

GOVERNANCE AND COMPENSATION COMMITTEE CHARTER

WEST MARINE, INC.

Adopted as of October 17, 2003

The Governance and Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of West Marine, Inc. (the “Company”) serves as the representative of the Board in matters relating to compensation of the Company’s executives and directors and with respect to certain aspects of the organization and governance of the Company.

Membership

The Committee will consist of at least two (2) members appointed by the Board who will serve until their successors are duly elected, qualified and appointed. The Board may designate one member of the Committee as chairperson. Each member of the Committee will be an “independent” director of the Board. “Independent” will mean a director who meets the requirements for “independence” set forth in the applicable rules of the National Association of Securities Dealers, Inc. (“NASD”) and the NASDAQ National Market (“NASDAQ”). Each member of the Committee also shall qualify as a “Non-Employee Director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and as an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”).

Governance

The Committee shall identify and consider individuals qualified to become new Board members or to fill vacancies on the Board and shall develop recommendations for the Board to consider with respect to director nominees for the next annual meeting of shareholders. As part of the process of selecting such nominees, the Committee shall solicit the views of the Chairman of the Board, of other members of the Board, and of such other third parties as the Committee deems appropriate. The formal nomination of the persons recommended by the Committee as director nominees will be subject to the approval of the Board. The Committee will also advise and report to the Board with respect to the creation and maintenance of effective governance processes and principles and such other organizational and governance matters as determined by the Board. Among other functions, the Committee will:

1. Adopt and review periodically criteria for qualification and selection of director candidates for election to the Board and committee membership, including issues of character, judgment, diversity, independence, expertise, corporate experience, length of service, and other commitments;
2. Recommend to the Board candidates to fill new positions or vacancies on the Board and on its various committees;
3. Develop standards for determining the independence of Board members that meet the requirements of the rules of the NASD, NASDAQ and applicable law;
4. Develop and recommend to the Board a set of governance principles and guidelines. The Committee will periodically review and reassess the adequacy of the guidelines, will

monitor and evaluate other governance guidelines that may merit consideration by the full Board, and will recommend to the Board such changes in the Company's governance principles as the Committee may believe to be necessary or appropriate;

5. Periodically review and reassess the adequacy of the Company's codes of ethics and conduct guidelines, monitor and evaluate other codes of ethical conduct and similar guidelines that may merit consideration by the full Board, and recommend to the Board such changes in the Company's codes of ethics and conduct guidelines as the Committee may believe to be necessary or appropriate;
6. Formulate procedures for consideration by the full Board with respect to a periodic self-evaluation review of the operation and effectiveness of the Board and its committees and recommend any changes to the size, composition or operation of the Board or its committees, including making recommendations to the Board for the creation of additional Board committees or the change in mandate or dissolution of Board committees;
7. Review and evaluate all stockholder proposals submitted to the Company (including any proposals relating to the nomination of directors) and recommend to the full Board appropriate action on each such proposal; and
8. Perform any other functions, as the Board may deem appropriate, relating to organizational and governance matters that are consistent with principles of good governance as practiced by other public companies that are reasonably comparable to the Company and that are otherwise consistent with this Charter, the Company's By-laws, applicable law and the applicable rules of the NASD or NASDAQ.

Compensation

The Committee will be responsible for the oversight of the Company's executive compensation policies, plans and benefit programs, which are designed to attract, motivate and reward highly qualified executives for the attainment of long-term strategic management goals and the enhancement of shareholder value. The Company's executive compensation policies, plans and benefit programs will be designed to create a performance-driven environment and retain executives whose abilities are critical to the Company's long-term success and competitiveness. In developing compensation policies, plans and benefit programs, and setting and reviewing compensation levels—including base salary, annual incentive compensation and long-term equity-based incentive awards—the Committee will take into account industry, locality and peer group norms and hiring and retention needs.

Among other functions that are suggested by principles of good governance and that are required by law or by the applicable rules of the NASD or NASDAQ, or any other functions that may be delegated by the Board to it, the Committee will (consulting with outside consultants if and when appropriate):

1. Annually review and approve corporate 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 set the level of compensation for the chief executive officer based on that evaluation. The level of compensation will then either be approved by the Committee itself or by a majority of the independent directors of the Board, as the Board may direct;

2. Develop guidelines, review and make recommendations to the Board regarding the compensation and performance of other executive officers and senior management. The executive compensation will then either be approved by the Committee or by a majority of the independent directors of the Board, as the Board may direct;
3. Review and evaluate director compensation levels and practices and, from time to time, recommend to the Board changes in director compensation levels and practices;
4. Make recommendations to the Board with respect to incentive-compensation plans and equity-based plans;
5. Oversee the Company's stock option, compensation, incentive or other similar plans that may be approved by the Board, including the Equity Incentive Plan and Associates Stock Buying Plan, and review and approve any proposed changes to these plans;
6. Prepare, in consultation with Company counsel as necessary to ensure that the report complies with applicable law, an annual Compensation Committee Report as required by the Securities Exchange Act of 1934, as amended, and the applicable rules and regulations of the Securities and Exchange Commission (the "SEC"), which will be included in the Company's proxy statement to the extent required by SEC rules and regulations;
7. Consider the impact on the Company, if any, of Section 162(m) of the Code (which limits corporate deductions to \$1,000,000 for certain compensation paid to the chief executive officer and each of the four other most highly compensated executives of publicly held companies), in setting the compensation of executives and document, as necessary, specific performance goals and take all other reasonable steps in order to preserve the Company's tax deductions. It is the policy of the Committee to preserve the deductibility of compensation under Section 162(m) to the extent it believes that doing so would be consistent with the best interests of the Company's shareholders;
8. Review and approve the Company's succession planning processes for senior management, and assume direct involvement in, and approval of, the CEO and CFO selection;
9. Review and assess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval; and
10. Perform any other functions, as the Board may deem appropriate, relating to executive compensation matters that are otherwise consistent with this Charter, the Company's By-laws, applicable law and the applicable rules of the NASD or NASDAQ.

Meetings

The Committee will meet separately from the Board at least one time during the Company's fiscal year and at such other times as may be required, as determined by the chairperson, in order to discharge the Committee's duties.

Investigations; Outside Advisors

In discharging its duties and responsibilities, the Committee is empowered to investigate any matter relating to its purpose, duties or responsibilities that it deems appropriate and shall have full

access to all books, records, facilities and personnel of the Company. The Committee also is authorized to retain such outside counsel, accounting and other professionals, experts and advisors, including any executive search firm to be used to identify director or executive officer candidates, as the Committee determines to be necessary or appropriate to assist it in the performance of any of its functions, including determining the fees to be paid and the other terms of engagement for such outside advisors.