

**COFFEE HOLDING CO., INC.**  
**COMPENSATION COMMITTEE CHARTER**

**I. PURPOSE**

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Coffee Holding Co., Inc. (the “Company”) shall be to discharge the Board’s responsibilities relating to compensation of the Company’s directors, Chief Executive Officer (the “CEO”) and other officers, including plans and programs relating to cash and incentive compensation, equity-based awards and other benefits and perquisites.

**II. COMPOSITION**

The Committee shall consist of no fewer than three members, each of whom shall meet the criteria for independence established by the Securities and Exchange Commission (the “SEC”) and the American Stock Exchange and whom the Board has affirmatively determined does not have a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment as a director. No person may be made a member of the Committee if his or her service on the Committee would violate any restriction on service imposed by any effective rule of the SEC or any securities exchange or market on which shares of the Company’s common stock are traded. Members of the Committee shall be appointed annually by the Board upon the recommendation of the Nominating and Governance Committee and shall serve at the pleasure of the Board.

**III. MEETINGS**

The Committee shall meet at least once a year or more frequently as circumstances require. The Committee may meet by telephone conference call or by any other means permitted by law or the Company’s bylaws. A majority of the members of the Committee shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. Without a meeting, the Committee may act by unanimous written consent of all members. The Committee shall maintain written minutes of its meetings which shall be filed with the books and records of the Company. The Committee shall establish its own rules of procedure, which shall be consistent with the bylaws of the Company and this charter. The Committee shall report the significant actions of the Committee to the Board, with such recommendations as the Committee deems appropriate.

#### **IV. AUTHORITY AND RESPONSIBILITY**

The Committee shall have the following authority and responsibilities:

1. The Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
2. The Committee shall review and approve corporate goals and objectives relevant to CEO compensation and establish a procedure for evaluating the CEO's performance. The Committee shall annually evaluate the CEO's performance in light of those goals and objectives and recommend to the Board the CEO's base salary and annual and long-term incentive compensation based on this evaluation. In determining the CEO's compensation, the Committee may consider any matter it deems relevant, including, without limitation, the Company's performance and relative shareholder return, the compensation paid to CEOs at comparable companies and the remuneration given to the CEO in past years.

All deliberations, actions and recommendations of the Committee relevant to the CEO shall be undertaken by the Committee in executive session. Any other deliberations, actions or recommendations may be made in the presence of, or take into consideration the recommendation of, the CEO or other senior management officials, in the discretion of the Committee.

3. The Committee shall review and approve corporate goals and objectives relevant to other executive officer compensation and establish a procedure for evaluating the other executive officers' performance. The Committee shall annually evaluate the performance of the other executive officers in light of those goals and objectives and recommend to the Board the other executive officers' base salary and annual and long-term incentive compensation based on this evaluation. In determining the other executive officers' compensation, the Committee may consider any matter it deems relevant, including, without limitation, the Company's performance and relative shareholder return, the compensation paid to other executive officers at comparable companies and the remuneration given to the other executive officers in past years.
4. The Committee shall annually review, and make recommendations to the Board with respect to, the compensation of directors (including committee and committee chair's fees, equity-based awards and other similar items as appropriate).

5. The Committee shall review and make periodic recommendations to the Board as to the general compensation and benefits policies and practices of the Company, including incentive-compensation plans and equity-based plans.
6. The Committee shall serve as the fiduciary and/or administrator of any compensation or benefit plan of the Company for which a fiduciary consisting of members of the Board is required by law or by the terms of the plan. In such capacity it shall have and exercise the power, authority and discretion conferred by law or the terms of the relevant plan, as applicable.
7. The Committee shall review and reassess the adequacy of this charter annually and, as appropriate, adopt and recommend changes to the Board for its approval.
8. The Committee shall annually conduct and present to the Board a performance evaluation of the Committee.
9. If required by applicable rules and regulations, the Committee shall prepare an annual executive compensation report for the shareholders in accordance with the rules of the SEC.