FORCE PROTECTION INC
Form DEF 14A
March 25, 2011

Use these links to rapidly review the document
TABLE OF CONTENTS

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to §240.14a-12

FORCE PROTECTION, INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

ý No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Force Protection, Inc.
1520 Old Trolley Road
Summerville, South Carolina 29485

March 25, 2011

Dear Shareholder:

On behalf of your Board of Directors, I am pleased to invite you to attend the 2011 Annual Meeting of Shareholders of Force Protection, Inc. to be held on April 22, 2011, at 10:00 a.m. Eastern Time at the Embassy Suites Airport/Convention Center, 5055 International Boulevard, North Charleston, South Carolina 29418.

At the meeting, management will review the Company's operations and discuss the financial statements for the year ended December 31, 2010, as well as our plans for the future. A question and answer session for shareholders will follow the management presentation.

The attached Notice of Annual Meeting of Shareholders and Proxy Statement describe the business to be conducted at the meeting, including the election of directors, the "Say on Pay" and "Say When on Pay" advisory proposals, the ratification of the appointment of the Company's independent registered public accounting firm and the approval of amendments to the 2008 Stock Plan.

Your vote is important. Even if you do not plan to attend the meeting in person, we hope you will vote by internet or telephone as described in the proxy voting instructions set forth in the enclosed Proxy Statement or by completing, signing and returning the enclosed proxy card.

We look forward to seeing you at the meeting. Directions to the Embassy Suites Airport/Convention Center appear on the back cover of these materials.

Cordially,

Michael Moody
Chairman of the Board, Chief Executive Officer
and President

Table of Contents

Notice of Annual Meeting of Shareholders
Force Protection, Inc.

The 2011 Annual Meeting of Shareholders of Force Protection, Inc. (the "Company") will be held on April 22, 2011 at 10:00 a.m. Eastern Time at the Embassy Suites Airport/Convention Center, 5055 International Boulevard, North Charleston, South Carolina 29418, to consider and take action with respect to the following matters:

1. A proposal to elect three Class III directors to serve for a term of three years ending at the Annual Shareholders Meeting in 2014 and until their successors are duly elected and qualified;

2. An advisory proposal on the Company's executive compensation for 2010 (the "Say on Pay" proposal);

3 An advisory proposal on the frequency of the Company's proposals on executive compensation (the "Say When on Pay" proposal);

4. A proposal to ratify the Audit Committee's appointment of Grant Thornton LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011;

5. A proposal to approve amendments to the Company's 2008 Stock Plan; and

6. Such other business as may properly be brought before the meeting or any adjournment thereof.

This summary is qualified in its entirety by the detailed information contained within the enclosed Proxy Statement.

The close of business on March 16, 2011 has been set as the Record Date for the determination of shareholders entitled to receive notice and to vote at the meeting or any adjournment thereof. The enclosed Proxy Statement is being mailed to those shareholders on or about March 25, 2011.

Shareholders who do not expect to attend the meeting in person are requested to vote their shares over the internet, by telephone or by completing, signing and returning the enclosed proxy card as instructed.

By order of the Board of Directors,

John F. Wall, III
Senior Vice President, Assistant General Counsel
and Corporate Secretary

TABLE OF CONTENTS

Table of Contents

Table of Contents

Force Protection, Inc.
1520 Old Trolley Road
Summerville, South Carolina 29485

PROXY STATEMENT

This Proxy Statement is furnished to you in connection with the solicitation of proxies by the board of directors ("Board of Directors" or "Board") of Force Protection, Inc. ("our," the "Company" or "Force Protection") to be used at the 2011 Annual Meeting of Shareholders ("Annual Meeting") to be held on April 22, 2011 at 10:00 a.m. Eastern Time at the Embassy Suites Airport/Convention Center, 5055 International Boulevard, North Charleston, South Carolina 29418. This Proxy Statement contains information about the items being voted on at the Annual Meeting and information about the Company.

Notice of the meeting and notice of internet availability of the voting materials, which include this Proxy Statement and a proxy card, were mailed to shareholders on or about March 25, 2011. Our principal executive offices are located at 1520 Old Trolley Road, Summerville, South Carolina 29485. Our phone number is 843.574.7001.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held Friday, April 22, 2011. The Proxy Statement and Annual Report on Form 10-K are available at www.envisionreports.com/FRPT.

QUESTIONS AND ANSWERS ON THE ANNUAL MEETING

Who can vote at the Annual Meeting?

Shareholders who were owners of common stock of the Company at the close of business on March 16, 2011 (the "Record Date") are entitled to receive notice of the Annual Meeting and may attend and vote at the meeting. If you were a shareholder of record on that date, you will be entitled to vote at the Annual Meeting, or any postponement or adjournment of the meeting, all of the shares that you held on the Record Date. Each share of common stock is entitled to one vote. As of the Record Date for the Annual Meeting, there were 70,573,916 shares of common stock of the Company outstanding and entitled to vote.

What may I vote on?

Each shareholder is being asked to vote on:

The proposal to elect three nominees nominated by the Board to serve on the Company's Board of Directors to serve for a term of three years ending at the Annual Shareholders Meeting in 2014 and until their successors are duly elected and qualified;

Table of Contents

The advisory proposal on the Company's 2010 executive compensation;

The advisory proposal on the frequency of the Company's executive compensation proposals;

The proposal to ratify the appointment of the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011; and

The proposal to approve amendments to the Company's 2008 Stock Plan.

How does the Board of Directors recommend I vote on the proposals?

The Board of Directors recommends votes:

FOR the nominees for our Board of Directors;

FOR the approval of the Company's 2010 executive compensation advisory proposal;

FOR "One Year" as the frequency for future advisory proposals on executive compensation;

FOR the ratification of the appointment of the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011; and

FOR the approval of the amendments to the Company's 2008 Stock Plan.

How do I vote?

Your vote is important. Because many shareholders cannot attend the Annual Meeting in person, it is necessary that shareholders be represented by proxy. Most shareholders have a choice of voting (1) over the internet, (2) using a toll-free telephone number, (3) by completing the proxy card and mailing it in the postage-prepaid envelope provided, or (4) in person by attending the Annual Meeting. Please refer to your proxy card or the information forwarded by your bank, broker or other nominee through which you hold your shares to determine which method of voting is available to you.

You may vote over the internet or by telephone.

If you are a shareholder of record as of the Record Date, you may vote via the internet or telephone by following the instructions set forth on your proxy card mailed with this Proxy Statement. The deadline for voting electronically or by telephone is 6:00 a.m. Eastern Time on April 22, 2011.

Internet and telephone voting procedures are designed to authenticate each shareholder by use of a control number which can be found on your proxy card and to allow you to confirm that your instructions have been properly recorded. Please be aware that if you vote over the internet or by telephone you may incur costs such as telephone and internet access charges for which you will be responsible.

If your shares are held in "street name," please check your proxy card or contact your bank, broker or other nominee to determine whether you will be able to vote electronically or by telephone. Holding shares in "street name" means you hold shares through a bank, broker or other nominee and they are not held in your individual name.

2

Table of Contents

You may vote by mail.

You may vote by mail by completing and properly signing your proxy card and mailing it in the enclosed postage-prepaid envelope. If you mark your voting instructions on the proxy card, your shares will be voted as you have instructed. If you do not mark your voting instructions on the proxy card, your shares will be voted as our Board of Directors recommends.

You may vote in person at the Annual Meeting.

Written ballots will be available to any shareholder who wants to vote in person at the Annual Meeting. However, if you hold your shares in "street name," you must request a proxy from your bank, broker or other nominee in order to cast your votes at the Annual Meeting.

If matters other than those outlined in this Proxy Statement are properly presented for consideration at the Annual Meeting, including consideration of a motion to adjourn the Annual Meeting to another time or place, the persons named as proxies and acting thereunder will have discretion to vote the matters according to their judgment to the same extent as the person delivering the proxy would be entitled to vote. As of the date that this Proxy Statement was printed, the Company did not anticipate that any other matters would be raised at the Annual Meeting.

What does it mean if I receive more than one proxy card?

It means that you have multiple accounts listed with the Company's stock transfer agent. If you received a proxy card, the shares on your proxy card or cards are all of the shares of common stock registered in that name with our stock transfer agent on the Record Date. If you have shares registered in the name of a bank, broker or other nominee, they will not appear on your proxy card and your bank, broker or other nominee will send you instructions on how to vote.

How do I vote shares held by a broker or bank?

If a bank, broker or other nominee holds shares of common stock for your benefit, and the shares are not in your name on the stock transfer agent's records, then you are considered a "beneficial owner" of those shares. If your shares are held this way, sometimes referred to as being held in "street name," your bank, broker or other nominee will send you instructions on how to vote. If you have not heard from the bank, broker or other nominee who holds your shares, please contact them as soon as possible.

How will my proxy be voted?

If you sign and return your proxy card without instructions as to how it is to be voted, the proxy holders identified on the proxy card will vote your shares as follows:

- FOR the nominees for the Company's Board of Directors;
- FOR the approval of the Company's 2010 executive compensation advisory proposal;
- FOR "One Year" as the frequency for future advisory proposals on executive compensation;
- FOR the ratification of the appointment of the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011; and
- FOR the approval of the amendments to the Company's 2008 Stock Plan.

Table of Contents

If you indicate voting instructions on your proxy card, the proxy holders will follow your instructions in casting all votes.

How are shares held by a broker voted?

The Company is listed on the Nasdaq Capital Market ("Nasdaq"), which has rules that govern brokers who have record ownership of listed common stock held in brokerage accounts for their clients who beneficially own the shares. Under these rules, brokers who do not receive voting instructions from their clients have the discretion to vote uninstructed shares on certain matters ("discretionary matters"), but do not have discretion to vote uninstructed shares as to certain other matters ("non-discretionary matters"). A broker may return a proxy card on behalf of a beneficial owner from whom the broker has not received instructions that casts a vote with regard to discretionary matters, but expressly states that the broker is not voting as to non-discretionary matters. The broker's inability to vote with respect to the non-discretionary matters is referred to as a "broker non-vote." Broker non-votes will be counted for the purpose of determining the presence of a quorum. However, broker non-votes will not be considered in determining the number of votes cast in connection with non-discretionary items.

If you hold your shares in "street name," we encourage you to contact your broker with your voting instructions as soon as possible. The election of directors (Proposal One), the advisory proposals regarding executive compensation (Proposal Two) and frequency of executive compensation (Proposal Three), and the proposal to approve the amendments to the 2008 Stock Plan (Proposal Five) are each considered a non-discretionary matter, and as a result, your broker does not have the ability to vote on your behalf, and no vote will be cast for your shares for these matters unless you provide your broker with voting instructions. A broker non-vote will have no effect on the election of directors (Proposal One) because the Company's directors are elected by a plurality standard. Because the advisory proposals (Proposals Two and Three) and the proposal to approve the amendments to the 2008 Stock Plan (Proposal Five) require that the votes cast in favor of the proposal exceeds the votes cast against, broker non-votes will have no effect on these proposals.

The ratification of the appointment of the Company's independent registered public accounting firm (Proposal Four) is considered a discretionary matter, and your broker may cast a vote on this matter on your behalf if you fail to provide voting instructions to your broker.

An abstention is counted as present and entitled to vote for purposes of determining a quorum. An abstention will have no effect on the election of directors (Proposal One) or the advisory proposal on the frequency of the executive compensation advisory proposals (Proposal Three). In addition, abstentions will have no effect on the advisory proposal regarding executive compensation (Proposal Two), the ratification of the appointment of the Company's independent registered public accounting firm (Proposal Four) and the proposal to approve the amendments to the 2008 Stock Plan (Proposal Five) because these proposals require that the number of votes cast in favor of the proposal exceeds the number of votes cast against the proposal in order for the proposal to be approved.

Who counts the votes?

Representatives of our stock transfer agent, Computershare Trust Company, NA, will tabulate and certify the votes and act as the independent inspector of election. The Company's inspector of election will tabulate the votes cast at the meeting, together with the votes cast by proxy, whether in person, over the internet or by telephone.

Table of Contents

May I change my vote?

Yes. You may revoke your proxy at any time before the Annual Meeting by submitting (i) a second, later-dated proxy card and returning it before the polls close at the Annual Meeting, (ii) a later-dated internet or telephone vote, or (iii) by attending the Annual Meeting and giving notice of revocation in person.

If you are mailing a written notice of revocation or a later-dated proxy card, send it to the Corporate Secretary of Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485. You may also hand-deliver a written notice of revocation or a later-dated proxy card to the Company at the Annual Meeting, during or before the taking of any vote.

If you hold your shares through a bank, broker or other nominee and have instructed the bank, broker or other nominee as to how to vote your shares, you must follow directions received from such bank, broker or other nominee in order to change your vote or to vote at the Annual Meeting.

What constitutes a "quorum" for the Annual Meeting?

A quorum is necessary to hold a valid Annual Meeting of Shareholders. One third, or $33^1/_3$%, of the outstanding shares entitled to vote on a matter, present or represented by proxy, constitutes a "quorum." If you vote (including by internet, telephone and proxy card), your shares voted will count towards the "quorum" of the Annual Meeting. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining whether a quorum exists. A "broker non-vote" occurs when a broker or nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker or nominee does not have a discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner.

What is the appropriate conduct for the Annual Meeting?

To ensure that the Annual Meeting is conducted in an orderly fashion and that the shareholders wishing to speak at the meeting have a fair opportunity to speak, the Company will have certain guidelines and rules for the conduct of the meeting, which will be explained at the meeting.

What vote is necessary to pass the items of business at the Annual Meeting?

Election of Directors.

The three director nominees receiving the highest number of votes for election will be elected. If you vote, your shares will be voted for election of the director nominees unless you give instructions to "withhold" your vote for the director nominee. Withheld votes will not influence election results. If your shares are held in "street name" through a broker, your broker is not permitted to exercise voting discretion with respect to the election of directors. As a result, if you do not give your broker specific instructions with respect to the election of directors, your shares will not be voted and will not be counted in determining the election of directors. Abstentions are not recognized with respect to the election of directors.

