

**CHARTER OF THE
COMPENSATION COMMITTEE OF
STAAR SURGICAL COMPANY**

1. PURPOSE

The purpose of the Compensation Committee (the "Committee") of the Board of Directors of STAAR Surgical Company (the "Company") is to help ensure that the Company compensates its executive officers in a manner that conforms to the compensation strategy of the Company determined by the Board, that is equitable and consistent, that addresses the Company's need to compete in recruiting and retaining qualified executive officers, and that conforms to the requirements of the appropriate regulatory bodies.

2. COMMITTEE MEMBERSHIP AND ORGANIZATION

The Committee shall be comprised of no fewer than three members. Each member of the Committee shall be "independent" as defined by the rules of the National Association of Securities Dealers ("NASD") and the Securities and Exchange Commission ("SEC"). In addition, each member shall be a "Non-employee Director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934 and shall satisfy the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code. Each member shall be free of any relationship that, in the opinion of the Board, would interfere with his or her individual exercise of independent judgment. The members of the Committee shall be appointed and replaced by the Board. The Board shall appoint one of the members as Chair. The Committee shall communicate with and work closely with the Board. To foster this communication, the Chief Executive Officer of the Company may be invited to attend meetings on a non-voting basis.

**4. COMMITTEE RESPONSIBILITIES AND AUTHORITY OVER
COMPENSATION OF EXECUTIVE OFFICERS**

To carry out its purposes expressed in Paragraph 1 above, the Committee shall have the following responsibilities and authority. Delegation by the Board of responsibilities to the Committee shall not preclude the Board from taking any action permitted to be taken under governing law, rules or regulations applicable to the Company, provided that the Committee shall have sole authority to appoint, determine the compensation of, oversee the work of, and terminate any compensation advisor retained to assist in the evaluation of director, CEO or senior executive compensation, including sole authority to approve the compensation advisor's fees and other retention terms. Subject to any exceptions under NASDAQ listing standards, the Committee shall undertake an analysis of the independence of each compensation advisor under the independence factors specified in the applicable requirements of the Exchange Act and NASDAQ listing standards, with such analysis to occur prior to selection of such compensation advisor and as appropriate thereafter. The Committee shall also have such additional authority and responsibility as may be required from time to time under the rules and guidelines of the Exchange Act and NASDAQ listing standards. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the compensation advisors retained by the Committee.

A. Fundamental Role. The members of the Committee are authorized and directed to perform the following duties on behalf of the Board:

(1) Review and approve corporate goals and objectives relevant to compensation of the executive officers.

(2) Evaluate the performance of the executive officers in light of those goals and objectives.

(3) Recommend the compensation level of the executive officers based on this evaluation.

(4) Make recommendations to the Board with respect to incentive compensation plans and equity-based plans.

B. Specific Duties and Responsibilities. The Committee shall have the following specific duties and responsibilities with respect to compensation of executive officers:

(1) Review from time to time and approve the Company's compensation strategy to ensure that management is rewarded appropriately for its contributions to Company growth and profitability and that the executive compensation strategy supports Company objectives and stockholder interests.

(2) Recommend to the Board all elements of compensation for the executive officers. The CEO may not be present during voting on or discussion of his or her compensation. Final determination of compensation for the CEO shall be made by the independent directors, and final determination of compensation for all other executive officers shall be made by the Board.

(3) Recommend the long-term incentive component of compensation for the executive officers based on the considerations adopted by the Board.

(4) Annually review the performance of the CEO and the executive officers of the Company, and report on the Committee's review to the Board and the CEO.

(5) Produce the annual Board Compensation Committee Report to Stockholders on the factors and criteria on which the compensation for the CEO and other executive officers in the last year was based, to be included in the Company's proxy statement for its annual meeting or Annual Report on Form 10-K filed with the SEC.

(6) Develop the Company's incentive compensation strategy with respect to the total number of incentive awards to be granted, the relative participation of senior management and other employees, and the types of awards to be granted.

(7) Recommend and approve, subject to submission to stockholders when appropriate, all new equity-related incentive plans.

(8) Determine eligibility for awards under the Company's incentive compensation plans and the terms under which awards are granted.

(9) Grant awards under the Company's incentive compensation plans, except for awards to executive officers, which shall be granted by the Board based on recommendations of the Committee.

(10) Assure that the Company's executive incentive compensation program, including the annual and long-term incentive plans, is administered in a manner consistent with the Company's incentive compensation strategy.

(11) Recommend annual retainer and meeting fees for directors and members of Board committees, including expense reimbursement limits and per diem allowances, and recommend the terms and awards of stock compensation for members of the Board. Following such recommendations retainer and meeting fees for the members of the Board shall be determined by the Board, and the terms and awards of stock compensation for members of the Board shall be determined by the Board.

(12) Review with the CEO matters relating to management succession.

(13) Review the Company's employee benefit programs and approve changes subject, where appropriate, to stockholder or Board approval.

(14) Obtain advice, assistance, reports or opinions from internal or external legal, accounting or other advisors, including consulting firms, to assist in the evaluation of director, CEO or senior executive compensation.

(15) Such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board or the Chairman, or as designated in compensation plan documents.

5. ADMINISTRATION OF THE COMMITTEE

(1) The Committee will meet at least twice annually and will also meet, as required, in response to the needs of the Board and as necessary to fulfill its responsibilities.

(2) The Committee will make regular reports to the Board.

(3) The Committee may form and delegate authority to subcommittees, or delegate authority to committee members, when appropriate, provided that such subcommittees will be composed exclusively of members of this Committee and will operate pursuant to a published charter.

(4) The Committee will review and re-examine this Charter at least annually and make recommendations to the Board with respect to any proposed changes.

(5) The Committee will annually report to the full Board regarding its own performance against the responsibilities outlined in this Charter and as otherwise established by the Board.

(6) The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.