



NATIONAL GENERAL HOLDINGS CORP. COMPENSATION COMMITTEE CHARTER

Compensation Committee Purpose

The Compensation Committee (the “*Committee*”) is appointed by the Board of Directors (the “*Board*”) of National General Holdings Corp. (the “*Company*”) to discharge the responsibilities of the Board relating to compensation of the Company’s Chief Executive Officer and other named executive officers, to administer the Company’s incentive and equity-based compensation plans, to review and discuss with management the Company’s disclosures in the Compensation Discussion & Analysis (“*CD&A*”) required by the rules and regulations of the Securities and Exchange Commission (the “*SEC*”), to recommend to the Board whether the CD&A should be included in the Company’s proxy statement and to produce the report on executive compensation in the Company’s proxy statement in accordance with applicable rules and regulations.

Committee Membership

The Committee shall be composed of two (2) or more directors, each appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. The members of the Committee may, but are not required to as long as the Company maintains its “controlled company” status, meet the independence requirements of any securities exchange on which any of the Company’s securities are traded. Additionally, at least two of the members of the Committee shall be “outside directors” as defined by Section 162(m) of the Internal Revenue Code and “non-employee directors” as defined by Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”).

Notwithstanding the foregoing, if a member of the Committee does not meet the criteria for membership discussed above, the member may remain on the Committee, but the Committee must delegate the approval of certain transactions to a subcommittee consisting solely of members of the Committee who both are “non-employee directors” and “outside directors.”

The members of the Committee shall be appointed by the Board and may be removed by the Board at its discretion. Members of the Committee shall serve until their resignation, death, removal by the Board or until their successors are appointed. A Committee member shall be automatically removed without further action of the Board if the member ceases to be a director of the Company. The Committee shall include a Committee Chairperson. If a Chairperson is not designated or present, the members of the Committee may designate a Chairperson by majority vote.

Meetings

The Committee shall meet as often as it determines. Members of management or others may attend meetings of the Committee at the invitation of the Chairperson of the Committee and shall provide pertinent information as necessary. The Chairperson of the Committee shall work with members of Company management to set the agenda of each meeting and arrange for the distribution of the agenda, together with supporting material, to the Committee members prior to each meeting. The Chairperson of the Committee will also cause minutes of each meeting to be prepared and circulated to the Committee members. The Committee may designate a non-voting Secretary or Acting Secretary for the Committee, who shall assist in the administration of meetings and prepare the minutes of such meeting as requested by the Committee.

A majority of the members of the Committee shall constitute a quorum for all purposes. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings and voting requirements as are applicable to the Board.

The Committee shall report regularly to the Board (i) following meetings of the Committee, (ii) with respect to those matters that are relevant to the Committee's discharge of its responsibilities listed below, and (iii) with respect to those recommendations that the Committee may deem appropriate.

Committee Authority and Responsibilities

The Committee shall have the following authority and responsibilities, as well as any authority and responsibilities as shall be required of compensation committees by the rules of any securities exchange on which any of the Company's securities are traded and, if applicable, the SEC. As mentioned above under "Committee Membership," in fulfilling its responsibilities, the Committee is entitled to delegate any or all of its responsibilities to a subcommittee of the Committee. The tasks and processes are set forth as a guide, and not as minimum requirements, with the understanding that the Committee may supplement them as appropriate, or may choose to fulfill its responsibilities in other ways that it deems advisable in its business judgment.

Executive Compensation

1. To review and approve corporate goals and objectives relevant to the Chief Executive Officer's compensation and to determine and approve the Chief Executive Officer's compensation based on this evaluation and comparable market data provided to the Committee, if any. The Chief Executive Officer cannot be present during any voting or deliberations by the Committee on his compensation.
2. To review and approve the compensation of the other named executive officers of the Company, including benefits, perquisites and special bonuses or awards, taking into consideration the Company's performance, comparable market data (if any), the performance of each named executive officer and any other factors that the Committee may determine, in its discretion, to be appropriate.
3. To consider the results of the most recent shareholder advisory vote on executive compensation required by Section 14A of the Exchange Act ("Say on Pay").

Incentive Compensation and Equity-Based Plans

1. To make recommendations to the Board regarding the Company's equity-based plans, including the approval (or the delegation to a subcommittee or individual to approve) of grants of equity or equity-based awards in compliance with the terms and conditions prescribed by the Company's equity compensation plans.
2. To make recommendations to the Board regarding cash incentive compensation plans for executive officers and senior management, including the approval (or the delegation to a subcommittee or individual to approve) of grants of cash incentive awards in compliance with the terms and conditions prescribed by any such plans.
3. To review and approve the performance criteria, target awards, payout criteria, and similar items for the Company's incentive compensation and equity-based plans.
4. To administer any incentive or equity-based compensation plans and other plans adopted by the Board that contemplate administration by the Committee.
5. To determine whether the Company's incentive compensation arrangements encourage excessive risk-taking, to review and discuss the relationship between risk management policies and practices

and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.

Regulatory Compliance

1. To oversee, in consultation with appropriate officers of the Company, regulatory compliance with respect to compensation matters, including any compensation programs intended to preserve tax deductibility, and, as required, establish performance goals and determine whether performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.

Employment Agreements and Severance Arrangements

1. To review and approve any proposed employment agreement (or amendment thereto) with, or any proposed severance or retention plans, agreements or amendments applicable to, any named executive officer of the Company.
2. To review and approve any proposed severance or termination payments to be made to any named executive officer of the Company.

CD&A Compensation Committee Report and Say on Pay

With the assistance of management and any outside advisors the Committee deems appropriate:

1. To review and discuss with management the Company's disclosures in the CD&A and, based on that review, make a recommendation as to whether to include the CD&A in the Company's annual report on Form 10-K and proxy statement relating to the Company's annual meeting of shareholders;
2. To prepare a Compensation Committee Report for inclusion in the Company's proxy statement;
3. To review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.

Advisors

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel, or any other adviser retained by the Committee. In addition to any advice the Committee may receive from in-house legal counsel or Company management, the Committee may select, or receive advice from, a compensation consultant, legal counsel or another adviser to the Committee, only after taking into consideration the following factors:

1. The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser.
2. The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser.

3. The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest.
4. Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee.
5. Any stock of the Company owned by the compensation consultant, legal counsel or other adviser.
6. Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

The Committee is not required to conduct an independence assessment for a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulations S-K: (a) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; and/or (b) providing information that either is not customized for a particular issuer or that is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.

General

1. To annually review this Charter and recommend any proposed changes to the Board for approval.
2. To perform any other activities consistent with this Charter, the Company's By-laws and governing law, as the Committee or the Board deems necessary or appropriate.

Amendment

This Compensation Committee Charter may be amended by the Committee, with substantial changes approved by the Board subject to the disclosure and other provisions of the Exchange Act and the applicable rules of the securities exchange on which any of the Company's securities are traded.

Adopted: August 6, 2013