Table of Contents

Advisory Proposal on Executive Compensation.

The advisory proposal on our executive compensation requires the number of votes cast in favor of the proposal to exceed the number of votes cast in opposition to the proposal. If your shares are held in "street name" through a broker, your broker is not permitted to exercise voting discretion with respect to the advisory proposals. If you do not give your broker specific instructions with respect to this advisory proposal, your shares will not be voted and will not be counted, and as a result, your shares will have no effect on this proposal. A broker non-vote and an abstention will have no effect on the advisory proposal on executive compensation.

Advisory Proposal on the Frequency of Executive Compensation Proposals.

The advisory proposal on the frequency of our executive compensation advisory proposals will be determined by the frequency (every one, two or three years) that receives the highest number of votes from our shareholders. If your shares are held in "street name" through a broker, your broker is not permitted to exercise voting discretion with respect to the advisory proposals. If you do not give your broker specific instructions with respect to the advisory proposals, your shares will not be voted and will not be counted with respect to these proposals. As a result, a broker non-vote and an abstention will have no effect on the advisory proposal on the frequency of the executive compensation advisory proposal.

Ratification of Appointment of Independent Registered Public Accounting Firm.

The appointment of Grant Thornton LLP as the Company's independent registered public accounting firm will be ratified if the number of votes cast in favor of the ratification of the appointment exceed the number of votes cast against it. Abstentions will not act as a vote against the ratification of the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm. Broker non-votes are not recognized as to the ratification of the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm.

Approval of the Amendments to the Force Protection, Inc. 2008 Stock Plan.

The approval of the Amended and Restated Force Protection, Inc. 2008 Stock Plan ("A/R 2008 Stock Plan") will require that the number of votes cast in favor of the A/R 2008 Stock Plan exceed the number of votes cast against it. If you do not give your broker specific instructions with respect to this proposal, your shares will not be voted and will not be counted, and as a result, your shares will have no effect on this proposal. Abstentions will have no effect on the proposal to approve the A/R 2008 Stock Plan.

How will voting on any other business be conducted?

As of the date that this Proxy Statement was printed, the Company was not aware of any business or proposals to be considered at the Annual Meeting other than the items described in this Proxy Statement. If any other business is properly proposed, and the chairman of the Annual Meeting permits it to be presented at the Annual Meeting, the signed proxies received from you and other shareholders give the persons voting the proxies the authority to vote on the matter according

Table of Contents

to their judgment to the same extent as you or such other shareholders would be entitled to vote on such matters.

When are shareholder proposals for the 2012 Annual Meeting due?

Our 2012 Annual Meeting of Shareholders is expected to be held on Friday, April 20, 2012 ("2012 Annual Meeting"). Any shareholder who intends to present a proposal or a director nominee at the 2012 Annual Meeting must deliver the proposal in writing or in person to the Corporate Secretary of Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485, on or after October 22, 2011, but no later than December 22, 2011, pursuant to our Second Amended and Restated Bylaws ("Bylaws"). To be considered adequate, the notice must contain specified information about the matter to be presented at the meeting and the shareholder proposing the matter, as specified in our Bylaws.

Pursuant to Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), shareholders who wish to present proposals for inclusion in the proxy materials to be distributed by us in connection with our 2012 Annual Meeting must submit their proposal no later than November 26, 2011, or if the date of the 2012 Annual Meeting is changed by more than 30 days, then no later than a reasonable time before we begin to print and send the proxy materials. A proposal received after November 26, 2011 will be considered untimely and will not be entitled to be included in the proxy materials. See "Shareholder Proposals and Director Nominations for our 2012 Annual Meeting" on page 82 of this Proxy Statement for additional information.

What are the costs of this proxy solicitation?

In addition to using the mail, our directors, officers, employees and agents may solicit proxies by personal interview, telephone, telegram or otherwise, although they will not be paid any additional compensation. The Company will bear all expenses of solicitation. We will also reimburse banks, brokers and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses incurred in connection with forwarding the Company's Annual Meeting materials to you because they hold title to your common stock.

May I inspect the shareholder list?

For a period commencing the earlier of two days after this Proxy Statement is mailed to shareholders or ten days prior to the Annual Meeting, a list of shareholders registered on the books of our stock transfer agent as of the Record Date will be available for examination by registered shareholders during normal business hours at the Company's principal offices at 1520 Old Trolley Road, Summerville, South Carolina 29485, provided the examination is for a purpose germane to the Annual Meeting.

How can I get materials for the Annual Meeting?

This Proxy Statement and the accompanying proxy card are first being mailed to shareholders on or about March 25, 2011. Each registered and beneficial owner of common stock on the Record Date, including Company employees, should receive a copy of the Company's Annual Report on

Table of Contents

Form 10-K for the fiscal year ended 2010, including consolidated financial statements (the "Annual Report"), with this Proxy Statement.

In addition, a copy of the Company's Annual Report is available to each shareholder without charge on the Securities and Exchange Commission's website at www.sec.gov and upon written request sent to Investor Relations, Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485.

Are the proxy materials and Annual Report available electronically?

This Proxy Statement and the Annual Report are available at www.envisionreports.com/FRPT and on the Company's website at www.forceprotection.net.

Registered shareholders can elect to view future proxy statements and annual reports over the internet instead of receiving paper copies in the mail. You can choose this option and save the Company the cost of producing these documents by completing the relevant portion of your proxy card or by following the instructions provided when voting on the internet or by telephone.

After electing to view future proxy statements and annual reports over the internet, you will receive a card in the mail with instructions containing the internet address of those materials. Your choice will remain in effect until you call (866) 641-4276, write Computershare, 250 Royall Street, Canton, MA 02021, email investorvote@computershare.com, or contact the Company in writing at: Corporate Secretary, Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485, or by sending an email message to: investorrelations@forceprotection.net.

If you hold our common stock through a bank, broker or other nominee, please refer to the information provided by your bank, broker or other nominee regarding the availability of electronic delivery.

How can I reach the Company to request materials or information referred to in these Questions and Answers?

You may reach us by mail addressed to:

Corporate Secretary
Force Protection, Inc.
1520 Old Trolley Road
Summerville, South Carolina 29485

or by calling 843.574.3900, or by sending a message to:
investorrelations@forceprotection.net.

Table of Contents

PROPOSAL ONE: ELECTION OF DIRECTORS

Our Board of Directors is currently comprised of nine directors. Pursuant to our Amended Articles of Incorporation and Bylaws, our Board is divided into three classes, with one class of directors elected each year at the Annual Meeting for a three-year term of office.

Director Nominees

Upon the recommendation of our Governance Committee, our Board of Directors has nominated incumbent Class III directors John S. Day and John W. Paxton, Sr. and Thomas A. Corcoran, a newly-appointed Class III director, for election to a three-year term expiring at the Annual Meeting in 2014. Mr. Corcoran was appointed by the Board of Directors as a member of the Board of Directors on March 14, 2011, upon the recommendation of the Governance Committee. The Governance Committee selected Mr. Corcoran after conducting a director search. In conducting the director search, the Governance Committee employed Korn/Ferry International, an executive recruitment firm. Korn/Ferry assisted with the director search process by consulting with the Governance Committee, conducting an assessment of the then-current Board's skills and identifying recruitment criteria, conducting a search for candidates and administering the selection process.

Each of the Class III nominees, if elected as a director, is expected to continue in office until his respective term expires or until his earlier death, resignation or retirement. Our Board of Directors has no reason to believe that the nominees will not serve if elected. If the nominees are unavailable for election at the time of the Annual Meeting, the Company representatives named on the proxy card will vote for another nominee proposed by our Board of Directors or, as an alternative, our Board of Directors may reduce the number of positions on our Board.

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ELECTION OF THE DIRECTOR NOMINEES.

Table of Contents

Information about Board Nominees and Continuing Directors

Set forth below is the personal and business experience information for each of the nominees for election to our Board of Directors and for each of the current members of our Board who will continue to serve as our directors until their next election. The nominees have consented to being nominated as directors and have agreed to serve if elected. All of the nominees are currently directors.

Each nominee and current Board member brings a strong and unique background and set of skills to the Board of Directors, giving the Board as a whole competence and experience in a wide variety of areas, including corporate governance and board service, executive management, military background, accounting and finance, risk assessment, manufacturing and government. Below each description of the director's background, we provide a discussion of the specific skills that qualify each of our current directors and director nominees to serve as a director or to be nominated for re-election.

Board Nominees

Class III

John S. Day

Director since	September 2007
Committees	Audit Committee (Chairman) and Compensation Committee
Age: 62	
Expiration of term, if elected	2014 (Class III)

Background: Mr. Day has been a director of Force Protection, Inc. since September 2007 and serves as chairman of the Audit Committee. Mr. Day has over 30 years of experience in the accounting profession serving a broad range of publicly- and privately-owned clients. Mr. Day currently serves on the boards of: Invesco Mortgage Capital, Inc., a NYSE-listed company, where he is chairman of the audit committee; Lenbrook Square Foundation, Inc., a non-profit organization, where is chairman of the governance committee; and Edens & Avant Investments Limited Partnership, a developer, owner and operator of community-oriented retail shopping centers, where he is chairman of the audit committee. Mr. Day joined Deloitte & Touche LLP in Atlanta in 2002 and served as a director until retiring in 2005. Mr. Day joined Arthur Andersen LLP in 1976 and was admitted as an audit partner in 1986. Mr. Day holds a Bachelor of Arts in economics from the University of North Carolina and a Master of Business Administration from Harvard Graduate School of Business.

Director Qualifications and Skills: Mr. Day, as a former partner of Arthur Anderson LLP and then a director at Deloitte & Touche LLP, brings extensive experience in auditing, finance and accounting, corporate governance and internal controls in particular with respect to public companies, and he is designated as the "financial expert" on the Audit Committee.

John W. Paxton, Sr.

Director since	February 2008
Committees	Audit Committee and Governance Committee (Chairman)
Age: 74	
Expiration of term, if elected	2014 (Class III)

Background: Mr. Paxton has been a director of Force Protection, Inc. since February 2008 and serves as chairman of the Governance Committee. He has over 30 years of experience in the aerospace, wireless voice and data, logistics and manufacturing industries. Currently, Mr. Paxton serves as chairman of Intellicheck/Mobilisa, Inc., a publicly-held provider of wireless internet solutions to the Department of Defense. From 2005 to 2008, Mr. Paxton was the chairman, president and chief executive officer, as well as co-investor, of Pro Mach, Inc., an integrated packaging solutions provider. From 1998 to 2002, Mr. Paxton was the chairman and chief executive officer of Telxon Corporation, as well as served on the board of directors of TransDigm, Inc., a supplier of proprietary aerospace components used in commercial and military aircraft. From 1995 to 1998, Mr. Paxton was chairman of Odyssey Manufacturing Technologies, an affiliate of Odyssey Investment Partners. From 1991 to 1995, Mr. Paxton was executive vice president and chief operating officer of Litton Industries. Mr. Paxton served in the U.S. Navy from 1955 to 1963. Mr. Paxton is a guest lecturer at the Massachusetts Institute of Technology's Sloan School of Management and a fellow at Seattle Pacific University, where he also served as an adjunct professor. Mr. Paxton holds a Bachelor of Science and Master of Science in business administration from LaSalle University and is a registered professional engineer.

Director Qualifications and Skills: Mr. Paxton, as a professional engineer with over 30 years of experience in the aerospace, wireless voice and data, logistics and manufacturing industries, brings significant expertise in the technical and operational aspects of the Company.

Thomas A. Corcoran

Director since	March 2011
Age: 66	
Expiration of term, if elected	2014 (Class III)

Background: Mr. Corcoran was appointed as a director of Force Protection, Inc. on March 14, 2011. He has over 40 years of collective experience in aerospace-related industries. Mr. Corcoran currently serves as a director with three U.S. publicly listed companies: L-3 Communications Holdings, Inc., GenCorp, Inc. and LaBarge, Inc. Mr. Corcoran is also a director with Aer Lingus, Ltd. based in Dublin, Ireland. He was a director of Serco, Ltd. based in Surry, United Kingdom from 2007 to 2010 and REMEC, Inc. from 1997 to 2010. Since 2001, Mr. Corcoran has been a senior advisor of The Carlyle Group, a private equity investment firm, and the President of Corcoran Enterprises, LLC, a management consulting company. From 2001 to 2004, Mr. Corcoran was the president and chief executive officer of Gemini Air Cargo, Inc., a cargo airline owned by The Carlyle Group. From 1999 to 2000, Mr. Corcoran was president and CEO of Allegheny Teledyne Incorporated. From 1983 to 1999, Mr. Corcoran was president and chief operating officer of Lockheed Martin's Electronics and Space Sectors. Mr. Corcoran began his career in 1967 at General Electric Company, and rose to the position of vice president and general manager of G.E. Aerospace Operations. Mr. Corcoran serves as a director of American Ireland Fund, is on the board of trustees of Stevens Institute of Technology and is a trustee emeritus at Worcester Polytechnic Institute. Mr. Corcoran holds a Bachelor of Science in chemical and mechanical engineering, as well as a Ph.D. (honorary) from Stevens Institute of Technology.

Director Qualifications and Skills: Mr. Corcoran brings considerable industry knowledge gained from extensive experience as a senior executive in the aerospace industry, as well as significant public company board experience, including service as a director of a Fortune 500 company.

Table of Contents

Continuing Directors

Class I

Major General Jack A. Davis, USMC (Ret.)

