

AMERICA FIRST COMPANIES COMPENSATION COMMITTEE CHARTER

Purpose

The primary purpose of the Compensation Committee (the “Committee”) is to assist the Board (the “Board”) in overseeing the compensation and related activities of the Company’s key employees (the “Executives”). The Committee will work with top management in designing the Executive compensation benefit policies, plans and programs of the Company. It will ultimately present such policies, plans and programs to the Board for approval, and will provide appropriate oversight in their execution and implementation. As an element of this process, the Committee will also provide oversight in functional areas that are compensation related — succession planning, Executive turnover, severance arrangements, Executive recruitment, etc.

Encompassed within the committee’s jurisdiction will be all forms of compensation (cash, restricted stock, “shadow” stock, stock options, etc.) and all vesting timelines (immediate, annual, mid-term, long-term, deferred, retirement, etc.).

Membership

The Committee shall consist of three (3) or more directors, each of whom must be independent of management of the company and free from any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member. Members of the Committee and its Chairman shall be appointed by the Board annually and may be removed by a majority of the Board at any time.

Key Responsibilities

The Committee shall have the following responsibilities:

- (1) To prepare and recommend annually to the independent Board members a compensation package for the Chairman of the company;
- (2) To annually evaluate the performance of the CEO, with the Committee’s principal guideline to be the goals and objectives established for that Executive at the beginning of the year. In carrying out this task, the CEO will be invited to provide a self-evaluation of his or her performance annually, based on that same

guideline. The Committee may, at its discretion, invite all other independent board members to participate in this evaluation;

- (3) To prepare and recommend annually to the independent Board members a compensation package for the Company's CEO, based on the annual performance evaluation;
- (4) To review the CEO's proposed compensation packages for all other Company Executives, and approve those packages individually, with any amendments deemed appropriate by the Committee;
- (5) To review and approve all employment agreements, severance agreements, change-in-control provisions or agreements, and any other special or supplemental benefits applicable to any of the Company's Executives;
- (6) To work with top management in preparing, reviewing, and ultimately submitting to the Board for approval any fundamental changes in the Company's compensation and benefit policies, plans or programs;
- (7) To review director compensation, with participation of the CEO, and recommend to the Board any changes in such compensation that are deemed desirable;
- (8) To retain, at its discretion, a compensation consultant to assist in carrying out any element of its responsibilities;
- (9) To perform any other duties that may be assigned by the Board, required by statute or regulation, or implied by the nature of a specific, compensation related program (*e.g.*, a stock option plan or a benefit program);
- (10) To undertake annually a committee self-evaluation, and report the results to the Board;
- (11) To report to the Board in a timely manner on the actions of the Committee, and to submit recommendations to the Board as appropriate or required;
- (12) To review this Charter annually, and submit appropriate recommendations for change to the Governance Committee and ultimately the Board.

Meetings

The Committee shall meet a minimum of three (3) times annually. Additional meetings may be called by the Committee Chairman, at his or her discretion, after consultation with the CEO.

The Committee Chairman shall be responsible for preparation of the agenda for each meeting, after consultation with the CEO and with input from other Committee members. The objective will be to have the agenda and any relevant briefing materials to the Committee a week prior to each meeting.

At the beginning of each year, the Committee Chairman and the CEO will present to the Committee a tentative outline of the probable agenda for each of that year's Committee meetings.

Staffing for the Committee will be provided by the Director of Human Resources who will be responsible for taking notes at each meeting, drafting minutes, and submitting such drafts to the Committee Chairman for final editing and submission to the Committee for approval at its next meeting. Should the Committee meet in executive session, the minutes of such session shall be the responsibility of the Committee Chairman. All minutes, when approved, shall be filed with the Company Secretary.

The Committee may in its discretion invite the CEO, other Board members, or other Company employees to some or all of the proceedings at a particular meeting. Should an employee other than the CEO (and the director of Human Resources) be invited, the Chairman shall as a courtesy inform the CEO.

Committee meetings shall normally be scheduled in conjunction with the Board meeting. Should that not be feasible, interim meetings will be appropriate, but will normally be conducted by telephone conference call. Two (2) Committee members shall constitute a quorum at any meeting.