

EDAC TECHNOLOGIES CORPORATION

Compensation Committee Charter

This Compensation Committee Charter (the “Charter”) was adopted by the Board of Directors (the “Board”) of EDAC Technologies Incorporated (the “Company”) on April 29, 2008.

Purpose

The primary purpose of the Compensation Committee (the “Committee”), in its capacity as a committee of the Board of Directors (“Board”), is to: (1) Evaluate; (2) Design (in consultation with management, the Board and independent consulting experts); and, (3) Oversee the administration of compensation plans and programs of the Company for the ultimate approval of the Board.

Objectives

The objectives of the Committee are to: (1) Align management incentive plans consistent with the interests of shareholders; (2) Assure compensation programs and compensation levels are sufficient to recruit and retain the most talented management team available to meet the goals and objectives of the Company; and, (3) Otherwise discharge the Board’s responsibilities relating to compensation of the Company’s management and Board.

Structure and Membership

The Committee shall consist solely of two or more independent directors of the Board. For this purpose, independence shall be consistent with the definition of that or similar terms as specified by the Securities Exchange Act of 1934, applicable Nasdaq rules, and the Internal Revenue Code as each are amended from time-to-time.

Members of the Committee, including the Chair, are appointed annually by the Board.

Committee members may be removed from the Committee, with or without cause, by the Board.

Scope, Authority and Responsibilities

The Committee is responsible for the design and administration of the Company’s executive and management compensation and incentive plans as well as director compensation programs.

Programs evaluated by the Committee include management cash compensation levels and incentive plans as well as compensation of Directors – including cash compensation, short-term bonus plans and long-term equity-based incentive programs.

The Committee will, at least annually, review and, as necessary, revise any employment contracts (including severance and/or “parachute” provisions) entered into between the Company and members of management. The Committee will have sole authority to approve and execute such contracts on behalf of the Company.

The Committee will, at least annually, review and approve goals and objectives of members of Company management for the ensuing fiscal year(s) and establish (upon consultation with the Chief Executive Officer) appropriate criteria to periodically measure accomplishments of management against such goals and objectives. The Chief Executive Officer is responsible for making a presentation or furnishing a written report to the Committee as to management’s progress toward achievement of specified goals and objectives. Such presentation or report will be provided annually or more frequently as requested by the Committee.

The Committee shall have sole authority to retain and/or replace, as it deems appropriate, any independent counsel (excluding the Company’s regular legal counsel), compensation and benefits consultants and other outside experts or advisors as the Committee believes to be necessary, desirable or appropriate to execute its responsibilities. The Company will provide for appropriate funding, as determined by the Committee, for payment of fees and expenses to any such persons retained by the Committee.

Periodically, but at least annually, the Committee will review and recommend to the Board any proposed modification(s) of this charter as the Committee and/or the Board deems appropriate.

At least annually, the Committee will prepare, review and consult with management regarding the compensation discussion and analysis included in the Company’s annual proxy statement.

Procedures and Administration

The Chair (or in his or her absence, a Committee member designated by the chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meeting so long as they are not inconsistent with any provisions of the Company’s Articles of Incorporation or Bylaws that are applicable to the Committee.

At a minimum, the Committee shall meet annually to evaluate the individual performance of members of management against previously established goals and objectives and to establish goals and objectives for the ensuing fiscal year. Additionally, the Committee will meet periodically on an “as needed” basis to deliberate matters pertaining to compensation matters that may arise from time-to-time.

The Committee reports directly to the Board and provides the Board with recommendations regarding compensation matters as the Committee deems necessary

and appropriate. The Committee will also report directly to the Board as may be requested by the Chairman of the Board.

All non-management directors may attend and observe meetings of the Committee but shall not participate in any discussion or deliberation unless invited to do so by the Committee and, in any event shall not be entitled to vote as to any Committee matters. The Committee may, at its discretion, invite to its meetings, members of the Company's management or any external expert or consultant or any other person the Committee believes to be necessary or appropriate to fully execute its duties and responsibilities.

Committee meeting minutes are maintained among the official records of the Company.

Compensation matters recommended by the Committee are generally not subject to shareholder approval. However, the Committee shall oversee the Company's compliance with any applicable laws, rules or regulations that require shareholders to approve equity-based compensation.

Directors' compensation will consist of a reasonable fee (potentially including annual cash incentives) and long-term, equity-based compensation. The Committee will periodically and at least annually review components and levels of director compensation and provide recommendations (if any) to the Board for its consideration.

Directors will be reimbursed for out of pocket expenses incurred in connection with attendance at all meetings of the Board including all committee meetings thereof.

Indemnification of Directors

The Company will indemnify each Director to the fullest extent permitted by the Company's Articles of Incorporation and Bylaws.

Disclosure of Compensation Committee Charter

This Charter shall be made available to any shareholder who provides a written request for a copy and shall be made available on the Company's website.