Director since March 2006
Committees Compensation Committee and Governance Committee
Age: 64
Expiration of term 2012 (Class I)

Background: MajGen. Davis has been a director of Force Protection, Inc. since March 2006 and has a diverse background of senior-level management and leadership positions in business, law enforcement and the military. With over 40 years of experience, he is highly regarded in each of these fields. MajGen. Davis served in the U.S. Marine Corps, both active duty and reserve, from 1968 to 2005 where he held the rank of Major General. MajGen. Davis' career included command at every level from platoon to division in addition to numerous staff assignments. MajGen. Davis attended several high-level schools both domestically and internationally. MajGen. Davis' law enforcement career included both federal and state agencies where he retired in 1999 with 30 years of distinguished service. MajGen. Davis is also the founder of J.A. Davis and Associates, a security and leadership training company. In addition to his service with Force Protection, MajGen. Davis currently serves on the board of directors of one privately-held company and the boards of advisors of three mutually-held companies. MajGen. Davis holds undergraduate and masters degrees from Indiana State University and a Master of Urban Administration from the University of North Carolina, Charlotte.

Director Qualifications and Skills: MajGen. Davis brings significant experience in management and leadership positions in business, law enforcement and the military, as well as experience in both active and reserve duty with the U.S. Marine Corps.

B. Herbert Ellis

Director since April 6, 2009
Committees Compensation Committee and Governance Committee
Age: 73
Expiration of term 2012 (Class I)

Background: Mr. Ellis has been a director of Force Protection, Inc. since April 2009 and has over 20 years of experience in the U.S. Army and in business. Mr. Ellis served as a Colonel, Field Artillery with Research and Development Specialty for the U.S. Army, from 1963 to 1984, including two combat tours of duty in Vietnam with both command and staff positions. Since 2008, Mr. Ellis has served as the president and chief executive officer of BHE, LLC, a consulting firm that supports manufacturing companies. From 2000 to 2008, he served as the president and chief executive officer of Charleston Marine Containers, Inc., a primary producer of modular containers for the U.S. Army, purchased via the U.S. Army Tank, Automotive and Armaments Command (TACOM) contracts. From 1993 to 2000, he served as the president and chief executive officer of Barnes & Reinecke, Inc., a major automotive and weapons systems technical support contractor for the TACOM program, and from 1984 to 1993 he acted as the vice president and general manager of Electro-Optical Division of Contraves, USA. Mr. Ellis holds a Bachelor of Arts in engineering from the United States Military Academy, a Master of Science in Nuclear Physics from the University of Alabama, and he attended the Industrial College of the Armed Forces and the U.S. Army Command and General Staff College.

Director Qualifications and Skills: Mr. Ellis brings significant experience from both the U.S. Army and in private business and manufacturing companies, thus providing operational expertise and leadership experience.

Table of Contents

Kenneth A. Merlau

Director since	April 6, 2009
Committees	Audit Committee and Compensation Committee (Chairman)
Age: 65	
Expiration of term	2012 (Class I)

Background: Mr. Merlau has been a director of Force Protection, Inc. since April 2009 and serves as chairman of the Compensation Committee. He has extensive experience as an executive, operator and consultant in a wide range of businesses. Presently, Mr. Merlau serves as: chairman and principal stockholder of Design House, Inc., a distributor of home building materials; chairman of SteelCloud Inc., a developer of mobility computing appliance solutions; and chairman of Clipper Development Company, a business advisory service for owned and invested companies and a strategic and operations consultant to emerging private companies. Mr. Merlau also acted as the chairman and majority shareholder of QuickSet International, Inc., a company focused on ruggedized surveillance and sensor products for the military and Homeland Security markets, from 1989 to 2007. Mr. Merlau has extensive acquisition and integration experience. From 1980 to 2000, Mr. Merlau has been associated with numerous businesses as owner or board member, including: Tamms Industries, Inc., Transo Envelopes LLC, the Isaac Group, the Peltz Group, Inc., and Metal Management, Inc. From 1970 to 1980, he served as a management consultant for Touche Ross & Co. (now Deloitte & Touche), where he was elected as a partner in 1977. Mr. Merlau is a member of the board of Northside Community Bank and Christ the King Jesuit College Preparatory High School. Mr. Merlau holds a Bachelor of Science from Purdue University and a Master of Business Administration from the University of Chicago Graduate School of Business.

Director Qualifications and Skills: Mr. Merlau has an extensive background in a variety of businesses and has served as an operational and strategic business consultant, and has acquisition and integration experience.

Table of Contents

Class II

Michael Moody

Director since September 2006
Committees None
Chairman, Board of Directors
Age: 64
Expiration of term 2013 (Class II)

Background: Mr. Moody was appointed President of Force Protection, Inc. in September 2007, Interim Chief Executive Officer on February 1, 2008 and Chief Executive Officer on February 29, 2008. Mr. Moody has more than 30 years of senior management experience in operational management, reorganizations, acquisitions and business transformations. From 2005 to 2007, he provided business and financial advisory services to privately-held businesses. Mr. Moody was the chief operating officer at the London American General Agency and senior vice president of corporate development for Magna Carta Companies, a mutual insurance company, where he also served on the board of directors. Mr. Moody received the designation of Certified Practicing Accountant (Australia) and became an associate with the Australian Society of Accountants. Mr. Moody holds a Bachelor of Arts in economics from Macquarie University in Sydney, Australia.

Director Qualifications and Skills: Mr. Moody has served as a director since September 2006 and as our Chairman and Chief Executive Officer since February 2008, thus bringing historical and operational knowledge of Force Protection. He has more than 30 years of experience in operational management, reorganizations and acquisitions and has undertaken many business transformations in the roles of chief operating officer or president of domestic and international companies, bringing the necessary leadership to the Company during a time of transformation of the business.

Lieutenant General Roger G. Thompson, Jr., USA (Ret.)

Director since December 2006
Lead Director since January 2008
Committees Audit Committee, Compensation Committee, and Governance Committee
Age: 66
Expiration of term 2013 (Class II)

Background: LTG Thompson has been a director of Force Protection, Inc. since December 2006 and serves as the lead independent director and chair of the non-management executive session. LTG Thompson is a veteran with 34 years of active military duty. He has served in the highest leadership positions in the United States Army and joint transportation operations, management and procurement. He was the United States Army's Director for the Budget and served in a number of other financial management positions, as well as serving in key leadership positions in logistics and field artillery. He currently provides executive leadership in the United States Army, where he oversees several symposia, defense exhibitions and overseas tradeshows in addition to leading the Association of the United States Army's ("AUSA") worldwide chapter operations. LTG Thompson completed his military career as the Deputy Commander in Chief, United States Transportation Command. In this position, he was responsible for the daily operations supporting all military and commercial transportation for the entire Department of Defense. LTG Thompson holds a Bachelor of Science from the United States Military Academy, a Master of Business Administration from Syracuse University and a Master's degree in national security and strategic studies from the Naval War College. He is a graduate of the Army's Command and General Staff College and the Naval War College.

Director Qualifications and Skills: LTG Thompson is a veteran with 34 years of active military duty, including experience with field artillery, procurement and transportation units, bringing significant background, industry and procurement experience. He also currently provides executive leadership to the AUSA, where he oversees the defense exhibition and overseas trade shows.

Lynn Brubaker

Director since March 2011
Age: 53
Expiration of term 2013 (Class II)

Background: Ms. Brubaker was appointed as a director of Force Protection, Inc. on March 14, 2011. She has over 30 years of experience in the aviation and aerospace industries. Ms. Brubaker currently serves on the board of directors of Hexcel, a $1.2 billion NYSE-listed multi-national company that is a leader in advance materials and technology and FARO Technologies, a multi-national high technology company that is the world leader in portable computer-aided measurement and imaging innovations. Ms. Brubaker also currently serves on the board of directors of The Nordam Group, the largest private aerospace company in high technology manufacturing and repair. She serves as chairman of the board of Flight Safety Foundation. From 1999 until June 2005, Ms. Brubaker was vice president/general manager Commercial Aerospace for Honeywell International, with a primary focus on global business strategies and customer operations. From 1997 to 1999, Ms. Brubaker was vice president Americas for Honeywell, and from 1995 to 1997, prior to AlliedSignal's merger with Honeywell, she was vice president, marketing, sales and support operations for AlliedSignal. Prior to joining AlliedSignal, Ms. Brubaker held a variety of management positions with McDonnell Douglas, Republic (predecessor to Northwest Airlines) and Comair. Ms. Brubaker holds a Master of Business Administration from UCLA.

Director Qualifications and Skills: Ms. Brubaker, with more than 30 years of experience in the aviation and aerospace industries, brings extensive knowledge in executive development, portfolio strategy, growth management and international compliance, as well significant expertise in public company-related matters.

Table of Contents

Director Qualifications and Policies Governing Director Nominees

Our Governance Committee conducts searches for individuals qualified to become members of our Board of Directors and recommends to our Board nominees for election. The Governance Committee reviews the composition of the Board as a whole and recommends to the Board, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and contains at least the minimum number of independent directors required by the Nasdaq Stock Market and other applicable laws and regulations. The Governance Committee is responsible for ensuring that the composition of the Board of Directors accurately reflects the needs of our business and, in accordance with the foregoing, proposing the addition of members for purposes of obtaining the appropriate members and skills.

In recommending candidates for election to our Board of Directors, the Governance Committee considers nominees recommended by directors, officers, employees, shareholders and others, using the same criteria to evaluate all candidates. Generally, the Governance Committee will consider various criteria in deciding whether to make a recommendation. These criteria include an expectation that directors have substantial accomplishments in their professional backgrounds, are able to make independent, analytical inquiries and exhibit sound judgment. Director candidates should possess the highest personal and professional ethics, honesty, integrity and values; be committed to promoting the long-term interests of our shareholders; and be able and willing to devote the time necessary to carry out their duties and responsibilities as members of our Board of Directors. While the Governance Committee and the Board do not have a specific policy with respect to the diversity of its directors, consideration is given to having a diversity of background, experience, skill and perspective among the directors, and that the directors represent a range of differing professional positions, including public and private companies, industry sectors and expertise. In addition, if directors will be serving on a standing committee of the Board, they must meet our standards for independence and be free from potential conflicts of interest.

To fulfill its responsibility to recruit and recommend to the full Board of Directors nominees for election as directors, the Governance Committee reviews the composition of the Board to determine the qualifications and areas of expertise needed to further enhance the composition of the Board and works to attract candidates with those qualifications. In evaluating a director candidate, the Governance Committee seeks to have a balanced and collegial Board whose members have the diverse set of skills and backgrounds necessary to ensure that we maximize stockholder value in a manner consistent with legal requirements and the highest ethical standards. The criteria include:
(a) relevant and substantial professional experience and expertise (including prior government service and business, financial and technical expertise) to be able to offer advice and guidance to senior management and contribute in a meaningful way to the deliberative process of the Board; (b) sufficient time available to devote to carrying out their duties and responsibilities effectively, and should be committed to serve on the Board for an extended period of time; (c) a reputation for the highest personal and professional ethics, integrity and values; (d) chosen without regard to gender, race, religion, age, sexual orientation or national origin; and (e) independence. Under the Company's Corporate Governance Guidelines, the Governance Committee, after considering all the facts and circumstances, may grant waivers with respect to limitations on other board service. In addition, the

Table of Contents

Governance Committee carefully considers any potential conflicts of interest that may preclude a nominee from being considered an independent director.

Upon selection of a qualified candidate, the Governance Committee recommends the candidate for consideration by our full Board of Directors. The Board's recommendation to shareholders is based on its determination using advice and information supplied by the Governance Committee as to the suitability of nominees. The Governance Committee may engage consultants or third-party search firms to assist in identifying and evaluating potential nominees.

Our Governance Committee did not receive any shareholder nominations for the election of directors at this year's meeting. With respect to the nominees for Class III directors standing for election at the 2011 Annual Meeting: Messrs. Day and Paxton were most recently re-elected as Class III directors at the 2008 Annual Meeting of Shareholders; and Mr. Corcoran was appointed by the Board on March 14, 2011 to fill a newly created vacancy.

Our Board of Directors will consider all shareholder recommendations for candidates for the Board, which should be sent to the Board of Directors, c/o Corporate Secretary, Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485. When submitting candidates for nomination to be elected at the Company's Annual Meeting of Shareholders, shareholders must follow the notice procedures, which are described under the heading "Shareholder Proposals and Director Nominations for our 2012 Annual Meeting."

Executive Officers

The following table sets forth certain information about our executive officers as of March 15, 2011.

Name	Age	Position
Michael Moody	64	Chairman of the Board, Chief Executive Officer and President
Charles A. Mathis.	51	Chief Financial Officer
Phillip Randall Hutcherson	57	Chief Operating Officer

Michael Moody. Mr. Moody was appointed President of Force Protection, Inc. in September 2007, the Interim Chief Executive Officer on February 1, 2008 and the Chief Executive Officer on February 29, 2008. Mr. Moody has more than 30 years of senior management experience in operational management, reorganizations, acquisitions and business transformations. From 2005 to 2007, he provided business and financial advisory services to privately held businesses. Mr. Moody was the chief operating officer at the London American General Agency and senior vice president of corporate development for Magna Carta Companies, a mutual insurance company, where he also served on the board of directors. Mr. Moody received the designation of Certified Practicing Accountant (Australia) and became an associate with the Australian Society of Accountants. Mr. Moody holds a Bachelor of Arts in economics from Macquarie University in Sydney, Australia.

Charles A. Mathis. Mr. Mathis joined Force Protection, Inc. in June 2008 as Executive Vice President Finance and was appointed Chief Financial Officer effective October 1, 2008. Mr. Mathis has over 20 years of experience in strategic finance and accounting for a number of manufacturing

Table of Contents

companies, including two major defense contractors. Prior to joining Force Protection, Mr. Mathis was chief financial officer of EFW, Inc., a U.S. segment of Elbit Systems Ltd., a public Israeli defense conglomerate. At Elbit, Mr. Mathis was responsible for all areas of finance, contract accounting, government compliance, Sarbanes Oxley compliance, tax and the development of joint venture agreements. Prior to Elbit, Mr. Mathis was vice president, finance and IT, with Fairbank Morse Engine, a supplier of medium-speed diesel engines to the U.S. Navy and the engine segment of EnPro Industries. Mr. Mathis completed his undergraduate studies at Wake Forest University and received his Master of Business Administration from the University of Chicago Graduate School of Business. Mr. Mathis served as a Lieutenant in the U.S. Marine Corps and is a certified public accountant.

