

COMPENSATION COMMITTEE CHARTER
of the
Compensation Committee of the
Board of Directors
of
FREMONT MICHIGAN INSURACORP, INC.

I. GOVERNANCE

This Charter sets forth the basic principles regarding the organization, membership, purpose, authority and responsibilities of the Compensation Committee (“Committee”) of Fremont Michigan InsuraCorp, Inc. (“Company”) and has been approved by the Company’s Board of Directors.

II. ORGANIZATION

The Committee shall consist of at least three directors appointed by the Board of Directors upon the recommendation of the Company’s Governance Committee. One Committee member shall be designated by the Board of Directors as Chairperson. All Committee members shall be, in the business judgment of the Board, independent under the NASDAQ definition of “independence,” independence standards adopted by the Board and any other applicable laws, rules and regulations, all as determined by the Board. Additionally, members of the Committee must qualify as “non-employee directors” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and as “outside directors” for purposes of Section 162(m) of the Internal Revenue Code. A Committee member may be removed for any reason by the Board of Directors. The Committee shall meet as often as may be deemed necessary or appropriate in its judgment, but not less than once per year.

III. STATEMENT OF PURPOSE

The Committee shall (i) discharge, subject to general review and oversight by the Board, the Board of Directors’ responsibilities relating to the compensation of the Company’s executives, and (ii) assist the Board of Directors in fulfilling its responsibilities relating to the Company’s compensation and benefit programs and policies, including the powers and authorities vested in the Committee under the compensation and stock incentive plans of the Company.

IV. AUTHORITY, DUTIES AND RESPONSIBILITIES

The Committee’s authority, duties and responsibilities shall include having direct responsibility to:

1. Oversee the Company's overall compensation structure, policies and programs, and assess whether the Company's compensation structure establishes appropriate incentives for management and employees;
2. Administer and make recommendations to the Board of Directors with respect to compensation, incentive compensation plans, including stock incentive plans, of the Company;
3. Review and approve the compensation of the Company's key senior executives and elected corporate officers, including making stock incentive grants and determining the terms and conditions of any compensation or stock incentive arrangements;
4. Review and approve corporate and personal goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of those goals and objectives, and, together with the other independent Directors, approve the compensation of the Chief Executive Officer based on the evaluation;
5. Prepare the Compensation Committee report required by applicable rules and regulations to be included in the Company's annual proxy statement;
6. Review and approve the design of benefit plans pertaining to executives;
7. Review and recommend employment agreements and severance arrangements for executives, including change-in-control provisions, plans or agreements;
8. Establish stock ownership guidelines for directors and executive officers and monitor compliance with the guidelines;
9. Engage consultants and advisors at the expense of the Company to assist the Committee as it deems necessary in the performance of its functions. The Committee shall have the sole authority to retain and terminate any consultants and advisors, and to approve all fees and other retention terms;
10. Establish subcommittees of the Committee in its discretion and delegate such powers and authority as determined by the Committee;
11. Conduct and discuss with the Board of Directors an annual performance evaluation of the Committee, including the Committee's adherence to this Charter; and
12. Provide the Board of Directors with regular reports regarding the Committee's decisions, actions and recommendations.

Revised Effective: October 12, 2004