

COMPENSATION COMMITTEE CHARTER

I. PURPOSE

This Compensation Committee Charter (the "Charter") sets out the policies, powers, responsibilities and structure of the Compensation Committee (the "Committee") of NOW Corporation (the "NOW" or the "Company") in fixing the remuneration packages of corporate officers and members of the Board of Directors of the Company, and for the exercise of the Committee's oversight function over the remuneration of senior management and other key personnel to ensure that the compensation is consistent with the Company's strategy, culture, and control environment.

The Committee is expected to support the corporate governance process through the provision of checks and balances provided in this Charter.

II. STRUCTURE

A. Membership

The Committee shall consist of at least three (3) members of the Board of Directors of the Company (the "Board") and shall have the following qualifications:

- a. Must own at least one (1) share of stock of the Company standing in his name;
- b. Must have a college education or equivalent academic degree;
- c. Must be at least twenty-one (21) years old;
- d. Must possess integrity and probity;
- e. Must have a practical understanding of the business of the Company or previous business experience;
- f. Must have attended a seminar on corporate governance conducted by a duly recognized private or government entity or must undertake to attend such a seminar as soon as practicable; and
- g. Other qualifications as may be provided by the Corporation Code, the Securities Regulation Code and other relevant laws.

One member of the Committee shall be an independent director, as defined in the Company's Revised Manual on Corporate Governance.

The Board shall appoint the Committee members at the annual organizational meeting of the Board and shall serve until the next such organizational meeting of the Board or until their successors shall be duly elected and qualified. A member of the Committee may be removed, with or without cause, by a majority vote of the Board. Any

vacancy in the Committee may be filled by a majority vote of the members the Board, constituting a quorum, during a regular or special meeting.

B. Meetings

The Committee will meet, at least, annually and may convene additional meetings, as circumstance require. The quorum for a meeting of the Committee shall be at least a majority of the Members present throughout the meeting. Meetings may be attended in person or via tele- or video-conference. The minutes of the meetings shall be recorded.

All members of the Board who are not members of the Committee may attend meetings of the Committee but may not vote. The Committee may invite to its meetings any management or other personnel of the Company, or any third parties, as it deems appropriate in order to carry out its responsibilities.

A Committee meeting shall be convened upon notice in writing at least three (3) working days prior to the meeting, and specifying the place, date and time of the meeting and the matters to be discussed at the meeting. Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the Members present in the meeting at which there is a quorum. A Member may consent to short notice and may waive notice of any meeting of the Committee and any such waiver may be retrospective.

Notice shall be deemed duly served upon a Member/Advisor if it is given to him personally, or sent to him by e-mail, mail or facsimile transmission to the address provided by the Member.

The Committee shall timely refer to the Board its recommendations or decisions which require ratification or approval by the Board or, if otherwise, as it may deem necessary or proper.

C. Resources

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to retain and obtain advice from special counsel and other experts or consultants, without need for Board approval. The Committee shall have also the authority to approve the fees payable to such advisors and any other terms of retention, without need for Board approval.

III. POWERS AND DUTIES

While acting within the scope of its stated purpose, the Committee shall have all the authority of the Board.

The following are the functions of the Committee:

1. The Committee shall establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers.
2. The Committee shall establish pension, retirement, bonus, profit-sharing, or other types of incentives or compensation plans for the employees, officers and directors of the Company and to determine the persons to participate in any such plans and the amount of their respective participations.
3. The Committee shall review the remuneration of senior management and other key personnel as fixed by the President.
4. The Committee shall determine the reasonable per diem allowance of the directors for attendance at each meeting of the Board subject to ratification by the Board.
5. The Committee shall designate the amount of remuneration of the executive officers subject to ratification by the Board.
6. The Committee shall ensure that the stockholders have the opportunity at a regular or special meeting to approve the decision on total remuneration (fees, allowances, benefits-in-kind and other emoluments) of members of the Board.
7. The Committee shall develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers.
8. The Committee shall develop the Personnel Handbook to establish provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of employees concerned with all statutory requirements that must be periodically met in their respective posts.

The Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board of Directors from time to time related to the purpose of the Committee outlined in Section I of this Charter.

IV. POLICIES

- a. Executive Remuneration - The remuneration of executive directors must be competitive to attract and retain highly competent members. The Committee shall take into consideration the experience and the duties of such executive director in fixing the remuneration. Each director shall also receive a reasonable per diem allowance for his attendance at each meeting of the Board. The remuneration package and per diem allowance shall be subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting.
- b. Non-executive Remuneration – Each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. The amount of the per diem

allowance shall be subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting.

V. ANNUAL PERFORMANCE EVALUATION

The Committee shall perform a review and evaluation, at least annually, of its performance and its members, including reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable.

The Committee shall establish a feedback mechanism to receive comments from management, internal and external auditors and legal counsel. Such mechanisms shall facilitate dialogue within the Company on possible ways to improve its performance.

The results of the evaluation shall be validated by the Company's Compliance Officer and shall form part of the records of the Company ready for examination by the Securities and Exchange Commission.

VI. AMENDMENT

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.