Phillip Randall Hutcherson. Mr. Hutcherson joined Force Protection as Executive Vice President, Programs, Global Sales and Business Development in April 2009 and was promoted to Chief Operating Officer in February 2010. He has responsibility for Force Protection's global sales, program and contract management, as well as communications and legislative activities. Prior to joining Force Protection, Mr. Hutcherson was employed as vice president of tanker programs for EADS North America as well as vice president of rotorcraft programs. In addition to his experience in the private sector, Mr. Hutcherson served 26 years in the United States Marine Corps in a variety of capacities and retired as a Colonel in the Marine Corps Office of Legislative Affairs in 2002. He holds a Bachelor of Science in aerospace engineering from the United States Naval Academy, a Master of Science in systems management from Troy State University and a Master of Science in national security strategies from the National War College.

Table of Contents

CORPORATE GOVERNANCE

Role of the Board of Directors

Our day-to-day business is managed by our executive officers under the direction and oversight of our Board of Directors, which has responsibility for establishing broad corporate policies and for the overall strategic direction of the Company. Members of our Board are kept informed of the Company's business by reviewing materials and various documents provided by management, visiting the Company's offices, participating in Board and committee meetings and discussing operations and financial reports prepared by or under the direction of the Chief Executive Officer and President, the Chief Financial Officer and other members of management.

The Board of Directors is currently comprised of nine directors, in accordance with the provisions of the Company's Amended Articles of Incorporation and Bylaws, which provide for a range of no less than one and no more than 15 directors, with the number of directors to be set by our Board.

Our Board of Directors is divided into three classes, with each class of directors serving a staggered three-year term. The term of one class expires each year. Directors are encouraged to attend the Company's Annual Meetings of Shareholders. All members of our Board serving at such time attended the Annual Meeting in 2010.

Board Leadership Structure and Risk Oversight

Our Company is led by Mr. Moody, who has served as our Chief Executive Officer since February 29, 2008 and Chairman of the Board of Directors since January 8, 2008. Mr. Moody has served as a director since September 2006 and was appointed President in September 2007. Mr. Moody assisted the Company through the departure of its prior Chief Executive Officer on January 31, 2008, at which time Mr. Moody was appointed Interim Chief Executive Officer effective February 1, 2008. Mr. Moody has more than 30 years of senior management experience in operational management, reorganizations and acquisitions and has undertaken many business transformations in the roles of chief operating officer or president of domestic and international companies. At the time of Mr. Moody's appointment as Chief Executive Officer, the Company's former Chief Financial Officer and former Chief Operating Officer resigned. Given the large turnaround required by the new management of the Company, the Board believed that the efficient operation and continuity of the Company would be best served by the appointment of Mr. Moody to the roles of both Chief Executive Officer and Chairman of the Board.

Our Board leadership structure is commonly utilized by other public companies in the United States, and we believe that it is effective for the Company. This leadership structure is appropriate for our Company given the size and scope of our business, the experience and active involvement of our independent directors and our corporate governance practices, which include regular communication with and interaction between and among Mr. Moody and the independent directors. Pursuant to our Corporate Governance Guidelines, our Board selects the Chairman and the Chief Executive Officer that it determines to be in the best interest of the Company's shareholders. Of the nine members of our Board, eight are independent from management. The Board appointed a lead

Table of Contents

independent director, Lieutenant General Roger G. Thompson, Jr., USA (Ret.) in January 2008 and executive sessions are regularly held and are led by him as the lead director at which only the independent directors are present. We believe that having a combined Chairman and Chief Executive Officer, independent chairs for each of our Board committees and an independent lead director provides the best form of leadership for our Company. As part of our self-evaluation process, we evaluate our leadership structure to ensure that the Board continues to provide the optimal structure for our Company and our shareholders.

We believe that our directors provide effective oversight of risk management functions, especially through the work of the Board's committees. The Audit Committee of the Board of Directors ("Audit Committee") regularly receives reports from management regarding the assessment of financial risks and oversees the management of enterprise risk facing the Company. The Audit Committee and the full Board focus on the most significant risks facing the Company, the Company's general management strategy, and also ensure that risks undertaken by the Company are consistent with the Board's tolerance for risk. The Compensation Committee of the Board of Directors ("Compensation Committee"), as described in the Compensation Committee section on page 28, reviews the extent to which executive compensation programs may create risk for the Company. The Governance Committee of the Board of Directors ("Governance Committee") oversees the entity-related risks facing the Company and coordinates the oversight of inter-related risks, through management presentations, discussions with the Board and its committees and analysis of the risks facing the Company and the industry in which it operates.

While the Board oversees the Company's risk management, Company management is responsible for day-to-day risk management processes. Pursuant to the Board's delegation of authority of certain matters to management adopted in January 2008, as amended and restated, management is required to raise significant issues to the Board. We believe this division of responsibilities is the most effective approach for addressing the risks facing our Company and that the Board leadership structure supports this approach.

Director Independence

In determining independence, the Governance Committee considers whether a director has a material relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. When assessing materiality, the Committee considers all relevant facts and circumstances including, without limitation, transactions between the Company and the director, family members of directors and organizations with which the director or potential director is affiliated. The Committee further considers the frequency and dollar amounts associated with any of these transactions and whether the transactions were in the ordinary course of business and were consummated on terms and conditions similar to those with unrelated parties. The full Board of Directors makes the final determination of director independence based upon the assessment and recommendation of the Governance Committee.

On an annual basis, each member of our Board of Directors is required to complete a questionnaire designed in part to provide information to assist our Board in determining whether the director is independent under the rules and regulations of Nasdaq, the rules and regulations of the Securities and Exchange Commission ("SEC") and other applicable laws. In addition, each director or potential director has an affirmative duty to disclose to our Board relationships between and among that director (or an immediate family member), the Company and/or the management of the Company.

Our Board has affirmatively determined, upon the assessment provided by the Governance Committee, that all of our current directors, other than Mr. Moody, the Chief Executive Officer and President of the Company, were in 2010 and are currently independent because each person has no material relationship with the Company, our management or our independent registered public accounting firm, and that each director met the independence standards under the rules and regulations of Nasdaq, the rules and regulations of the SEC and other applicable laws. Our Board determined that Mr. Moody is not independent due to his status as an executive officer of the Company.

Corporate Governance Guidelines

The Board adopted Corporate Governance Guidelines on September 21, 2009, and as amended on September 20, 2010, to help fulfill its responsibilities to the Company's shareholders to oversee the work of management and the Company's business operations. The guidelines are intended to assure that the Board has the necessary authority and practices established to review and evaluate the Company's business operations and to make decisions independent of management. These guidelines, which provide a framework for the conduct of the Board's business, provide that:

- A majority of the members of the Board shall be independent directors;
- The Board's Governance Committee will work to determine the suitability of individual Board members, taking into account an individual's skills, expertise, industry and other knowledge and business experience;
- The Board will have full access to management and employees;
- The independent directors shall meet regularly in executive sessions;
- The Governance Committee will make available continuing education programs for directors, when appropriate;
- The Board's Compensation Committee will at least annually evaluate the performance of the Chief Executive Officer; and
- The Board's Governance Committee will conduct an annual evaluation of the performance of the Board.

Our Corporate Governance Guidelines may be found on our website at www.forceprotection.net under the heading "Investor Relations Governance Policies."

Governance Committee

The members of the Governance Committee are Messrs. Paxton (Chairman) and Ellis, MajGen. Davis and LTG Thompson. Mr. Merlau was a member of the Governance Committee until May 7, 2010. The purpose of the Governance Committee is to assist the Board of Directors in identifying qualified individuals to become Board members, to determine the composition of the Board and committees, to monitor a process to assess Board effectiveness and to implement the Company's corporate governance principles. The Governance Committee also oversees the entity-related risks facing the Company and coordinates the oversight of inter-related risks. Pursuant to its charter, the Governance Committee is responsible for:

- Searching for individuals qualified to become Board members and selecting director nominees;
- Developing a policy regarding the consideration of nominees for directors;
- Developing Board member qualifications for director candidates and reviewing these qualifications with the Board periodically;
- Evaluating and reporting to the Board on the performance and effectiveness of the Board;
- Reviewing Board and committees size, composition and structure and presenting recommendations for committee membership and committee chairmen to the Board;
- Developing and recommending to the Board a set of corporate governance principles, reviewing these principles annually and monitoring compliance;
- Forming and delegating authority to subcommittees, as appropriate;
- Retaining any consultant or firm that the Committee considers appropriate to assist in identifying director candidates, retaining outside counsel and other advisors as appropriate;
- Overseeing director compensation and making recommendations to the Board;
- Conducting an annual evaluation of the performance of the Board, the Governance Committee and other committees; and
- Annually reviewing the adequacy of the Committee charter.

The Governance Committee's charter is posted on the Company's website at www.forceprotection.net under "Investor Relations Governance Policies." Shareholders can obtain a printed copy of the Governance Committee's charter by sending a written request to the Corporate Secretary at Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485.

Related Party Transactions

Our Board of Directors recognizes that transactions with related parties can present actual or potential conflicts of interest and wants to ensure that Company transactions are based solely on the best interest of the Company and our shareholders. Accordingly, our Board has delegated responsibility to the Audit Committee to review transactions between the Company and related parties, which are further described below. The Audit Committee has adopted a written policy providing procedures for review, approval and ratification of related party transactions.

A related party transaction is a transaction between the Company and (a) a director, officer or 5% shareholder; (b) an immediate family member of a director, officer or 5% shareholder; or (c) any other entity in which any of these persons have a material interest. All reportable related party transactions must be reviewed, approved or ratified by the Audit Committee. In determining whether to approve or ratify such transactions, the Audit Committee will take into account, among other factors and information it deems appropriate: (1) the related parties' relationship to Force Protection and interest in the transaction; (2) the material facts of the transaction; (3) the benefits of the transaction to Force Protection; (4) an assessment of whether the transaction is (to the extent applicable) in the ordinary course of business, at arm's length, at prices and terms customarily available to unrelated third-party vendors or customers generally, and whether the related party had any direct or indirect personal interest in, or received any personal benefit from, such transaction; and (5) if applicable, the availability of other sources of comparable products and services. The Audit Committee chairman is authorized to approve related party transactions when it is impractical or undesirable to wait until the next committee meeting for approval. Such transactions must be reported to the Audit Committee at the next meeting.

The Governance Committee reviews all disclosed relationships and transactions for compliance with the independence standards and makes a recommendation to the Board regarding the independence of each director. For those directors identified as independent, the Company and our Board are aware of no relationships or transactions with the Company or management other than those of a type deemed immaterial in accordance with the guidelines described above.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serves as a member of the board of directors or compensation committee, or other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of our Board of Directors or Compensation Committee of our Board of Directors. None of the current members of our Compensation Committee is now or has ever been an officer or employee of Force Protection or any subsidiary of Force Protection. See "Related Party Transactions" above for a discussion of the Company's transactions with related parties.

Presiding Lead Director; Executive Sessions

As of January 8, 2008, the Board of Directors appointed Lieutenant General Roger G. Thompson, Jr., USA (Ret.) as our presiding lead director. Our lead director serves as the chair of the non-management executive sessions. The independent directors meet regularly without the Chief Executive Officer or other members of management present in executive sessions. Our Board intends to hold executive sessions of the non-management directors in conjunction with each regularly scheduled in-person meeting of the Board. Executive sessions were regularly conducted during the Board's in-person meetings during 2010. In addition, the Chief Executive Officer's performance review is conducted in executive session, and the Audit, Compensation and Governance Committees periodically meet in executive session.

Committees of the Board of Directors

Our Board of Directors has three standing committees, the Audit Committee, the Compensation Committee and the Governance Committee, which operate under written charters approved by the full Board. The Governance Committee was established in May 2009. Each committee is composed entirely of directors meeting the applicable independence standards of Nasdaq and the rules and regulations of the Exchange Act, and our Board has determined in its business judgment that each director qualifies as "independent" from the Company and its management in accordance with the

Table of Contents

guidelines described above under "Director Independence." For 2010, LTG Thompson and Messrs. Day (Chairman), Merlau and Paxton were the members of our Audit Committee. Our Board determined that Mr. Day is an "audit committee financial expert" defined by applicable SEC rules and that the members of the Audit Committee are "financially literate."

The charters for each of the committees can be viewed on the Company's website at www.forceprotection.net under "Investor Relations Governance Policies" and are available in print at no charge to any shareholder upon request to the Corporate Secretary of Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485.

Standing Committee Composition

The chart below identifies the members of each standing committee, each committee chairman, and the number of meetings held by each committee during 2010.

Name	Audit Committee	Compensation Committee	Governance Committee
John S. Day	Chair	X	
Major General Jack A. Davis, USMC (Ret.)(1)		X	X
B. Herbert Ellis		X	X
Kenneth A. Merlau(2)	X	Chair	
John W. Paxton, Sr.(3)	X		Chair
Lieutenant General Roger G. Thompson, Jr., USA (Ret.).	X	X	X
2010 Meetings	9	7	6

(1) Major General Jack A. Davis, USMC (Ret.) acted as Chairman of the Compensation Committee until May 7, 2010 and is currently a member of the Compensation Committee.

(2) Mr. Merlau was elected as Chairman of the Compensation Committee on May 7, 2010 and was a member of the Governance Committee until May 7, 2010.

(3) Mr. Paxton was a member of the Compensation Committee until May 7, 2010.

Board Meeting Attendance

Our Board of Directors met 16 times during our fiscal year ended December 31, 2010. Each director attended at least 90% of the meetings of the Board and committees on which they were serving. All directors holding office at such time attended the Company's 2010 Annual Meeting and are expected to attend the Company's 2011 Annual Meeting, although we do not have a formal policy in this regard.

