

FOREST CITY ENTERPRISES, INC.

AMENDED AND RESTATED COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Forest City Enterprises, Inc. (the "Company") (a) establishes and oversees compensation of the Company's executive officers and senior management including, without limitation, salaries and incentive awards, pursuant to authority delegated to the Committee by the Board, (b) approves the Company's equity incentive plans, and (c) in accordance with federal securities laws, produces an annual report on executive compensation for inclusion in the proxy statement relating to the Company's annual meeting of shareholders.

Composition

Size. The size of the Committee shall be determined by the Board, subject to any requirements or limitations in the Company's Articles of Incorporation or Code of Regulations. The Board believes that the Committee should always have not less than three (3), but no more than six (6) members.

Qualifications. The members of the Committee may, but are not required due to the Company's "controlled Company" status, meet the independence qualification requirements of the New York Stock Exchange. Desirable qualifications for Committee members include experience in business management, executive compensation, employee benefits, and human resources.

Selection. The Board shall appoint the members of the Committee annually considering the recommendations of the Nominating and Governance Committee and further, considering the views of the Co-Chairmen of the Board and the Chief Executive Officer, as appropriate. The Corporate Governance and Nominating Committee shall recommend to the Board a Committee Chair. Each Committee member will serve at the pleasure of the Board for such term or terms as the Board may determine or until such Committee member is no longer a Board member.

Duties and Responsibilities

The Committee has the following duties and responsibilities:

1. Review Executive Compensation Policies and Programs. The Committee will review and approve the Company's compensation policies and programs for executive officers.

2. Review and Approve Chief Executive Officer (CEO) Compensation. The Committee shall review and approve, at least annually, performance goals and objectives relating to the compensation of the CEO of the Company. The Committee will, either as a Committee or together with other independent member directors (as directed by the Board), evaluate the performance of the CEO, and in light of those corporate goals and objectives set compensation levels based on these evaluations and any other factors as it deems appropriate.
3. Review the Compensation for Named Executive Officers. At least annually, the Committee will review recommendations by the CEO regarding the compensation of the Named Executive Officers and will evaluate these recommendations in light of performance relative to corporate, business unit and/or individual objectives. Additionally and consistent with item 8 which follows, the Committee will review and approve the explanations regarding these amounts as included in the annual proxy statement.
4. Approve Equity Incentive Plans. The Committee shall make recommendations to the Board regarding the Company's equity incentive plans. The Committee, or a subcommittee, shall approve grants of equity or equity-based awards in compliance with the terms and conditions prescribed by the Company's equity incentive plans and pursuant to the Company's equity award grant policy statement.
5. Recommend Incentive Plans. The Committee shall make recommendations to the Board with respect to cash incentive compensation plans for executive officers and senior management such as the Short-Term and Long-Term Incentive Plans. The Committee shall approve goals under such Plans and will review and approve results achieved relative to these goals. The Committee shall also oversee the individuals and committee responsible for administering these plans and monitor compliance with plan provisions and applicable law. In determining the incentive component of CEO compensation, the Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to the CEOs at comparable companies and the awards given to the Company's CEO in past years.
6. Oversee Regulatory Compliance. The Committee shall, in consultation with appropriate officers of the Company, oversee regulatory compliance with respect to compensation matters (e.g., review and implement changes as required under the Dodd-Frank Wall Street Reform and Consumer Protection Act), including the Company's policies on structuring compensation programs 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.
7. Review Employment Agreements and Severance Payments. The Committee shall review and approve any severance or other termination payments proposed to be made to a Named Executive Officer, as listed in the Company's current Proxy

Statement filing. The Committee shall also review and approve any employment agreements for any Named Executive Officer of the Company. Additionally, the Chair of the Committee shall review severance and other termination payments of other executive officers and bring these matters to the Committee as they deem appropriate.

8. Review the Company's CD&A. The Committee shall review and approve the CD&A for inclusion in the Company's annual meeting proxy statement. In accordance with federal securities laws, the CD&A shall detail the Company's overview of the material factors underlying its compensation policies and decisions.
9. Retain Compensation Consultant. The Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of CEO or senior management compensation and shall have the 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.
10. Provide Board Reports. The Committee shall report its activities to the Board annually and in such manner and at such times as the Committee or the Board deem appropriate.
11. Monitor Risk Assessment. The Compensation and Audit Committees shall be jointly responsible for conducting an annual assessment to ensure executive compensation plans and/or programs do not promote the assumption of excessive risk and remain consistent with the approved overall compensation philosophy and strategy.
12. Review Diversity and Inclusion Plans and Progress. The Committee shall annually review and discuss the Company's diversity plan and progress.
13. Review Succession Planning Activities. The Committee will annually review and evaluate the Company's progress related to its succession planning for senior management.
14. Review and Oversight of Compensation and Benefits Programs. Annually, the Committee will review and approve the salary increase budget, and will periodically review and provide guidance pertaining to benefit strategy and/or plans. It will also assist the Board in the monitoring and oversight of administrative responsibilities associated with the benefit plans, which have been delegated to management of Forest City.
15. Perform Other Delegated Duties or Responsibilities. The Committee shall perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

