

Ipsidy Inc.

Compensation Committee Charter

A. Purpose

The purpose of the Compensation Committee (the “Committee”) is to discharge the responsibilities of the Board of Directors (the “Board”) relating to compensation of the Company’s Named Executive Officers (as defined herein) and to provide guidance and review of the Company’s incentive-compensation plans and equity-based plans.

B. Structure and Membership

1. Number. The Committee shall consist of at least two members of the Board.
2. Independence. Except as otherwise permitted by the applicable rules of the relevant exchange (if any), each member of the Committee shall be an “independent director” as defined by the applicable rules of the relevant exchange (if any). However, in the event that the Company is not listed on an exchange then such members need not be independent.
3. Chair. Unless the Board elects a Chair of the Committee, the Committee shall elect a Chair by majority vote.
4. Compensation. The compensation of Committee members shall be as determined by the Board.
5. Selection and Removal. Members of the Committee shall be appointed by the Board. Any member of the Committee may resign at any time by giving written notice of his or her intention to do so to the Chairman of the Board or the Corporate Secretary. The Board may remove members of the Committee from such committee, with or without cause.

C. Authority and Responsibilities

The Committee shall discharge its responsibilities and shall assess the information provided by the Company’s management, in accordance with its business judgment.

1. CEO Compensation. The Committee shall, in conjunction with the Governance Committee, annually review and approve corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer (the “CEO”), evaluate the CEO’s performance in light of those goals and objectives, and, together with the other independent Directors, determine and approve the CEO’s compensation level based on this evaluation.
2. Board Chair Compensation. The Committee shall annually review and approve the compensation of the Chairman of the Board.
3. Named Executive Officer Compensation. The Committee together with the CEO shall periodically review and, with respect to the compensation of the Named Executive Officers, as such term is defined under Rule 402 of Regulation S-K promulgated under the Securities Act of 1933, as amended, other than the CEO, make recommendations to the Board for approval with respect to such Named Executive Officer compensation, including salary and bonus levels; deferred compensation; executive perquisites; equity compensation (including awards to induce employment); severance arrangements; change-in-control benefits (including any employment, severance or change-in-control agreements, plans, or

provisions) and other forms of executive officer compensation, special agreements or supplemental benefits.

4. Plan Recommendations and Approvals. The Committee shall periodically review and make recommendations to the Board with respect to incentive-compensation plans and equity-based plans. In addition to any recommendation provided by the Committee to the full Board, the Compensation Committee, or a majority of the Company's independent directors, shall approve all equity compensation grants, plans and amendments that are not subject to shareholder approval.
5. Incentive Plan Administration. The Committee shall exercise all rights, authority and functions of the Board under all of the Company's stock option, stock incentive, employee stock purchase and other equity-based plans, including without limitation, the authority to interpret the terms thereof, to grant options thereunder and to make stock awards thereunder; provided, however, that, except as otherwise expressly authorized to do so by a plan or resolution of the Board, the Committee shall not be authorized to amend any such plan. To the extent permitted by applicable law and the provisions of a given equity-based plan, and consistent with the requirements of applicable law and such equity-based plan, the Committee may delegate to one or more executive officers of the Company the power to grant options or other stock awards pursuant to such equity-based plan to employees or officers of the Company or any subsidiary of the Company who are not directors or executive officers of the Company.
6. Disclosure. The Committee shall provide the required Compensation Committee Report, in accordance with applicable SEC rules, for inclusion in the Company's Proxy Statement for the Company's Annual Meeting of Stockholders (the "Proxy Statement"). In connection with the preparation of such Compensation Committee Report, the Committee shall review the Compensation Discussion and Analysis section of the Proxy Statement, if any, and, as appropriate, recommend to the Board for approval the inclusion of the Compensation Discussion and Analysis section in the Company's Annual Report on Form 10-K and Proxy Statement, in accordance with applicable listing and regulatory rules.
7. Compensation Committee Report on Repricing of Options/SARs. If during the last fiscal year of the Company (while the Company was a reporting company pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "Exchange Act")), any adjustment or amendment was made to the exercise price of any stock option or stock appreciation right previously awarded to a Named Executive Officer, the Committee shall furnish the report required by Item 402(i) of Regulation S-K.
8. Additional Powers. The Committee shall have such other duties as may be delegated from time to time by the Board.

D. Procedures and Administration

1. Meetings. The Committee shall meet as often as it deems necessary in order to perform its responsibilities. The Committee may also act by unanimous written consent in lieu of a meeting. A majority of the members of the Committee shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present shall be necessary for any action by the Committee. The Committee shall keep such records of its meetings as it shall deem appropriate.

2. Subcommittees. The Committee may form and delegate authority to one or more subcommittees as it deems appropriate from time to time under the circumstances including (a) a subcommittee consisting of a single member and (b) a subcommittee consisting of at least two members, each of whom qualifies as a “non-employee director,” as such term is defined from time to time in Rule 16b-3 promulgated under the Exchange Act, and an “outside director,” as such term is defined from time to time in Section 162(m) of the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder.
3. Reports to Board. The Committee shall report regularly to the Board.
4. Charter. The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
5. Consulting Arrangements. The Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of executive officer compensation and shall have sole authority to approve the consultant’s fees and other retention terms. The Committee shall also have authority to commission compensation surveys or studies as the need arises. Management shall obtain the approval of the Committee prior to engaging the Committee’s compensation consultant for any reason. In connection with such request, the Committee shall consider whether the compensation consultant’s services to management, and the fees earned or likely to be earned by such services unrelated to Committee matters, may pose or create a conflict of interest and shall, to the extent necessary, consult with management regarding the type of services provided to management by the Committee’s compensation consultant. The Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of such consultants as established by the Committee.
6. Independent Advisors. The Committee shall have the authority, without further action by the Board, to engage such independent legal, accounting and other advisors as it deems necessary or appropriate to carry out its responsibilities. Such independent advisors may be the regular advisors to the Company. The Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of such advisors as established by the Committee.
7. Investigations. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Committee or any advisors engaged by the Committee.
8. Self-Evaluation. On an as needed basis or if required by a nationally recognized exchange, the Committee shall evaluate its performance no more than once annually. The Chairman of the Committee, together with the Chairman of the Board, shall determine the form and nature of the self-evaluation. The Chairman of the Committee shall report the results of the evaluation to the Board.