Table of Contents

DIRECTOR COMPENSATION

The following table shows the compensation of the non-employee members of our Board of Directors for 2010.

Name(1)	Fees Earned or Paid in Cash	Stock Awards(2)	Total
John S. Day	$ 103,250	$ 40,840	$144,090
Major General Jack A. Davis, USMC (Ret.)	$ 98,000	$ 40,840	$138,840
B. Herbert Ellis	$ 102,500	$ 40,840	$143,340
Kenneth A. Merlau	$ 88,750	$ 40,840	$129,590
John W. Paxton, Sr.	$ 103,000	$ 40,840	$143,840
Lieutenant General Roger G. Thompson, Jr., USA (Ret.)	$ 119,500	$ 40,840	$160,340

(1) Mr. Moody, our current Chairman, Chief Executive Officer and President, did not receive any compensation in 2010 for service as a director.

(2) Reflects the total grant date fair value for each director, disregarding for this purpose the estimate of forfeitures related to vesting conditions, of restricted stock awards granted in 2010. Each director received one restricted stock award granted on February 16, 2010 for 7,648 shares, all of which remain outstanding as of the end of the year. The fair value per share of the restricted stock awards was $5.34 which was determined in accordance with Financial Accounting Standards Board Accounting Standards Codification ("ASC") Topic No. 718.

Table of Contents

2010 Summary Non-Employee Board Compensation

In 2010, the oversight of director compensation was delegated to the Governance Committee. In February 2010, the Governance Committee engaged an external independent compensation consultant, Hewitt Associates LLC, to provide a benchmark assessment of our director compensation program. Hewitt merged with Aon Consulting in October 2010 to form Aon Hewitt ("Aon Hewitt"). The independent compensation consultant provided benchmark director compensation data as compared with other companies of similar revenue size and market capitalization in the aerospace and defense industry. A description of the aerospace and defense peer data groups may be found in the section "Compensation Discussion and Analysis" below. Our Board of Directors, based on the recommendation of the Governance Committee, determined to make no changes to our director compensation program for 2010 and that there would be no increase in cash or equity director compensation for 2010. Our director compensation program for 2010, including restricted stock awards and cash components, is shown in the table below.

	Component	Approved
Board	Retainer (annual to be paid quarterly in advance)	$ 40,000
	Chairman Retainer[1] / Lead Director Retainer	$ 25,000
	Meeting Fees (in-person)[2]	$ 1,500
	Meeting Fees (teleconference)[2]	$ 750
	Annual Restricted Stock Award grant	$ 40,000
	($ worth of restricted stock as of the grant date)	
	Sign-on Restricted Stock Award grant	$ 30,000
	($ worth of restricted stock as of the grant date)	
Committees	Audit Committee Chairman Retainer	$ 10,000
	Compensation Committee Chairman Retainer	$ 5,000
	Governance Committee Chairman Retainer	$ 5,000
	Committee Meeting Fees (in-person)	$ 1,000
	Committee Meeting Fees (teleconference)	$ 500

(1) Mr. Moody, our current Chairman, does not receive a retainer for his services as Chairman.

(2) Meeting fees also include attendance at meetings, trade shows, customer visits and other events at the request of the Company.

In February 2011, the Governance Committee determined that there would be no increase in cash or equity director compensation for 2011, other than the increase to the retainers for the Compensation Committee Chairman and Governance Committee Chairman to the same level of the Audit Committee Chairman, or $10,000.

Code of Conduct and Ethics

Our Board of Directors has adopted a code of ethics ("Code of Conduct and Ethics") that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A current copy of the Code of Conduct and Ethics is available on our website at www.forceprotection.net, under "Investor

Table of Contents

Relations Governance Policies." A copy of the Code of Conduct and Ethics may also be obtained free of charge from us upon a request directed to the Corporate Secretary of Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485. We intend to promptly disclose any substantive changes in or waivers, along with the reasons for the waivers, of the Code of Conduct and Ethics granted to our executive officers, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, and our directors by posting such information on our website at www.forceprotection.net under "Investor Relations." During 2010, there were no substantive changes to our Code of Conduct and Ethics and no waivers were granted.

Communication with the Board of Directors

Shareholders may communicate with any of the Company's directors individually, our Board of Directors as a group or any Board committee by (1) sending an email to the Board, a particular director or a committee at directors@forceprotection.net; (2) mailing correspondence c/o Corporate Secretary, Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485; or (3) calling the Company's Compliance Hotline toll-free at 800.695.5218. Our Board has delegated to the Corporate Secretary, or his or her designee, responsibility for determining, in his or her discretion, whether the communication is appropriate for a director, committee or our Board's consideration.

According to the policy adopted by our Board of Directors, the Corporate Secretary is required to direct all communications regarding personal grievances, administrative matters or similar issues to the appropriate individual within the Company. Some types of communications, including job inquiries, spam, junk mail, mass mailings, product complaints or inquiries, surveys and requests for information about us, offers of goods and services, requests for donations and sponsorships, business solicitations or advertisements, product ideas, patently offensive material, otherwise inappropriate materials, as well as communications unrelated to us or our business, will not be forwarded to our Board. All other communications are to be submitted to the Board as a group, to the particular director or committee to whom it is addressed or, if appropriate, to the director or committee the Corporate Secretary believes to be the most appropriate recipient. If you send an email or letter to the Board, a committee or a director, you will receive written acknowledgement from the Corporate Secretary confirming receipt of your communication. A copy of the procedure adopted by our Board regarding shareholder communications is available free of charge by sending a written request to the Corporate Secretary at Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485.

Concerns and questions relating to accounting, internal accounting controls, financial policy, risk management or auditing matters are brought to the attention of the Audit Committee and are handled in accordance with the procedures adopted by the Audit Committee. These concerns also may be reported confidentially and anonymously through the Company's Compliance Hotline toll-free at 800.695.5218. If requested, we will endeavor to keep information that has been submitted confidential, subject to any need to conduct an effective investigation and take appropriate action.

Table of Contents

EXECUTIVE COMPENSATION

Compensation Committee

The members of the Compensation Committee of the Company are Mr. Merlau (Chairman), MajGen. Davis, LTG Thompson and Messrs. Day and Ellis. Mr. Merlau joined the Compensation Committee as Chairman on May 7, 2010; MajGen. Davis acted as Chairman until May 7, 2010, and all other members served during all of 2010. All of the members of the Compensation Committee are "independent directors" within the meaning of the Nasdaq rules, are "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code and are "non-employee directors" within the meaning of Rule 16b-3 of the Exchange Act. During 2010, the Compensation Committee held 7 meetings.

The purpose of the Compensation Committee is to provide the oversight required to ensure the integrity of the Company's compensation and employee benefit plans and practices. The Compensation Committee reports its activities to the Company's Board of Directors with:

- Oversight of executive compensation;
- Compliance with legal and regulatory reporting for compensation; and
- Oversight of all compensation systems which involve the issuance of the Company's stock and other equity securities.

Pursuant to its charter, the Compensation Committee is responsible to:

- Annually review and approve the compensation and corporate goals and objectives with respect to the Chief Executive Officer and the named executive officers, including salary, bonus and equity compensation. The Chief Executive Officer may not be present during the voting or deliberations of the Committee with respect to his or her compensation;
- Review and approve non-routine executive employment agreements, severance arrangements and change-in-control agreements and provisions;
- Review and recommend to the Board equity-based plans and grants involving the use of Company's stock and other equity securities;
- Produce a report on executive compensation as required by the SEC to be included in our annual proxy statement and such other reports as required;
- Develop and evaluate potential candidates for executive positions, including the Chief Executive Officer, and to oversee the development of executive succession planning; and
- Perform such other duties and responsibilities as may be assigned to the Committee from time to time by the Board, including without limitation, the implementation and administration of our equity-based plans and reviewing the competitiveness of the Company's compensation and benefit plans for our directors, officers and key employees.

The Compensation Committee's charter is posted on the Company's website at www.forceprotection.net under "Investor Relations Governance Policies." Shareholders can obtain

28

a printed copy of the Compensation Committee's charter free of charge by sending a written request to the Corporate Secretary at Force Protection, Inc., 1520 Old Trolley Road, Summerville, South Carolina 29485.

For each named executive officer, other than our Chief Executive Officer, the Compensation Committee reviews and approves all elements of our executive compensation program, taking into consideration recommendations from our Chief Executive Officer and human resources staff, legal counsel, recommendations from the Compensation Committee's independent outside compensation consultant, and other information, including competitive market information. For our Chief Executive Officer, the Compensation Committee reviews and approves his executive compensation program taking into consideration the Committee's evaluation of the Chief Executive Officer's performance, recommendations from human resources staff, legal counsel, recommendations from the Compensation Committee's independent outside compensation consultant, and other relevant information, including competitive market information.

The Compensation Committee may, in its discretion, utilize the services of a compensation consultant or other professional or expert to provide data and advice to the Compensation Committee regarding the compensation of executives of the Company and to assist the Compensation Committee in performing its other responsibilities. The retention and, where appropriate, the termination of any such compensation consultant is at the sole discretion of the Compensation Committee without the participation of any officer or other member of management. The Compensation Committee approves the appropriate funding to be paid to any advisors to the Committee and ordinary administrative expenses of the Compensation Committee that are necessary to carry out its duties.

The Committee continually considers whether the design of the executive compensation program, as a whole or any specific aspect of it, encourages unnecessary or excessive risk-taking. In 2010, the Committee, with the assistance of its independent outside compensation consultant, conducted a risk assessment with respect to its compensation practices. In conducting the risk assessment, the Company's compensation plans, including its short-term incentive plan and long-term incentive plan and additional compensation policies, such as the clawback policy, the use of Committee discretion and employment and severance agreements, were analyzed.

While recognizing that any compensation program may create inappropriate risk-taking incentives in future circumstances, the Committee believes that neither the program's design nor the discrete elements of compensation encourage employees, including the named executive officers, to assume unnecessary or excessive risks. The following risk-mitigating features of the executive compensation program, while not intended to be exhaustive, contribute to the Compensation Committee's conclusion:

All executive compensation programs are overseen by the Compensation Committee after a thorough review with management and the input of the Committee's independent compensation consultant, including approval of the compensation peer groups, short- and long-term performance goals and award opportunities, and award payouts;

A balanced mix of fixed versus at-risk variable compensation;

Table of Contents

- A balance between annual incentive and long-term incentives with different performance measures used for each;
- Caps on the maximum award payments from both the annual and long-term incentive programs;
- The Committee's discretion to approve awards at lower than performance would suggest, or provide no awards at all; and
- Clawback provisions described more fully on page 46 providing for the recoupment of certain payments in the event of a restatement of the Company's financial statements due to fraud or intentional misconduct.

Use of Compensation Consultants

Aon Hewitt reports directly to the chairman of the Compensation Committee, but may work with management as necessary in fulfilling its responsibilities to the Compensation Committee. The Compensation Committee meets in executive session with Aon Hewitt and is free to speak directly with members of management. In 2010, Aon Hewitt assisted the Compensation Committee and management with the following tasks:

- Developing the compensation peer groups;
- Benchmarking executive pay levels;
- Reviewing severance and change-in-control arrangements;
- Consulting regarding the deferred compensation plan;
- Reviewing the Compensation Discussion and Analysis section of this Proxy Statement; and
- Developing the Total Shareholder Return performance graph.

In 2010, the Governance Committee engaged Aon Hewitt to assist with benchmarking of outside director pay levels. Aon Hewitt also provided non-executive compensation consulting services to the Company, for which payments did not exceed $120,000 in 2010.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the following Compensation Discussion and Analysis section of this Proxy Statement with management as required by Item 402(b) of Regulation S-K. Based on its review and discussions with management, the Compensation Committee recommended to our Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

Compensation Committee,

Kenneth A. Merlau (Chairman)
Major General Jack A. Davis, USMC (Ret.)
John S. Day
B. Herbert Ellis
Lieutenant General Roger G. Thompson, Jr., USA (Ret.)

The preceding Compensation Committee Report is provided only for the purpose of this Proxy Statement. Pursuant to the regulations of the SEC, this report is not "soliciting material," is not deemed filed with the SEC and is not to be incorporated, in whole or in part, in any other Company filing under the Securities Act of 1933, as amended, or the Exchange Act.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

The compensation and benefits provided to our named executive officers for 2010 are set forth in detail in the Summary Compensation Table and other tables and the accompanying footnotes and narrative material. This Compensation Discussion and Analysis explains the purposes of our executive compensation and benefits program and explains the material elements of the compensation awarded to each of our named executive officers. The discussion focuses primarily on the compensation awarded for the year ended December 31, 2010, but also addresses certain actions taken by the Compensation Committee during its review of the executive compensation program in early 2011. Our executive compensation and benefits program is designed and administered under the direction and control of the Compensation Committee. For more information, see "Compensation Committee" above.

Executive Summary

We are a leading designer, developer and manufacturer of survivability solutions, including blast- and ballistic-protected wheeled vehicles currently deployed by the U.S. military and its allies to support armed forces and security personnel in conflict zones. Force Protection made significant progress in fiscal 2010, with careful control of our cost structure and continued focus on our stated strategy of pursuing a broader range of products and customers. In 2010, we were able to demonstrate the capability to create significant value for our shareholders and our customers. Our accomplishments in 2010 included:

- Selected by the United Kingdom Ministry of Defence as the preferred bidder in the Light Protected Patrol Vehicle program ("LPPV");
- Selected as one of the finalists for the Australian Land 121 program and selected to continue to the Request for Proposal phase of Canada's Tactical Armored Patrol Vehicle Project ("TAPV");
- Received more than $1 billion in new orders in 2010;
- Established a strategic plan for the future direction of the Company;
- Achieved strong financial results of 20% gross margin and net cash from operating activities of $37 million, $6 million above budget. At the same time, however, we did not meet our revenue and earnings per share ("EPS") goals;
- Improved customer relationships with U.S. and international customers through regular interactions at the highest organizational levels positioning us for future opportunities with these customers;
- Reached an agreement to settle the federal shareholder class and derivative actions; and
- Achieved strong Total Shareholder Return in comparison to peer group (see chart below under 2010 Program Review Peer Group Analysis) highlighting the management team's performance since taking over in January 2008. As the chart below shows, Force Protection's three-year cumulative Total Shareholder Return has surpassed the performance of all of our peer group and the referenced index.