Compensation of Committee Members

Consistent with New York Stock Exchange listing requirements, directors' fees shall be the sole compensation paid by the Company to Committee members. For purposes of this Charter, "directors' fees" includes all forms of compensation paid to directors of the Company for service as a director or member of a Board committee. The total amount and form of compensation paid to Committee members shall be determined from time to time, in accordance with the Code of Regulations, by the Board in consultation with the Corporate Governance and Nominating Committee and, otherwise, in accordance with any applicable Company plans or policies.

Meetings

The Committee shall meet at least semi-annually, and more frequently, if the Committee members deem it necessary to carry out their responsibilities under this Charter. The Committee Chair shall, in consultation with the other members of the Committee and appropriate officers of the Company, establish the agenda for each Committee meeting. Each Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting. The Committee Chair or a majority of the Committee members may call a meeting of the Committee at any time. A majority of the number of Committee members selected by the Board shall constitute a quorum for conducting business at a meeting of the Committee. The act of a majority of Committee members present at a Committee meeting at which a quorum is in attendance shall be the act of the Committee, unless a greater number is required by law, the Company's Articles of Incorporation or by its Code of Regulations. The Committee Chair shall supervise the conduct of the meetings and shall have other responsibilities which the Committee may designate from time to time.

The Committee may request any officer or employee of the Company or any representative of the Company's advisors to attend a meeting or to meet with any members or representatives of the Committee. Any member of the Company's management whose performance or compensation is to be discussed at a Committee meeting shall not attend such meeting unless specifically invited by the Committee. Any Committee member may be excused from a meeting to permit the remaining members of the Committee to act on any matter in which such member's participation is not appropriate, and such member's absence shall not destroy the quorum for the meeting.

Delegation

The Committee may in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee. In particular, the Committee may delegate the approval of certain transactions to a subcommittee consisting solely of members of the Committee who are:

- (a) "Non-Employee Directors" for the purposes of Rule 16b-3 of the Securities Exchange Act of 1934, as in effect from time to time and
- (b) "outside directors" for the purposes of Section 162(m) of the Internal

Revenue Code.

Resources and Authority

The Committee shall have appropriate resources and authority to discharge its responsibilities, including appropriate funding, in such amounts as the Committee deems necessary, to compensate any consultants and any independent advisors retained by the Committee. The Committee may also retain independent counsel and other independent advisors to assist it in carrying out its responsibilities.

Compensation Committee Report

The Committee, with the assistance of management and any outside consultants the Committee deems appropriate, shall produce a report for inclusion in the Company's proxy statement relating to the Company's annual meeting of shareholders.

Performance Evaluation

At least annually, the Committee shall

- (a) review this Charter with the Corporate Governance and Nominating Committee, and the Corporate Governance and Nominating Committee shall recommend any substantial changes to the Board, and
- (b) evaluate its performance against the requirements of this Charter and review this evaluation with the Corporate Governance and Nominating Committee. The Committee shall conduct its review and evaluation in such manner as it deems appropriate.

Consistent with New York Stock Exchange listing requirements, this Charter will be included on the Company's website and will be made available upon request sent to the Company's Secretary. The Company's Annual Report on Form 10-K will state that this Charter is available on the Company's website and will be available upon request sent to the Company's Secretary. This Charter may also be published periodically in the proxy statement relating to the Company's annual meeting of shareholders.

Amendment

This Compensation Committee Charter may be amended by the Committee, with substantial changes approved by the Board, subject to disclosure and other provisions of the Securities and Exchange Act of 1934, as amended by the Sarbanes-Oxley Act of 2002, and the applicable rules of the New York Stock Exchange, Inc.

Adopted: March 12, 2003
Amended: March 11, 2004
Amended: March 24, 2005
Amended: March 22, 2007

Amended: June 4, 2009
Amended: March 24, 2010
Amended: December 14, 2010
Amended: March 23, 2011
Amended: March 21, 2012