

May 24, 2007

STRASBAUGH

COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee (the “*Committee*”) of Strasbaugh has the purpose and authority to undertake the specific duties and responsibilities listed below and will have the authority to undertake such other specific duties as the Board of Directors from time to time prescribes.

Membership

Subject only to the phase-in and cure periods described below, the Committee must consist of a minimum of three directors, all of whom shall meet the independence requirements of the principal exchange or system on which Strasbaugh’s common stock then trades and at least two of whom qualify as both “non-employee directors” of Strasbaugh as such term is defined in Rule 16b-3(b)(3)(i) of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), and “*outside directors*” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended. The members of the Committee are appointed by and serve at the discretion of the Board of Directors.

Phase-In Period. The above described independence requirements must be met within 12 months of the date on which Strasbaugh’s Registration Statement on Form SB-2, File No. 333-144787, is declared effective by the Securities and Exchange Commission (the “*Effective Date*”). Additionally, the Committee must be comprised of (i) at least one independent member on the Effective Date; and (ii) a majority of independent members within 90 days of the Effective Date.

Cure Periods. If at any time after 12 months from the Effective Date the Committee fails to be comprised of at least three independent members due to one vacancy, or one member ceasing to be independent due to circumstances beyond the member’s reasonable control, the Committee shall regain compliance with the independence requirements by Strasbaugh’s next annual shareholders meeting or one year from the occurrence of the event that caused the non-compliance, whichever is earlier. However, if the annual shareholders meeting occurs no later than 180 days following the event that caused the non-compliance, the Committee shall have 180 days from such event to regain compliance.

Responsibilities

The responsibilities of the Committee are set forth below:

- The Committee shall review and make recommendations to the Board of Directors regarding the compensation policies and plans and the types and amounts of, and criteria for payment of, compensation for all officers and directors of Strasbaugh, and such other employees and consultants of Strasbaugh as directed by the Board of Directors.

- The Committee shall act as administrator (as described in each of Strasbaugh’s stock and option plans (“*Plans*”)) of the Plans within the authority delegated by the Board of Directors. In its administration of the Plans, the Committee (or, as appropriate, a subcommittee of at least two members, all of whom are non-employee directors and outside directors as described under “Membership” above) may, among other things, (i) grant stock options or stock purchase rights to individuals eligible for such grants (including grants to individuals subject to Section 16 of the Exchange Act in compliance with Rule 16b-3 thereunder), (ii) amend such stock options or stock purchase rights in accordance with the terms of the Plans, and (iii) review and make recommendations to the Board of Directors with respect to amendments to the Plans and changes in the number of shares reserved for issuance thereunder.
- The Committee shall review and discuss with Strasbaugh’s management the disclosures required by Item 402(b) of Regulation S-B.
- The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

Meetings

It is anticipated that the Committee will meet at least twice each year. However, the Committee may establish its own schedule, which it will provide to the Board of Directors in advance. At a minimum of one of such meetings annually, the Committee will consider stock plans, performance goals and incentive awards, and the overall coverage and composition of the compensation package.

Minutes

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

Reports

The Committee will provide written reports to the Board of Directors regarding recommendations of the Committee submitted to the Board of Directors for action, and copies of the written minutes of its meetings.