Table of Contents

Comparison of Three-Year Cumulative Total Shareholder[(1)] Return December 2007 through December 2010

Date	Force Protection, Inc.	S&P 600 Small Cap	S&P 600 Small Cap Aerospace and Defense	Peer Group
December 31, 2007	$ 100.00	$ 100.00	$ 100.00	$ 100.00
December 31, 2008	$ 127.78	$ 68.93	$ 64.44	$ 51.59
December 31, 2009	$ 111.33	$ 86.52	$ 61.16	$ 62.91
December 31, 2010	$ 117.74	$ 109.26	$ 81.07	$ 87.90

(1) Total Shareholder Return assuming $100 invested on December 31, 2007 and reinvestment of dividends on a quarterly basis. Argon ST and Stanley, Inc. are not included in the Peer Group calculations as the former was acquired by the Boeing Company on August 5, 2010 and the latter was acquired by the CGI Group on August 18, 2010.

In light of the continuing evolution of our business, our executive compensation plan is designed to align with our strategic objectives. Our executive compensation program is tightly linked with our performance. More specifically, in 2010, we employed the following compensation policies and procedures for our executive officers, which included all of the named executive officers:

A focus on incentive based compensation:

Short- and long-term incentive represents 62% of an executive officer's total compensation opportunity, with 30% tied to the Company's stock price and mid-term

Table of Contents

performance metrics and the remaining 32% tied to achievement of challenging annual performance metrics.

Base salary represents 38% of a senior executive's total compensation opportunity.

Base salary increases in 2010 were limited to the Chief Executive Officer, who had not had an increase since becoming Chief Executive Officer in 2008, and the Chief Operating Officer upon his promotion in February 2010. No other named executive officers received a salary increase in 2010.

The use of challenging performance goals that drive business success:

Both the Short-Term Incentive Plan and the performance-based restricted stock plan require that performance exceed budget for a payout to be earned.

The Short-Term Incentive Program uses three key strategic performance metrics that we believe drive success: revenue, net cash provided in operating activities and new orders. These measures are balanced by the use of annual and cumulative earnings per share (EPS) in the performance-based restricted stock plan.

A formal clawback provision was included in cash bonus awards with respect to the recoupment of certain payments in the event of a restatement of the Company's financial statements due to fraud or intentional misconduct.

Compensation Objectives and Philosophy

The Compensation Committee oversees the design, development and implementation of our executive compensation program. The objectives of the compensation philosophy are to:

Support our ability to attract and retain world-class leaders;

Align the interests of executives and shareholders through the use of long-term incentive compensation;

Reward performance, both short-term and long-term; and

Incorporate competitive pay practices that reflect consideration of compensation practices and pay levels of others in our industry and in general industry.

To achieve these objectives, our executive compensation program consists of a mix of:

Base salary;

Short-term incentives;

Long-term incentives comprised of stock options and performance-based and retention-based restricted stock;

Health and welfare benefits;

Table of Contents

- Retirement benefits including a 401(k) retirement plan, which provides for a Company matching contribution (the "401(k) Plan"), and a voluntary nonqualified deferred compensation plan; and
- A perquisite allowance (which was discontinued starting in 2011).

Force Protection's executive compensation program is administered under the direction of the Compensation Committee and is reviewed by the Compensation Committee on an annual basis to ensure that compensation levels meet the objectives stated above. The Compensation Committee uses information provided by its independent outside compensation consultant and internal human resources personnel to make informed compensation and benefit program decisions. The Chief Executive Officer is not involved in decisions regarding his own compensation.

Our Compensation Committee has, since January 2008, taken the following actions in furtherance of its philosophy and objectives:

- Formalized the process used to evaluate the risks associated with the Company's compensation programs;
- Engaged an independent outside compensation consultant;
- Evaluated the Company's compensation programs using peer groups in order to better align the Company's compensation programs with its compensation philosophy and business strategies;
- Adopted annual short-term incentive plans to link pay and key performance metrics and performance levels;
- Adopted a long-term incentive plan to encourage the long-term performance of the Company;
- Adopted a policy with respect to the recoupment of certain payments in the event of a restatement of the Company's financial statements due to fraud or intentional misconduct;
- Approved the form of change-in-control agreements (severance agreements) for the Company's executive officers to secure an employee's continued service and, in connection with a change-in-control, ensure the employee's continued dedication to his or her duties;
- Eliminated certain tax gross-ups related to its limited perquisite program that provided financial planning services and taxable home security, and reduced the level of these perquisites; and
- Adopted a no-hedging policy regarding the Company's stock.

2010 Program Review

Peer Group Composition

Two peer groups were used in assessing market pay levels: an aerospace and defense industry group ("Defense Industry") that represents companies in a similar line of business, and a general industry group ("General Industry") to provide a broader measure of competitors for talent with Force Protection.

34

The Defense Industry peer group was comprised of 15 companies in the Standard and Poor's Aerospace and Defense industry index with revenues between $100 million and $1.5 billion. Median revenue and market capitalization for this group was $532 million and $534 million, respectively. Force Protection's fiscal year 2009 revenue was $977 million and market capitalization was $364 million. Axsys Technologies was removed from the group due to its acquisition by General Dynamics in September 2009. We believe that the 2010 Aerospace and Defense Industry peer group provides a representation of compensation levels in our industry category among companies similar to our size. The following table contains the companies in the Defense Industry peer group.

2010 Defense Industry Peer Group

AAR Corporation	Cubic Corporation	HEICO Corporation	LMI Aerospace, Inc.
AeroVironment, Inc.	Ducommun Incorporated	Hexcel Corporation	Sparton Corporation
Argon ST, Inc.	GenCorp, Inc.	Kratos Defense and Security Solutions, Inc.	Stanley, Inc.
Ceradyne, Inc.		Ladish Co., Inc.	Triumph Group, Inc.

The General Industry peer group was comprised of 23 companies from Aon Hewitt's Total Compensation Measurement database with revenue below $1.0 billion. Median revenue and market capitalization for this group was $738 million and $337 million, respectively. Since this group is based on the companies participating in Aon Hewitt's database, the companies included will vary from year to year. Additions to the group in 2010 include: ACI Worldwide, ALLETE, AZZ, ESCO Technologies, Federal Signal, Fellowes, Hot Topic, IHS Group, and RehabCare Group. The following companies were removed from the group because they did not participate in Aon Hewitt's database: Alpharma, Cabot Oil and Gas, Innophos and Milacron. We believe that the 2010 General Industry peer group as listed in the table below provides a representation of compensation levels in the broader industry from which we compete for talent.

2010 General Industry Peer Group

ACI Worldwide	ESCO Technologies	Neenah Paper, Inc.	Timex Group, USA
ALLETE, Inc.	Federal Signal	OMNOVA Solutions Inc.	Tredegar Corporation
Ameron International Corporation	Fellowes, Inc.	R. G. Barry Corporation	Valeant Pharmaceuticals International
AZZ, Incorporated	Graco Inc.	RehabCare Group, Inc.	Zep, Inc.
Bissell Homecare, Inc.	Hollister Incorporated	Thermadyne Holdings Corporation	
Bush Brothers & Company	Hot Topic, Inc.		
	IHS Group		
	Johnson Outdoors Inc.		

Executive Pay Benchmarking

At the Compensation Committee's request, in November 2009, Aon Hewitt evaluated the Company's compensation programs using the peer groups listed above and made recommendations regarding the Company's compensation programs and their alignment with the organization's compensation philosophy and business strategies.

Table of Contents

Aon Hewitt's analysis provided market compensation pay levels for each of the executive officers at the time of the analysis including base salary levels, short- and long-term incentive opportunities, total compensation and mix of pay. The compensation data and the recommendations are a material part of the decision-making process for the Compensation Committee's process for reviewing and approving pay adjustments and program changes for each of the executive officers.

In addition to the compensation data, the Committee also considers several other factors in making compensation decisions: prior year's compensation, scope of responsibility of the named executive officer, future potential, Company performance, succession planning and retention. The Compensation Committee also reviews tally sheets summarizing current- and prior-year total compensation opportunities, potential wealth accumulation from equity and retirement plans, and severance and change-in-control provisions for each named executive officer. There is no specific weighting applied to each of these factors, and the impact of each varies from executive to executive and year to year.

Base Salary

The Committee intends to review base salaries annually and to adjust base salaries as necessary to align executive salaries with market levels and changes in job scope and responsibility. The Committee sets the base salary for the Chairman, President and Chief Executive Officer, and for the Company's executive officers with input from the Chief Executive Officer. We believe that our combination of competitive base salary and incentive-based compensation allows us to attract and retain high-quality senior executives.

We believe that an appropriate and competitive base salary (market median) is a necessary element to attracting and retaining qualified executive officers. In determining base salary for the year ended December 31, 2010, the Compensation Committee sought to fairly compensate each executive based on the scope of their responsibilities, to ensure competitive market compensation for similar positions and to provide each executive with a reasonable level of economic security. In comparison to the Defense and General Industry peer groups described above, Force Protection's base salaries approximate the market median, which is in line with our stated compensation philosophy.

At its January 2010 meeting, the Compensation Committee approved an increase in Mr. Moody's salary from $560,000 to $620,000. This was his first salary increase since becoming the Chief Executive Officer and reflected his and the Company's strong performance in 2009, a performance level he has consistently maintained since he became the Chief Executive Officer. The increase also positions his salary at the market median consistent with our compensation philosophy.

Upon his promotion to Chief Operating Officer in February 2010, Mr. Hutcherson's salary was increased to $360,000 to reflect the responsibilities of his new role.

None of the other named executive officers' salaries were increased for 2010.

Table of Contents

Short-Term Incentive Plan

In January 2010, the Compensation Committee approved, for eligible executives, performance metrics and performance levels for the 2010 Short-Term Incentive Plan, which is not a shareholder-approved plan. The 2010 Short-Term Incentive Plan was designed to align annual incentive pay with business objectives and performance.

In 2010, short-term incentive opportunities were increased for the executive officers. These opportunities are intended to provide an above-market median opportunity for stretch performance. Consistent with this approach, the performance needed to achieve a payout is more challenging than in 2009. For 2010, threshold performance was set at the same level as Force Protection's 2010 budget instead of target. Therefore, in order to receive an above-threshold payout, Company performance must have exceeded budget and if budgeted performance is not achieved, no payout would be made on that particular metric. Target performance was set at 15% above budget and maximum performance was set at 30% above budget. Because the achievement of a maximum bonus was challenging, the Compensation Committee also increased the award opportunity at maximum from 150% of target payout to 175% of target payout. Finally, in addition to three financial metrics (the "Shared Metrics") the 2010 plan also includes a set of personal metrics for each participant which are unique goals specific to their area of accountability.

The Shared Metrics represent 66% of the total award and the personal metrics represent 34% of the total award. Each executive officer's annual incentive plan payout was dependent upon the level of performance attained on the Shared Metrics and personal metrics. Payouts can range from threshold to maximum as shown in the table below. No payments are made based on a metric where performance is below threshold.

The definitions and table below describe the Shared Metrics; threshold, target and maximum performance levels; actual 2010 performance for each measure; and the resulting payout based on 2010 performance.

(1) **Revenue** was selected because it provides a measure of our growth and is defined as net revenue as reported in our Annual Report. Revenue represents 22% of the bonus award.

(2) **Net Cash Provided in Operating Activities** is defined as cash received or expended as a result of the Company's internal business activities. It includes cash earnings plus changes to working capital and provides a measure of the cash generated by the business. Net cash provided in operating activities represents 22% of the bonus award.

(3) **New Orders** is defined as new awards received in fiscal 2010 including new contracts, modifications to existing contracts and follow-on purchases to existing contracts and was selected because of the Company's increased focus on securing new orders as a way of growing revenue. New orders represents 22% of the bonus award.

Further, the Compensation Committee determined that, in the event that 2010 fiscal year diluted earnings per share was less than or equal to $0.33, there would be no short-term incentive payout from the Shared Metrics to any eligible executive officer under the annual incentive plan irrespective of the performance on any of the above measures.

Table of Contents

At its March 2011 meeting, the Compensation Committee exercised its discretionary authority under the Company's Short-Term Incentive Plan to determine the final payouts for performance in 2010. In calculating the 2010 fiscal year diluted earnings per share, the Compensation Committee approved the exclusion of $5.5 million related to the cost of the federal shareholder class action and related derivative class action lawsuit settlements, as well as the inclusion of $3.4 million of net income related to the delivery of seat modernization kits in December 2010, but for which the revenue recognition was delayed until January 2011. The class action settlement adjustment resulted in an earnings per share adjustment of $0.08 and the net income adjustment resulted in an earnings per share adjustment of $0.05. The Company's reported Generally Accepted Accounting Principles ("GAAP") earnings per share for fiscal 2010 was $0.22 and the aforementioned adjustments resulted in an adjusted earnings per share of $0.35. As a result, the Compensation Committee determined that the earnings per share floor of $0.33 for a pay-out under the Short Term Incentive Plan was met, and all participants in the 2010 STIP were eligible for pay-outs under the plan. In addition, in reviewing the actual 2010 performance for each of the Shared Metrics, the Compensation Committee exercised its discretionary authority to exclude from the Net Cash Provided in Operating Activities the cash disbursement related to the class action settlement.

