

Compensation Committee Charter for Syncora Holdings Ltd.

As adopted by the Board of Directors on December 11, 2014

Purpose

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) to assist the Board in discharging its responsibilities relating to compensation of Syncora Holdings Ltd.’s (the “Company”) executives. The Committee also has overall responsibility for establishing the general compensation philosophy of the Company and for approving and evaluating compensation and benefit plans, policies and programs of the Company.

Committee Membership

The Committee shall consist of at least three members, each of whom shall have knowledge or experience relating to compensation and benefit matters. Although the Company is no longer listed on the New York Stock Exchange (“NYSE”), all of the members of the Committee shall meet the independence requirements set forth in the Company’s Director Independence Standards, which generally meet the independence requirements of the NYSE, including standards specifically applicable to compensation committee members. The members of the Committee shall be appointed annually by the Board on the recommendation of the Nominating & Governance Committee. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

Meetings

The Committee shall meet as often as it or the Board determines but at least three times a year. The affirmative vote of a majority of the members participating in any meeting of the Committee is necessary for the adoption of any resolution. For action requested by written consent, a response from a majority of the members of the Committee is necessary with all such responses being in the affirmative. Members may participate in a meeting of the Committee by means of a conference call or similar communications arrangement by means of which all persons participating in the meeting can hear and speak with each other. The Committee may invite members of management to its meetings as it may deem desirable or appropriate, consistent with maintaining the confidentiality of compensation discussions. The Committee shall maintain minutes of any Committee meeting.

Committee Authority and Responsibilities

The Committee shall:

1. Have the sole authority to select, retain and terminate any compensation consultant, legal counsel or other advisor to the Committee to be used to assist in discharging its responsibilities and shall be directly responsible for the appointment, compensation and oversight of any work of such advisor.

From time to time as the Committee deems appropriate and prior to retention of any advisors to the Committee, assess the independence of compensation consultants, legal and other advisors to the Committee, taking into consideration factors specified in the listing standards of the NYSE.

2. Review the overall compensation structure of the Company, including compensation plans, programs or policies of individual business units within the Company, to determine that it establishes appropriate incentives for officer employees at all levels, but without encouraging excessive risk taking. All incentives, while industry-dependent and different for distinct categories of officers, should be designed to further the Company's long term strategic plan and should be consistent with the culture of the Company.
3. Review, approve and oversee all significant employee benefits and related programs and policies (including perquisites) adopted by the Company.
4. Annually (or more frequently if necessary) review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, report the results of such evaluation to the Board and recommend to the independent members of the Board the Chief Executive Officer's compensation level based on this evaluation. In determining the long term incentive component of the Chief Executive Officer's compensation, the Committee may consider the Company's performance, the awards given to the Chief Executive Officer in past years and the value of similar incentive awards of the Chief Executive Officer at comparable companies.
5. Subject to Paragraph 6 below, annually (or more frequently if necessary) review and approve the compensation and benefits of all Company and subsidiary executive officers and other key executives, including awards under incentive-compensation plans and equity-based plans, and shall oversee the administration of these plans.
6. Annually (or more frequently if necessary) review for the Chief Executive Officer and the Chief Financial Officer and recommend to the independent members of the Board, and review and approve for the other executive officers of the Company, (a) the annual base salary level, (b) the annual incentive compensation opportunity level, (c) the long-term incentive compensation opportunity level, (d) employment agreements, severance arrangements, and change-in-control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits or other compensation.
7. Oversee the Company's regulatory compliance with respect to compensation matters, including the Company's policies on structuring compensation programs to preserve tax deductibility.
8. Form and delegate authority to sub-committees as the Committee considers appropriate.
9. Make regular reports to the Board on all matters for which the Committee has responsibility.

10. Undertake and review with the Board an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this Charter. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by any member designated by the Committee to make this report.
11. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Nominating & Governance Committee and ultimately to the Board for approval.
12. Perform such other activities as the Board may from time to time deem necessary or appropriate.

In carrying out the foregoing powers and responsibilities, the Committee may, in its discretion, (1) decline to act on matters and refer such matters to the full Board for its determination, or (2) take actions subject to the further approval of the Board. In addition, nothing in this Charter shall be construed as limiting the power of the Board to take action that has been delegated to the Committee hereunder, in its sole discretion.