

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS OF PLANET PAYMENT, INC.**

**As adopted September 24, 2012**

**I. PURPOSE**

The Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Planet Payment, Inc. (the “*Company*”) through delegation from the Board, has principal responsibility to evaluate, recommend, approve and review executive officer and director compensation arrangements, plans, policies and programs maintained by the Company, and to administer the Company’s cash incentive based and equity based compensation plans and arrangements for employees generally, all as set forth in this charter (this “*Charter*”). Working with the Nomination and Governance Committee, the Committee will also consider and make recommendations regarding director compensation. The Committee may also make recommendations to the Board regarding any other Board responsibilities relating to executive compensation.

**II. MEMBERSHIP**

The Committee will consist of three or more members of the Board, with the exact number determined from time to time by the Board. Each member of the Committee will:

- be an “independent director” as defined under the applicable rules, regulations and listing requirements of The NASDAQ Stock Market, as amended from time to time (the “*Exchange Rules*”), except as may otherwise be permitted by such Exchange Rules;
- be “independent” as defined in any other rules and regulations (“*Commission Rules*”) promulgated by the Securities and Exchange Commission (the “*Commission*”) under Section 10C of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), except as may otherwise be permitted by Commission Rules;
- be a “non-employee director,” as defined in Rule 16b-3 under Section 16 of the Exchange Act;
- be an “outside director” under Regulation Section 1.162-27 promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended;
- be free from any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member; and
- meet any other requirements imposed by applicable law, regulations or rules, subject to any applicable exemptions and transition provisions.

All members of the Committee will be appointed by, and will serve at the discretion of, the Board. The Board may appoint a member of the Committee to serve as the chairperson of the Committee (the “*Chair*”); if the Board does not appoint a Chair, the Committee members may designate a Chair by their majority vote. The Chair will set the agenda for Committee meetings and conduct the proceedings of those meetings.

### III. RESPONSIBILITIES AND DUTIES

The principal responsibilities and duties of the Committee in serving the purposes outlined in Section I of this Charter are set forth below. These duties are set forth as a guide, with the understanding that the Committee will carry them out in a manner that is appropriate given the Company's needs and circumstances. The Committee may engage in such other activities, and establish such policies and procedures, from time to time as it deems necessary or advisable in implementing this Charter.

The Committee will:

1. Annually review the Company's overall compensation strategy, incentive compensation and equity-based grants, to assure that it promotes stockholder interests and supports the Company's strategic and tactical objectives, and that it provides for appropriate rewards and incentives for the Company's management and employees taking into consideration whether such rewards and incentives encourage undue or inappropriate risk taking by Company personnel.

2. Annually review and approve the goals and objectives to be considered in determining the compensation of the Company's Chief Executive Officer (the "*CEO*") and other "executive officers" as defined under Rule 3b-7 and "officers" as defined under Rule 16a-1(f) promulgated under the Exchange Act (collectively with the CEO, the "*Executive Officers*"), and evaluate their performance in light of these goals and objectives.

Based on this evaluation, including an evaluation of the Company's performance, the Committee will have the sole authority, subject to any approval by the Board which the Committee or legal counsel determines to be desirable or is required by applicable law or the Exchange Rules, to make decisions respecting (i) the salary paid to the CEO and other Executive Officers, (ii) the grant of all cash-based incentive compensation and equity-based compensation to the CEO and other Executive Officers, (iii) the entering into or amendment or extension of any offer letter, employment contract or similar arrangement with the CEO and other Executive Officers, (iv) the entering into or amendment or extension of any CEO or other Executive Officer severance or change in control arrangements, and (v) any other CEO or other Executive Officer compensation matters; provided that the Committee may take account of the recommendations of the Board (or any Board member) with respect to CEO and other Executive Officer compensation.

In connection with its evaluation of Executive Officer compensation, the Committee will consider the results of the most recent stockholder vote on executive compensation (a "say-on-pay" vote), and make such adjustments to Company compensation practices for Executive Officers as it deems appropriate in response thereto, if any. The factors that the Committee may consider when evaluating Executive Officer compensation include (a) consistency with the Company's compensation strategy, (b) internal equity considerations, (c) competitive practices, and (d) applicable legal, accounting and regulatory considerations. In connection with such determinations, the Committee will review all aspects of Executive Officer compensation, including review of the potential pay-outs in the event of retirement, termination with or without cause, and severance in connection with a change in control transaction, under a

range of economic scenarios. The Committee also may take account of the recommendations of the CEO with respect to other Executive Officers for each of the foregoing items. The CEO may not be present during voting or deliberations regarding the CEO's compensation.

3. Annually review and approve or make recommendations to the Board with respect to adoption and approval of, or amendments to, all cash-based and equity-based incentive compensation plans and arrangements, and the cash amounts and aggregate numbers of shares reserved for issuance thereunder, after taking into consideration the Company's strategies with respect to cash-based and equity-based compensation.

4. Review and approve policies and procedures relating to perquisites and expense accounts of Executive Officers.

5. Administer and interpret the Company's cash incentive based and equity based compensation plans and agreements thereunder.

