presence of a majority of the members of the Compensation Committee at a duly called meeting shall constitute a quorum for the purpose of conducting business.