	2010 Performance Range			**2010 Actual Performance**	
	Threshold (Budget)	**Target (Budget +15%)**	**Maximum (Budget +30%)**	**In $ Millions**	**Payout as a % of Goal**
(1) Revenue	$711 million	$818 million	$925 million	$ 656.0	0%
(2) Net Cash Provided by Operating Activities	$30.7 million	$35.3 million	$39.9 million	$ 38.1(1)	146.5%
(3) New Orders	$713 million	$820 million	$927 million	$ 1,019.8	175%

(1) Reflects the exclusion of $700,000 related to the net settlement costs to settle Federal class and derivative actions. Without this exclusion, net cash provided in operating activities would have been $37.4 million.

Based on the performance on the above metrics, the cumulative payout from the Shared Metrics was 104.7% of the target opportunity.

Personal metrics (34% of the total award) are set for each of the Company's executive officers by the Compensation Committee in consultation with the Chief Executive Officer and for the Chief Executive Officer solely by Compensation Committee. Personal metrics are unique goals specific to each executive officer's area of accountability. The personal metrics pool is funded at target as long as 2010 fiscal year earnings per share was greater than $0. Actual 2010 diluted earnings per share was $0.22 and, as a result, the personal metric pool was funded.

Table of Contents

The following table displays the Personal metrics for each of the named executive officers.

		Personal Metric Goals
Chief Executive Officer and President	Goal	Build Board and management consensus on strategic plan Reestablish and reinforce market leading position Strengthen relationships and build credibility with a wide range of constituents Commence succession planning for leadership team
	Achievement	Mr. Moody's Personal Metrics were awarded at Target (100%) performance. He was successful in leading Force Protection and the Board of Directors in the creation of a strategic plan for 2010 and beyond. He personally led the Company's successful efforts to be selected by the United Kingdom Ministry of Defence as the preferred bidder in the Light Protected Patrol Vehicle Program and selected as one of the finalists for the Australian Land 121 program. As the public face of the company, Mr. Moody was able to increase the public recognition of the Company as a leader in survival technology as evidenced by the above-mentioned successes. He also spent considerable time in 2010 improving customer relationships with U.S. and international customers. We feel these efforts have positioned Force Protection for success in the years ahead. Succession planning for the Executive Leadership team was commenced in 2010 but remains in early stages as of year-end. The Company did not achieve its goal to announce an acquisition in 2010 and the Company failed to reduce its G&A expenses to the targeted levels. Based on the above factors, Mr. Moody's Personal Metrics award was $210,800.
Chief Financial Officer	Goal	Improve shareholder relationships and increase analyst coverage Enhance existing cost accounting and financial analysis systems Initiate internal discussion of finance-based strategies
	Achievement	Mr. Mathis' Personal Metrics were awarded at Target (100%) performance. Mr. Mathis improved our shareholder relations by meeting frequently with our major investors and increasing our analyst coverage. During the course of 2010, he was responsible for major improvements in our cost accounting and financial analysis systems with gross margin increasing to 20%. Based on the above factors, Mr. Mathis was awarded a Personal Metrics payout of $76,500.
Chief Operating Officer	Goal	Grow new vehicle programs Increase revenue from legacy programs Secure ISO certification Strengthen relationships with customers
	Achievement	Mr. Hutcherson's Personal Metrics were awarded at Target (100%) performance. Mr. Hutcherson was instrumental in the Company being selected as the preferred bidder in the United Kingdom Ministry of Defence's Light Protected Patrol Vehicle program, one of the finalists for the Australian Land 121 program and being invited to propose for Canada's

Tactical Armored Patrol Vehicle Project. He strengthened relationships with customers. New orders for modernization rose, exceeding goal. The Company was also awarded ISO 9001 certification and opened its Afghanistan facility for ISS/modernization. Based on the above factors, Mr. Hutcherson was awarded a Personal Metrics payout of $91,800.

Table of Contents

		Personal Metric Goals
Former Chief Strategy Officer, General Counsel and Corporate Secretary	Goal	Resolve outstanding legal issues Facilitate process for development and execution of corporate strategy Ensure best practices for corporate governance
	Achievement	Ms. Macdonald's Personal Metrics were awarded at Target (100%) performance. Ms. Macdonald was instrumental in reaching an agreement to settle the Federal shareholder class and derivative actions for the Company. With Mr. Moody she successfully facilitated a process that led to the development of a corporate strategy for 2010 and beyond. In her role as Corporate Secretary, she continued to improve the Company's corporate governance practices. Based on the above factors, Ms. Macdonald was awarded a Personal Metrics payout of $82,620.
Executive Vice President	Goal	Establish team to pursue Route Clearance Vehicle Continued Life Cycle Support Services, or RCV, proposal Establish ISS/modernization facilities in Afghanistan Strengthen relationship with Total Life Cycle Support, ("TLCS"), customers Increase TLCS revenue
	Achievement	Mr. Grazioplene's Personal Metrics were awarded at Target (100%) performance. Mr. Grazioplene was instrumental in the establishment of 3 new vehicle locations in Afghanistan. He was instrumental in developing a teaming arrangement to pursue RCV program. He obtained additional contract modifications for continuing FSR support overseas. He developed an operational, logistical and spare parts maintenance manual. Based on the above factors, Mr. Grazioplene was awarded a Personal Metrics payout of $63,750.

Based on the performance on the Shared Metrics and each individual's personal metrics, the table below displays the bonus payout for each individual (as a percentage of salary and dollar amount). The target opportunities in the table below were established, in part, based on the target opportunities of the two peer groups in the competitive market analysis. Overall, based on the data provided by Aon Hewitt in November 2009, Force Protection's 2010 target opportunities were slightly above the median of the two selected peer groups in the aggregate, reflecting the above-target performance necessary to receive a target level payout.

	2010 Short-Term Incentive Opportunity as a Percentage of Salary			2010 Payout	
	Threshold	Target	Maximum	In $	As a % of Salary
Chief Executive Officer and President	50.0%	100.0%	175.0%	$649,326	105%
Chief Financial Officer	37.5%	75%	131.3%	$235,643	79%

Chief Operating Officer	37.5%	75%	131.3%	$282,771	79%
Former Chief Strategy Officer, General Counsel and Corporate Secretary	37.5%	75%	131.3%	$254,494	79%
Executive Vice President	37.5%	75%	131.3%	$136,369	79%

Long-Term Incentives

Long-term incentives are intended to motivate and reward employees for creating shareholder value and to retain employees. The Company believes that stock ownership by the executive officers is critical in order to align the interests of our executives with those of shareholders.

Table of Contents

Awards are granted under the Company's 2008 Stock Plan which was approved by the Company's shareholders at the 2008 Annual Meeting on November 21, 2008. The plan permits the grant of stock options, stock appreciation rights, restricted shares, restricted stock units, dividend equivalent rights and other types of equity-based or equity-related awards.

The Compensation Committee considers Company and individual performance assessments, executive retention, available market data, recommendations from management, share dilution and other factors to determine the size and types of long-term incentive awards for each executive officer. At its February 2010 meeting, the Compensation Committee reviewed the recommendations of management and competitive market data provided by its outside compensation consultant and approved the awards listed in the Grants of Plan-Based Awards table on page 50. At its December 2010 meeting, the Committee approved the retention-based time-vested restricted stock grant listed in the Grants of Plan-Based Awards table and discussed below. Management does not make a recommendation with respect to the Chief Executive Officer.

Award levels approved by the Committee in February 2010 were higher than in 2009 based on an anticipation that award levels would be higher in 2010 among the companies in the Defense and General Industry peer groups. In general, award levels were targeted at approximately 10% above the market median in 2009.

In February 2010, 25% of the total award was delivered through stock options and 75% through performance-based restricted stock. We chose these vehicles so that the entire award opportunity would be performance-based with a focus on shareholder value (stock options) and short- and mid-term profitably (performance-based restricted stock). Performance-based restricted stock was weighted more heavily than stock options because fewer shares are required to deliver the same amount of long-term incentive opportunity.

Performance-Based Restricted Stock

Similar to the 2010 Short-Term Incentive Plan, target opportunities for the 2010 Long-Term Incentive Plan were increased, as noted in the table below, to reflect an above-market opportunity for stretch performance. Like the 2010 Short-Term Incentive Plan, threshold performance reflected budget performance, and target and maximum reflected stretch performance. In order to receive an above-threshold payout, Company performance must have exceeded budget, and if budgeted performance was not achieved, no payout was made on that particular metric and the opportunity becomes part of the next performance goal. Because the achievement of maximum performance was challenging, the Compensation Committee also increased the award opportunity at maximum from 150% of target payout to 175% of target payout.

	Performance-Based Restricted Stock Opportunity as a Percentage of Salary		
	Threshold	**Target**	**Maximum**
Chief Executive Officer and President	52.5%	105.0%	183.8%
Chief Financial Officer	45.0%	90.0%	157.5%
Chief Operating Officer	45.0%	90.0%	157.5%
Former Chief Strategy Officer, General Counsel and Corporate Secretary	45.0%	90.0%	157.5%
Executive Vice President	45.0%	90.0%	157.5%

Table of Contents

In 2010, we lengthened the performance period from one year with vesting immediately and over the following two years, to a three-year program with performance assessment at the completion of years one, two and three. The change was made to provide a strong incentive for achieving specific performance objectives over an extended period. Therefore, the earned award is tied to performance and supports our pay-for-performance objective. The value of the award is denominated in shares and, as a result, the value will fluctuate along with the Company stock price, resulting in a strong connection between executive and shareholder interests.

The performance-based restricted stock award is comprised of three parts, each comprising one-third of the total award.

1. *Earnings per share (EPS) for 2010*. At the conclusion of fiscal year 2010, Force Protection's 2010 EPS was compared against the 2010 EPS goal and if threshold performance or greater had been achieved, a payout would have been made based on one-third of the total award opportunity. If the threshold goal was not achieved, no award would be made and the one-third opportunity would become part of the 2010-2011 award opportunity.

2. *Cumulative EPS for 2010-2011*. At the conclusion of fiscal year 2011, Force Protection's cumulative 2010-2011 EPS will be compared against the 2010-2011 EPS goal and if threshold performance or greater is achieved, a payout will be made based on one-third of the total award opportunity plus the one-third from the 2010 award opportunity that was not achieved in 2010. If the threshold goal is not achieved, no award will be made and the opportunity (both the 2010 and 2010-2011 opportunity) will become part of the 2010-2012 award opportunity.

3. *Cumulative EPS for 2010-2012*. At the conclusion of fiscal year 2012, Force Protection's cumulative 2010-2012 EPS will be compared against the 2010-2012 EPS goal and if threshold performance or greater is achieved, a payout will be made based on one-third of the total award opportunity plus any unearned award opportunities from prior opportunities. If the threshold goal is not achieved, no award will be made and the opportunity and all prior unearned opportunities will be forfeited.

In February 2010, performance levels using diluted EPS were set for the 2010, 2010-2011, and 2010-2012 performance periods. The performance and payout levels for the 2010 performance period are displayed in the following table. In 2010, Force Protection's EPS was $0.22, and therefore, no payout was made, and the award opportunity is now part of the 2010-2011 award opportunity.

	Performance and Payout Ranges for 2010 Performance Period		
	Threshold	**Target**	**Maximum**
EPS Goal	$ 0.55	$ 0.66	$ 0.74
Payout as a % of Target Opportunity	50%	100%	175%

Table of Contents

The Compensation Committee has established EPS goals for the 2010-2011 and 2010-2012 performance periods. These goals are not disclosed because we believe that they are confidential information and their disclosure would result in competitive harm to the organization. The Company believes these goals contain a high degree of difficulty, and the accomplishment of these goals is entirely uncertain without significant achievements by the executive officers and the entire Company.

Stock Options

Options to purchase shares of Force Protection stock granted to named executive officers become exercisable in three equal annual installments commencing on the first anniversary of the award. The three-year vesting schedule provides a means of both retaining and motivating executives. The exercise price of the options is the closing price on the date of the grant. The options have a maximum term of ten years. Grants made to our named executive officers are reported in the Grants of Plan-Based Awards table on page 50.

Retention-Based Time-Vested Restricted Stock Award

In November 2010, the Compensation Committee conducted its annual review of peer compensation levels with the purpose of informing 2011 compensation decisions. This analysis showed that 2010 levels among the peer companies had increased since 2009 at a level higher than our February 2010 awards had assumed. The analysis also led us to restructure our long-term compensation program for 2011 to continue to include stock options and performance-based restricted stock but also, as many of our aerospace and defense peers do, to include retention-based time-vested restricted stock.

Based on the shortfall of time-vested stock in our February 2010 long-term incentive grant and recognizing the need to include a retention component in our 2010 Long-Term Incentive Program and the desire to further align the 2010 Long-Term Incentive Program with our peer groups, the Compensation Committee granted retention-based time-vested restricted stock awards to our executive officers and other members of senior management in December 2010. These awards vest over three years.

The table below displays the total 2010 long-term incentive award opportunity, inclusive of the February and December 2010 awards, for the executive team. Performance-based restricted stock continues to represent the majority (53%) of the total award compared to 75% previously. Stock options represent 18% of the total award compared to 25% previously. Retention-based time-vested restricted stock represents 29% of the total award.

	Total 2010 Target Long-Term Incentive Opportunity as a Percentage of Salary			
	Performance-Based Restricted Stock	Stock Option	Retention-Based Time-Vested Restricted Stock	Total
Chief Executive Officer and President	105%	35%	56%	196%
Chief Financial Officer	90%	30%	48%	168%
Chief Operating Officer	90%	30%	48%	168%
Former Chief Strategy Officer, General Counsel and Corporate Secretary	90%	30%	48%	168%
Executive Vice President	90%	30%	48%	168%

Table of Contents

Perquisites Allowance

For 2010, the Company reduced the taxable financial planning perquisite from $15,000 to $7,000 and the taxable home security perquisite from $7,500 to $3,000 to better reflect the current cost of providing these services. Starting in 2011, the perquisite allowance has been discontinued and the value of the allowance was added to each participant's base salary effective January 1, 2011.

