

COVISINT CORPORATION  
COMPENSATION COMMITTEE CHARTER

**Purpose**

The Committee's purpose is to:

- discharge the Board's responsibilities relating to compensation of executives;
- make recommendations to the Board with respect to the compensation of directors;
- make grants under equity-based plans to directors that are consistent with the director compensation program approved by the Board from time to time; and
- fulfill the responsibilities set forth in this Charter.

**Composition and Operation**

- The Committee shall have a minimum of three directors.
- All Committee members shall be "independent directors" within the meaning of Rule 5605(a)(2) of the NASDAQ Stock Market Marketplace Rules. It is also intended that all Committee members be "Non-Employee Directors," as defined in Rule 16b-3 of the Securities Exchange Act of 1934, as amended, and "Outside Directors" as defined in Internal Revenue Code Section 162(m) and the US Treasury regulations promulgated thereunder.
- Members of the Committee and its Chairperson will be appointed by the Board from time to time. The Board may remove any Committee member from the Committee at any time with or without cause.
- The Committee has the authority to retain consultants or advisors to advise it with respect to the Company's executive officer and director compensation and benefit programs. The Company shall provide appropriate funding, as determined by the Committee, for compensation to such consultants or advisors that the Committee chooses to engage, as well as for ordinary administrative expenses of the Committee that are necessary or appropriate to carrying out its duties. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.
- The Committee may form and delegate authority to subcommittees to the extent permitted by applicable law, and may delegate authority to the CEO or President to determine the compensation of key executives who are not executive officers of the Company to the extent permissible under applicable law and the terms of any applicable plans. The CEO or President to whom such authority is delegated shall regularly report to the Committee any actions taken pursuant to such authority (including the making of any equity based grants) and the Committee may revoke any delegation of authority at any time.

## **Responsibilities and Duties**

### **CEO Compensation**

- Annually make recommendations to the Board of Directors regarding compensation awards for the CEO, including salary, bonus, stock awards, and, if applicable, employment agreements and any supplemental compensation or benefit arrangements.

### **Executive Compensation**

- Periodically review the Company's philosophy regarding executive compensation, with input from the CEO and management relative to different compensation approaches.
- Annually review market data and evaluate competitive pay levels for key executives based on reliable industry analyses.
- Review, approve and determine, or make recommendations to the Board of Directors regarding compensation programs covering the Company's highly compensated employees, taking into account, among other considerations, whether they are effective in attracting and retaining key executives, whether they link pay to performance and whether they support the Company's business goals.
- Review and approve performance criteria and goals for measuring corporate performance, with input from the CEO and management, and review with the Board of Directors.
- Administer, or oversee the administration of, the Company's equity-based and other compensation and benefit plans.
- Review and approve recommendations from the CEO for compensation awards for the Company's Section 16 executive officers, including salary, bonus, stock and option awards, and, if applicable, employment, employment-related, severance, consulting and change in control agreements or arrangements and any supplemental compensation or benefit arrangements proposed for any current or former executive officer of the Company.

### **Director Compensation**

- Annually review market data and evaluate competitive pay levels for directors based on reliable industry analyses.
- Recommend to the Board appropriate changes to the director compensation program.
- Approve grants under Company plans consistent with the director compensation program approved by the Board from time to time, taking into consideration such factors as the Committee deems appropriate.

**Other**

- Review, discuss and approve the Compensation Discussion and Analysis section and the related Compensation Committee Report contained in the annual proxy statement, the annual report on Form 10-K and the quarterly reports on Form 10-Q.
- Make recommendations to the Board of Directors or the Nominating/Governance Committee regarding changes to this Charter.
- Review general policies relating to compensation and benefits of Company employees as appropriate.
- Provide input to the Board of Directors and management on whether compensation arrangements for Company executives incentivize unnecessary and excessive risk taking.
- Oversee any other compensation matters as may be directed by the Board of Directors from time to time.
- Report Committee actions to the Board of Directors.