

## **PULSE ELECTRONICS CORPORATION**

### **COMPENSATION COMMITTEE CHARTER**

#### **I. Purpose**

The purpose of the Compensation Committee is to carry out the Board of Directors' overall responsibility relating to management development, executive and key employee succession and compensation of the directors and officers of Pulse Electronics Corporation (the "Company").

#### **II. Organization**

The Committee shall be comprised of two or more directors, each of whom shall be independent as defined by the New York Stock Exchange Corporate Accountability and Listing Standards.

The members and the Chairperson of the Committee shall be appointed or removed by the Board in consultation with the Chairman of the Company. Appointments or removals, resignations and terminations will occur in accordance with the procedures established by the Committee.

The Committee shall meet at least 3 times annually.

#### **III. Authority and Responsibilities**

1. Manage the CEO Compensation Process by which the Board determines the CEO's annual and long-term equity compensation. The Committee shall determine the number of shares at stake each year, prepare relevant long term performance metrics for the Board to use in its evaluation and conduct a poll of the Board using the Pulse performance rating system, tally the results and distribute them to the Board ahead of the CEO evaluation meeting.
2. Determine the salary and short term incentive compensation of the CEO and submit the recommended amounts and determination criteria to the Board for approval.
3. Annually, prepare and distribute to the Board, a "tally sheet" including all elements of CEO compensation and benefits for the current year as well as two previous years.
4. Regularly evaluate all components of executive officer compensation to ensure they are competitive, are aligned with the objectives of the Company and are properly structured to recruit, retain, incentivize and reward performance. When appropriate recommend changes to the Board.
5. Approve any new executive compensation plans and recommend action to the Board, subject to applicable rules and regulations relating to shareholder approval.
6. Approve any changes in executive compensation plans, policies, metrics and standards, subject to applicable plan provisions, rules and regulations relating to shareholder approval.
7. Review payouts and distribution of all cash and equity-based compensation plans for executives in the short term incentive compensation plan to ensure alignment with their intended purposes, applicable policies and the shareholder's interests.
8. Determine, based on competitive data relating to similarly situated companies, the fees of independent directors and submit recommendations to the full Board for approval. Directors may receive only cash and stock as fees.
9. For key executives, other than the CEO, evaluate and ensure that management development and succession plans, programs and processes are in place.

10. The committee shall have the sole authority to retain and terminate such compensation consultants or other outside advisors as it deems necessary or appropriate for the purpose of assisting the Committee in the evaluation of director, CEO or senior executive compensation.
11. Oversee the preparation of the Compensation Discussion and Analysis that SEC rules require be included in the Company's annual proxy statement.
12. Establish annual goals and objectives for the Committee, perform an annual self-evaluation of the performance of the Committee that will be reported to the Board.