

# **Empire Resources, Inc.**

## Compensation Committee Charter

### **I. General Statement of Purpose**

The Compensation Committee of the Board of Directors (the “Compensation Committee”) of Empire Resources, Inc. (the “Company”), on behalf of the Board of Directors (the “Board”), discharges the Board’s responsibilities relating to compensation of the Company’s directors and executives, oversees the Company’s overall compensation programs and is responsible for producing an annual report on executive compensation for inclusion in the Company’s proxy statement relating to its annual meeting of stockholders or annual report on Form 10-K, in accordance with applicable rules and regulations. The primary objective of the Compensation Committee is to develop and implement compensation policies and plans that are appropriate for the Company in light of all relevant circumstances and which provide incentives that further the Company’s long-term strategic plan and are consistent with the culture of the Company and the overall goal of enhancing enduring stockholder value.

### **II. Compensation Committee Composition**

The number of individuals serving on the Compensation Committee shall be fixed by the Board from time to time but shall consist of no fewer than two members, each of whom shall qualify as an “independent director” under Rule 5605(a)(2) of the Nasdaq Marketplace Rules. In addition, no director may serve unless he or she (i) is a “Non-Employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (ii) satisfies the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code.

The members of the Compensation Committee shall be appointed annually by the Board and may be replaced or removed by the Board at any time with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from this committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board shall designate one member of the Compensation Committee to serve as Chairman of the Compensation Committee.

### **III. Meetings**

The Compensation Committee generally is to meet at least one time per year in person or by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, with any additional meetings as deemed necessary by the Compensation Committee. A majority of the members of the Compensation Committee shall constitute a quorum for purposes of holding a meeting and the Compensation Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Compensation Committee may act by unanimous written consent.

#### **IV. Compensation Committee Activities**

The Compensation Committee's purpose and responsibilities shall be to:

##### **A. Review of Charter**

- Review and reassess the adequacy of this Charter annually and submit any proposed changes to the Board for approval.

##### **B. Establish Compensation Principles**

- Establish and review the Company's overall management compensation philosophy and policy.

##### **C. Annual Report on Executive Compensation and Compensation Discussion and Analysis**

- Produce an annual report on executive compensation for inclusion in the Company's proxy statement relating to its annual meeting of stockholders or annual report on Form 10-K, in accordance with the applicable rules and regulations of the Securities and Exchange Commission, any securities exchange or automated quotation system on which the Company's securities are traded, and any other rules and regulations applicable to the Company.
- Review and discuss with management the Company's Compensation Discussion and Analysis disclosure required by SEC regulations and determine whether to recommend to the Board that it be included in the Company's Annual Report on Form 10-K, proxy statement on Schedule 14A or information statement on Schedule 14C, as applicable.

##### **D. Annual Performance Evaluation of the Compensation Committee**

- Perform an annual performance evaluation of the Compensation Committee and report to the Board on the results of such evaluation.

##### **E. Authority Regarding Incentive-Compensation Plans and Equity-Based Plans**

- Review and approve all compensation, incentive, equity, pension, and employee benefit plans and any changes to those plans, and periodically review compensation plans to determine whether policies established by the Compensation Committee have been executed as intended and are achieving the intended results.

- Administer and determine the Company’s incentive-compensation and equity-based compensation and approve stock option and other stock incentive awards for employees of or consultants to the Company.
- Review and approve any non-equity-based incentive awards for employees of or consultants to the Company.
- Administer and monitor compliance by executives with the rules and guidelines of the Company’s equity-based plans.
- Review and approve any severance or similar termination payments proposed to be made to any current or former executive officer of the Company.
- Review and approve all compensation programs applicable to members of the Board, including all forms of cash compensation paid to members of the Board and the grant of all forms of equity compensation provided to members of the Board.

**F. Matters Related to Compensation of the Company’s Chief Executive Officer**

- Review and approve the corporate goals and objectives that may be relevant to the compensation of the Company’s Chief Executive Officer (“CEO”).
- Evaluate the CEO’s performance in light of the goals and objectives that were set for the CEO and determine the CEO’s compensation based on such evaluation. In connection with determining the long-term incentive component of the CEO’s compensation, the Compensation Committee should consider the Company’s performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the Company’s CEO in past years.
- The CEO may not be present during voting or deliberation concerning his or her compensation.

**G. Matters Related to Compensation of the Officers Other Than the Chief Executive Officer**

- Review and approve all compensation programs applicable to executive officers of the Company other than the CEO, including all forms of salary paid to executive officers of the Company and the grant of all forms of bonus and equity compensation provided to the executive officers of the Company.

## **H. Matters Relating to Retention and Termination of Compensation Consulting Firm or Other Outside Advisors**

- Exercise sole authority to retain and terminate any consulting firm or other outside advisor on compensation matters that is to be used by the Company or the Compensation Committee to assist in the evaluation of director, CEO or senior executive compensation. The Compensation Committee shall also have sole authority to approve the consultant's fees and other retention terms.

## **V. General**

- The Compensation Committee may establish and delegate authority to one or more subcommittees consisting of one or more of its members, when the Compensation Committee deems it appropriate to do so in order to carry out its responsibilities. In addition, the Compensation Committee may, by resolution approved by a majority of the Compensation Committee, delegate to management the administration of the Company's incentive compensation and equity-based compensation plans, to the extent permitted by law and as may be permitted by such plans and subject to such rules, policies and guidelines (including limits on the aggregate awards that may be made pursuant to such delegation) as the Compensation Committee shall approve.
- The Compensation Committee shall make regular reports to the Board concerning areas of the Compensation Committee's responsibility.
- In carrying out its responsibilities, the Compensation Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Compensation Committee may consult. The Compensation Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Company, attend a meeting of the Compensation Committee or meet with any members of or advisors to the Compensation Committee. The Compensation Committee shall also have the authority to engage and terminate legal, accounting or other advisors to provide it with advice and information in connection with carrying out its responsibilities and shall have sole authority to approve any such advisor's fees and other retention terms.
- The Compensation Committee may perform such other functions as may be requested by the Board from time to time.