



COMPENSATION REVIEW POLICY

Manufacturing Enterprise Solutions Association International, Inc., (“MESA”) has adopted the following Compensation Policy (“Policy”). This Policy applies to compensation decisions affecting the executive director, any officers or directors receiving compensation and key employees (as defined in IRS Form 990) (collectively, the “Covered Persons”).

I. Introduction

MESA is a not-for-profit organization that educates the marketplace on how and why to use Manufacturing Enterprise Solutions.

In fulfilling its nonprofit mission, MESA is committed to the principal that use of its assets for compensation shall be reasonable, deliberated at arms-length and non-excessive.

II. Policy

In general, an independent review of compensation and/or benefits decisions is required in order to prevent the Covered Person who receives the compensation and/or benefits from controlling or having a strong influence over the decision making process.

This Policy applies each time a salary review, or a compensation/benefits adjustment, is made with respect to a Covered Person. This Policy, however, does not apply to general employee benefit decisions affecting all or a significant number of employees. For example, this Policy does not apply to a decision changing the organization’s health insurance benefits, but would apply to a decision to provide special health benefits to a Covered Person.

At the time this Policy is applied, the Board of Directors, or its delegate, shall perform the compensation review subject to the following conditions:

- Persons who are independent and able to act without a conflict of interest shall review the proposed compensation and/or benefits.
- Input to the compensation review may, at the discretion of the reviewers, be obtained from any source.
- The independent review shall include a comparison of compensation/benefits paid to similarly qualified persons in functionally-comparable positions at organizations similar to MESA.
- The review shall include a contemporaneous written record of the deliberations and decision made with respect to the compensation and/or benefits under consideration.
- At all times, it is the intent of MESA to be in compliance of 26 CFR 53.4958-6 Rebuttable presumption that a transaction is not an excess benefit transaction.
- The result of the review will be either approval of the proposed adjustment, or a recommended change to the adjustment. MESA will not implement any compensation adjustment without approval resulting from the review.

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