

Compensation Committee Charter

- 1. Purpose.** ATC Technology Corporation's Board of Directors (the "Board") shall have a Compensation and Nominating Committee to
 - Administer the Company's compensation program, and
 - Identify and recommend to the Board individuals qualified to become members of the Board.

In performing its function, the Committee shall be guided by the following principles:

1. Compensation should attract, reward, motivate and retain top quality executive who have the skills and experience necessary to conceive and implement a successful business strategy.
2. Execution rewards should be aligned with stockholders' interests. In furtherance of this, a substantial portion of executive compensation should be linked to increased stockholder value and achievement of clear financial goals.
3. Important criteria when considering a nominee for the Board are that individual's business experience and skills, independence, judgment, integrity, and ability to commit sufficient time and attention to the activities of the Board.

- 2. Duties and responsibilities with Respect to Compensation.** The duties and responsibilities of the Committee shall be to:

- Discharge the Board's responsibilities relating to compensation of the Company's executives.
- Review and approve corporate goals and objectives relevant to the Chief Executive Officer's compensation.
- Evaluate the Chief Executive Officer's performance in light of these goals and objectives and, based on this evaluation, make recommendations to the Board for its approval of the Chief Executive Officer's annual salary, bonus, stock grant, perquisite and incentive plan participation levels and bases of participation.
- Annually (or more frequently as necessary) review and approve the annual salary, bonus, stock grant and incentive plan participation levels and bases of participation of all other executive officers.
- Review and approve stock grants and other stock-based compensation or long-term incentive awards.
- Administer, review and, subject to terms thereof, approve any changes to, stock grant and any other stock-based compensation plans of the Company (excluding any plan to the extent established for non-employee Directors) in which executive officers of the Company may participate.
- Issue an annual report on executive compensation for inclusion in the Company's annual meeting proxy statement, in accordance with applicable rules and regulations.
- Review and approve employment, severance and compensation agreements with individual executive officers.
- Review and approve any additions, changes and deletions to the Company's executive benefit plans. Maintain a continuing review of

significant organizational and restructuring events and changes that may impact compensation.

- Maintain a continuing review of significant developments in executive compensation at other relevant companies, including the Company's peer group, as well as significant matters in the areas of taxation, accounting and securities regulation that may impact compensation.
- Review succession plans for the Company's executive officers and other key management personnel, including policies and principles for Chief Executive Officer selection and performance review.

3. Duties and Responsibilities with Respect to Nominating. The duties and responsibilities of the Committee shall be to:

- Develop criteria to identify and evaluate prospective candidates for the Board. These criteria are to be considered in the context of an assessment of the perceived needs of the Board as a whole.
- Identify, review the qualifications of, and recruit, as appropriate potential nominees for the Board.
- Recommend to the Board nominees to the Board, which shall include reviewing the qualifications of directors for continued service on the Board of Directors.
- Recommend to the Board of Directors candidates to fill vacancies occurring on the Board.
- Establish a procedure for receiving and considering Board candidate recommendations made by the Company's stockholders.
- Recommend to the Board candidates for appointment to Board committees.
- Consider retirement and/or tenure policies for directors, and make recommendations to the Board.

4. Annual Review. The Committee will annually evaluate the performance of the Committee and the appropriateness of the Committee's charter.

5. Structure. The Committee shall consist of not less than three directors, appointed by the Board to serve one-year terms. No member of the Committee may be an employee of the Company. All Committee members shall be independent as such independence is defined by NASDAQ listing standards. The Board shall annually appoint one of the Committee members as Chairman of the Committee.

At the invitation of the Chairman, members of management and outside consultants may attend Compensation Committee meetings.

6. Meetings, Reports and Procedures. The Committee shall ordinarily conduct its regular meetings, which shall be scheduled as nearly as practicable to occur in connection with the regular meetings of the Board. The Company's Vice President Human Resources will be the management liaison to the Committee and will act as the

Committee Secretary. The Committee may also hold special meetings which shall be called by telephone or written notice by the Chairman of the Committee, the Committee Secretary at the request of the Chairman, or any two members acting without a meeting. A majority of all of the members of the Committee shall constitute a quorum for the transaction of business. Approval by a majority of the members present at a meeting at which a quorum is present shall constitute approval by the Committee. The Committee shall keep a written record of its proceedings.

In advance of every regular meeting, the Chairman of the Committee with the assistance of the Committee Secretary shall prepare and distribute to the Committee members and others, as deemed appropriate by the Chairman, an agenda of matters to be addressed at the meeting. The Committee may require officers and employees of the company to produce such information and reports, including reports to be provided annually or on other regular basis, as the Committee may deem appropriate.

The Committee shall report to the Board at each regular meeting, or less frequently as the Committee and Board may decide, on all of its activities and shall make recommendations to the Board as the Committee decides appropriate.

The Committee shall have the authority to cause investigations to be made of such matters within the scope of the Committee's purposes and responsibilities, as the Committee may deem appropriate. Such investigations may be at the expense of the Company but without further approval or authorization by the Company and will be conducted by the Company's employees or such other persons or firms as the Committee may direct (e.g. independent consultants, experts and legal counsel).

If the Committee utilizes a third-party provider in executing its duties, the Committee shall have the sole authority to retain and terminate the third-party service provider, including the sole authority to approve the third-party service provider's fees and other retention terms.

The Committee may adopt such additional procedures consistent with this Charter, as the Committee deems appropriate.