

**N.F.C. DEVELOPMENT CORP.
COMPENSATION POLICY**

Section 1 - Reasonable Compensation. It is the policy of N.F.C. DEVELOPMENT CORP, (NFC) to pay no more than reasonable compensation for personal services rendered to NFC by Officers and employees. The Directors of the Corporation shall not receive compensation for fulfilling their duties as Directors, although Directors may be reimbursed for actual out-of-pocket expenses which they incur in order to fulfill their duties as Directors. Expenses of family or other individuals not appointed or employed by the Agency will not be reimbursed by NFC unless the expenses are necessary to achieve an NFC purpose.

Section 2 - Approval of Compensation. The Board of Directors must approve in advance the amount of any and all compensation for Officers and employees of NFC. Before approving the compensation of an Officer or employee, the Board shall determine that the total compensation to be provided by NFC to the individual is reasonable in amount in light of the position, responsibility and qualification of the Officer or employee for the position held, including the result of an evaluation of the individual's prior performance for NFC, if applicable. In making the determination, the Board shall consider total compensation to include the salary and the value of all benefits provided by NFC to the individual in payment for services. At the time of the discussion and decision concerning an Officer's or employee's compensation, the Officer or employee should not be present in the meeting. The Board shall obtain and consider appropriate data concerning comparable compensation paid to similar individuals in like circumstances. The Board shall set forth the basis for its decisions with respect to compensation in the minutes of the meeting at which the decisions are made, including the conclusions of the evaluation and the basis for determining that the individual's compensation was reasonable in light of the evaluation and the comparability data.