The Company does provide a tax gross-up with respect to imputed income for spousal travel to pre-approved Company events.

Health and Welfare Benefits

Force Protection provides its named executive officers health and welfare benefits including medical, dental and vision coverage, life insurance, and disability insurance (long- and short-term) on the same basis as all other employees.

401(k) Plan

Our named executive officers also participate in our 401(k) Plan on the same terms as all of our salaried employees. The 401(k) Plan permits participants to make pre-tax salary contributions or after-tax Roth contributions, and the Company makes matching contributions up to the maximum amount permitted under the Internal Revenue Code.

The Company does not maintain any tax-qualified defined benefit pension plans.

Deferred Compensation Plan

The Force Protection Deferred Compensation Plan is available to executives and other members of senior management. This plan is designed to provide a market competitive financial benefit that allows executives to defer additional income under a non-qualified plan and build additional retirement assets without limitations imposed by the Internal Revenue Code Section 401(a)(17) compensation limit ($245,000 for 2010). The Plan allows participants to defer up to 85% of base salary and/or short-term incentive payments.

Under the plan, the Company may elect to make matching contributions to all participant accounts. For 2010, the Company elected to make a matching contribution of 4% of a participant's earnings that could not be recognized because of the compensation limit.

Participant deferrals and the Company contributions earn a rate of return based on the performance of investment choices, which mirror the 401(k) Plan Investment choices, selected by the participant. All participant deferrals are 100% vested. Company contributions vest under the same schedule as the 401(k) Plan.

Change-in-Control and Indemnification Arrangements

The Compensation Committee believes that a severance plan for our executives allows us to attract, motivate and retain the best possible talent. The Company's "change-in-control" arrangements are intended to serve the objectives of fairness and support for difficult organizational decisions. These arrangements were established with the advice of the Committee's outside consultant based on competitive and market trends. The Compensation Committee determined that these arrangements provide a benefit to the Company and its shareholders.

In 2008 and 2009, the Compensation Committee approved the form of and entered into severance agreements (change-in-control agreements) with the executive officers (the "Severance Agreements"), excluding the Chief Executive Officer, who is subject to a separate employment agreement with similar provisions. These agreements provide an inducement to secure the executives' continued service and, in the event of any threat, occurrence, negotiation or other action that could lead to, or create the possibility of, a change-in-control, are designed to ensure the executives' continued and undivided dedication to their duties. Amounts paid under the Severance Agreements are in lieu of all other severance or similar payments or benefits. In 2009, the Board of Directors approved the entry into indemnification agreements with each of our directors and executive officers, which provide for certain indemnification rights, including certain rights in connection with a change-in-control of the Company. See "Estimated Potential Payments Upon Termination or Change-in-Control" on page 58 for a further discussion of these arrangements.

Deductibility of Executive Compensation

As part of its role, the Compensation Committee reviews and considers the deductibility of executive compensation under Section 162(m) of the Internal Revenue Code, which provides that the Company may not deduct compensation of more than $1,000,000 that is paid to certain individuals unless certain guidelines are followed. Although the Compensation Committee has not adopted any specific policy with respect to the application of Section 162(m), it intends to design and approve compensation programs that meet the needs of the organization. In certain situations, the Committee may approve compensation that will not meet the requirements of Section 162(m) in order to ensure competitive levels of total compensation for its executive officers. In 2010, Michael Moody, our Chief Executive Officer and President, received compensation that was not deductible under Section 162(m) of the Internal Revenue Code in excess of $1,000,000.

The Compensation Committee also considers the accounting treatment of its compensation programs; however, aside from overall cost, accounting treatment is generally not a factor in determining compensation. In order to ensure that the Compensation Committee has maximum flexibility to grant incentive compensation opportunities to executive officers that satisfy the requirements of Section 162(m), the Company is submitting its Amended and Restated 2008 Stock Plan for consideration and approval by Shareholders. For more information regarding this proposal see "Proposal Five Approval of Amended and Restated 2008 Stock Plan."

Stock Ownership Guidelines

While the Compensation Committee has determined not to adopt formal stock ownership guidelines for outside directors and executive officers at this time, the Compensation Committee does expect outside directors and executives to retain meaningful ownership in Company stock. The Compensation Committee intends to review the need for formal stock ownership guidelines on an annual basis.

Table of Contents

Clawback Provisions

In connection with the adoption of the 2009 Short-Term Incentive Plan, the Board of Directors adopted a policy with respect to the recoupment of certain payments in the event of a restatement of the Company's financial statements due to fraud or intentional misconduct. If such an event occurs, the Compensation Committee will review the performance-based bonuses paid to the named executive officers pursuant to the Short-Term Incentive Plan and, to the extent that such restatement was the result of fraud or intentional misconduct by a named executive officer, the Company shall have the right to recoup, and such named executive officer shall pay the Company, any bonus improperly paid to such named executive officer for performance during the period or periods that are the subject of such restatement.

Hedging Policy

It is the Company's policy that all employees, including the named executive officers, cannot purchase or sell options of common stock, engage in short sales with respect to common stock or trade in puts, calls, straddles, equity swaps or other derivative securities that are directly linked to common stock of the Company.

Role of Chief Executive Officer in Compensation Decisions

The Compensation Committee makes all final compensation decisions for all the named executive officers and approves recommendations regarding equity awards, if any, for all the named executive officers and other eligible management of the Company.

Our Chief Executive Officer annually reviews the performance of each named executive officer with the Compensation Committee. The conclusions and recommendations based on these reviews, including recommendations with respect to salary adjustments and annual award amounts, are finally approved by the Compensation Committee. The Compensation Committee may exercise its discretion in modifying any recommended adjustments or awards to executive officers.

Actions Taken in 2011

The Compensation Committee has approved several changes to the 2011 executive compensation program.

Base Salary

At its January 2011 meeting, the Compensation Committee approved merit increases for Mr. Hutcherson (to $396,000) and Mr. Mathis (to $360,000) effective January 1, 2011.

In addition, participants in the perquisite allowance program received a base salary increase of $10,000 to reflect the elimination of the perquisite allowance program as described below.

Short-Term Incentive

At its December 2010 meeting, the Compensation Committee reviewed the short-term incentive program and then determined the program structure for 2011. For 2011, the short-term incentive opportunities and metrics remain the same as for 2010. In order to be more aligned to competitive

Table of Contents

market practice, the Committee approved setting target performance equal to the fiscal 2011 budget. Threshold performance is set at 75% of target and maximum performance is set at 125% of target. Payout opportunities are 50% of target for threshold performance and 150% (reduced from 175%) for maximum performance reflecting the reduced difficulty of achieving maximum performance.

Long-Term Incentives

The 2011 Long-Term Incentive Program is comprised of three elements: stock options (20% of the total award), performance-vesting restricted stock (40% of the total award), and retention-based time-vested restricted stock (40% of the total award).

The performance metric for the 2011 restricted stock program is 2011 earnings per share. The change from using cumulative earnings per share goals in addition to single-year earnings-per-share-goal was made to reflect the evolving nature of our business and the difficulty in setting cumulative earnings per share goals. Our performance against the threshold, target and maximum earnings per share goals set by the Compensation Committee at its January 2011 meeting will determine the number of shares earned and those shares will vest in equal installments in 2012, 2013 and 2014. As with the short-term incentive opportunity, the maximum award opportunity was reduced from 175% of salary to 150% of salary.

As noted above, retention-based time-vested restricted stock is now part of the long-term incentive program. It was added to provide both performance incentives and retention incentives, and to further align our long-term incentive program with our peer groups. Therefore, the final earned award is tied to performance, supports our pay-for-performance objective and promotes retention of the executive officer. The value of the award is denominated in shares, and as a result, the value will fluctuate along with the Company stock price, resulting in a strong connection between executive and shareholder interests.

Perquisites

Starting in 2011, the perquisite allowance of $10,000 has been eliminated to further align the Company's executive compensation program with market practice. To facilitate current participants to continue paying for these services, we have increased each participant's base salary by $10,000 as described above.

Table of Contents

Summary Compensation Table

The following table sets forth information concerning total compensation earned or paid to those individuals who acted as our principal executive officer and principal financial officer during the year ended December 31, 2010 and our other three most highly compensated executive officers who served in such capacities as of December 31, 2010 for services rendered to us during the year ended December 31, 2010.

Name and Principal Position	Year	Salary(1)	Bonus(2)	Stock Awards(3)	Option Awards(4)	Non-Equity Incentive Plan Compensation(5)(6)	All Other Compensation(7)	TOTAL
Michael Moody(8)	2010	$ 617,923		$ 679,545	$ 241,594	$ 649,326	$ 83,154	$ 2,271,542
Chief Executive Officer,	2009	$ 560,000		$ 579,600	$ 112,063	$ 630,000	$ 65,500	$ 1,947,163
President and Chairman of the Board	2008	$ 536,127	$418,656	$ 820,000	$ 311,100	$ 418,656	$ 40,748	$ 2,545,287
Charles Mathis(9)	2010	$ 300,000		$ 281,843	$ 96,411	$ 235,643	$ 31,690	$ 945,587
Chief Financial Officer	2009	$ 300,000		$ 191,248	$ 36,976	$ 225,000	$ 267,931	$ 1,021,155
	2008	$ 155,420	$121,010	$ 213,200	$ 45,750	$ 74,760	$ 28,610	$ 638,750
Phillip Randall Hutcherson(10)	2010	$ 350,769		$ 310,639	$ 96,411	$ 282,771	$ 29,411	$ 1,070,001
Chief Operating Officer	2009	$ 213,462	$ 75,000	$ 266,249	$ 36,976	$ 166,438	$ 72,131	$ 830,256
	2008							
Lenna Ruth Macdonald(11)	2010	$ 324,000		$ 304,388	$ 104,123	$ 254,494	$ 33,175	$ 1,020,180
Former Chief Strategy Officer,	2009	$ 324,000		$ 206,551	$ 39,935	$ 243,000	$ 46,052	$ 859,538
General Counsel and Corporate Secretary	2008	$ 308,790	$161,481	$ 410,000	$ 91,500	$ 161,481	$ 19,194	$ 1,152,446
James Grazioplene(12)	2010	$ 250,000		$ 234,869	$ 73,407	$ 196,369	$ 26,560	$ 781,205
Executive Vice President	2009	$ 158,657	$ 50,000	$ 143,750	$ 18,233	$ 124,315	$ 27,530	$ 522,485
	2008							

(1) The amounts in this column include amounts deferred pursuant to the Company's Non-Qualified Deferred Compensation Plan. See also "Non-Qualified Deferred Compensation" table.

(2)

During 2009, we provided sign-on bonuses to Messrs. Hutcherson and Grazioplene at the start of their employment. During 2008, Mr. Mathis received a one-time discretionary income bonus of $57,788 after completion of his first 30 days of continuous employment. During 2008, the Board of Directors provided discretionary bonuses to Messrs. Mathis and Moody and Ms. Macdonald.

(3)

Reflects the total grant date fair value of stock awards granted, disregarding for this purpose the estimate of forfeitures related to vesting conditions. The fair value of the awards was determined in accordance with the ASC Topic No. 718. The total grant date fair value for stock awards in 2010 includes the threshold grant date fair value of restricted stock granted to Messrs. Moody, Mathis, Hutcherson and Grazioplene subject to performance conditions of $332,346, $137,841, $137,841, and $114,869, respectively, and for Ms. Macdonald of $148,869. The grant date fair value for these awards to Messrs. Moody, Mathis, Hutcherson and Grazioplene if maximum performance is achieved is as follows: $1,163,210, $482,445, $482,445, and $402,041, respectively, and for Ms. Macdonald of $521,040. In addition, Messrs. Moody, Mathis, Hutcherson and Grazioplene received restricted stock subject to vesting conditions in the amount of $347,200, $144,002, $172,798 and $120,001, respectively, and for Ms. Macdonald of $155,519. Please refer to the Grants of Plan-based Awards table for more information. The assumptions relied upon in estimating the disclosed amounts are further described in Note 9 to the financial statements included in the Annual Report.

Table of Contents

(4)

Reflects the total grant date fair value, disregarding for this purpose the estimate of forfeitures related to vesting conditions, of stock options granted in 2010 for all individuals. The fair value of the awards was determined in accordance with ASC Topic No. 718. Please refer to the Grants of Plan-based Awards table for more information. The assumptions relied upon in estimating the disclosed amounts are further described in Note 9 to the financial statements included in the Annual Report.

(5)

In February 2008, the Compensation Committee approved a short-term incentive plan ("2008 STIP") for executive officers, including the named executive officers, and the 2008 amounts reflect bonuses earned under the 2008 STIP and were paid to those executive officers in 2009. In April 2009, the Compensation Committee approved a short-term incentive plan ("2009 STIP") for executive officers, including the named executive officers, and the 2009 amounts reflect bonuses earned under the 2009 STIP and were paid to those executive officers in 2010. In January 2010, the Compensation Committee approved a short-term incentive plan ("2010 STIP") for executive officers, including the named executive officers, and the 2010 amounts reflect bonuses earned under the 2010 STIP and were paid to those executive officers in 2011.

(6)

For the year ended December 31, 2008, we did not have an approved deferred compensation plan. On October 31, 2009, we adopted and executed a nonqualified deferred compensation plan which allows for contributions by both the employee and the Company. Contributions may be invested in the same vehicles used for the Company's tax-qualified 401(k) plan. All earnings under the nonqualified plan in 2010 were less than those which could have been earned assuming all contributions were invested in a vehicle earning 120% of the Applicable Federal Rate.

(7)

Amounts shown in this column are detailed in the chart below:

2010 All Other Compensation

Name	Company-Paid Life and AD&D Insurance and COBRA Premiums	Security Allowance	Company NQDC Contributions(a)	Company 401(k) Plan Match	Spousal Travel	Financial Planning Services