6. The Committee may adopt an equity grant policy and delegate to the CEO, including in conjunction with one or more officers, within the limits imposed by such policy and applicable law and the Exchange Rules, the authority to approve cash awards or make equity grants to employees of the Company or of any subsidiary of the Company who are not Executive Officers or directors of the Company or officers of the Company or any subsidiary, provided that in the case of grants of options or stock appreciation rights, the price per share of any grant by the CEO is no less than the fair market value of the Company's common stock on the date of grant. The CEO shall promptly inform the Committee members in writing (which includes email) of any equity grants made pursuant to this provision, which notice shall include each grantee's name, grant date, exercise price and number of shares.

7. Meet with the CEO annually to discuss the incentive compensation programs to be in effect for the other Executive Officers and for other employees of the Company or any Company subsidiary for such fiscal year, and the corporate goals and objectives relevant to those programs and performance targets applicable to the Executive Officers and, where appropriate, other employees of the Company or any subsidiary.

8. Administer and, if deemed necessary, amend the Company's 401(k) plan and any deferred compensation plans (collectively, the "*Designated Plans*"), and, if desired, delegate the routine administration of the Designated Plans to an administrative committee consisting of employees of the Company named by the Committee.

9. Recommend to the Board, for determination by the Board, the form and amount of cash incentive based and equity based compensation to be paid or awarded to the Company's non-employee directors, including compensation for service on the Board or on committees of the Board.

10. Review with management the Company's major compensation-related risk exposures and the steps management has taken to monitor or mitigate such exposures.

11. Consider and make recommendations to the Board regarding the frequency with which stockholder "say on pay" votes should occur, including whether to make any such recommendation at all regarding the frequency of such votes. Following any such "say on pay"

frequency vote (i.e., prior to the promulgation of the Company's next annual meeting proxy statement), make recommendations to the Board regarding the frequency with which "say on pay" votes shall be included in the Company's proxy statements pending the next such "say on pay" frequency vote.

12. Consider and make recommendations to the Board regarding whether to include a proposal regarding stockholder approval of Executive Officer "golden parachute" arrangements in the Company's proxy statement for its annual meeting of stockholders in lieu of, or in addition to, any such proposal required to be included in a Company proxy statement in connection with a change-in-control transaction in accordance with Commission Rules.

13. Review and discuss the Company's "Compensation Discussion and Analysis" disclosure and any narrative disclosure regarding the Company's compensation policies and practices as they relate to its risk management prepared in response to the requirement of Item 402(b) and (s), respectively, of Regulation S-K (or any successor disclosure item), based on such review and discussion recommend to the Board whether such disclosure should be included in the Company's annual report on Form 10-K, proxy statement, information statement or similar document, and prepare a report of the Committee for inclusion in the annual report or the proxy statement for the Company's annual meeting in accordance with (a) the rules and regulations of the Commission so long as the Company is subject to the periodic reporting requirements of the Exchange Act and (b) the AIM market of the London Stock Exchange, plc ("AIM") Rules for Companies, for so long as the Company has class of shares traded on AIM,.

14. Oversee the Company's compliance with regulatory requirements associated with compensation of its directors, officers and employees, and review the Company's compliance program relating to restrictions on and reporting of securities transactions by the Company and its Executive Officers, other officers, and directors.

15. Consider and make recommendations to the Board regarding adoption of a Company policy regarding recovery of incentive based compensation that is based on financial information required to be reported under the Exchange Act (or other federal securities laws) following restatement of such financial information.

16. Periodically review the Company's procedures with respect to employee loans. The Committee will not approve any arrangement in which the Company, directly or indirectly, extends or maintains credit, arranges for the extension of credit or renews an extension of credit, in the form of a personal loan to or for any director or Executive Officer (or equivalent thereof) of the Company. The Committee will assist the Board and management of the Company in complying with this prohibition.

17. Perform any other activities required by applicable law, rules or regulations, including the Exchange Rules and rules and regulations of the Commission, and take such other actions and perform and carry out any other responsibilities and duties delegated to it by the Board or as the Committee deems necessary or appropriate consistent with its purpose.

18. Periodically review with the CEO and the Chairman or lead independent director of the Board the succession plan for senior management, including all Executive Officer positions,

reporting its findings and recommendations to the Board. If requested by the Board, the Committee will evaluate potential successors to Executive Officer positions, and review strategies to accelerate the readiness of candidates identified for these positions, and including an overall assessment of executive talent. The Committee will also review other leadership and management processes upon request of the Board.

#### **IV. STUDIES AND ADVISERS**

The Committee may conduct or authorize studies of, or investigations into, matters within the Committee's scope of responsibility, with full access to all books, records, documents, facilities and personnel of the Company, subject to compliance with the Company's data security and privacy policies. The Committee has the sole authority and right, at the Company's expense, to retain legal counsel, compensation and other consultants, accountants, experts and advisers of its choice to assist the Committee in connection with its functions, including any studies or investigations. In connection with the retention of such advisers, the Committee shall consider the factors related to the independence of such advisers, including with respect to each such adviser (or the adviser's employer) (a) the provision of other services to the Company by such adviser; (b) the amount of fees received from the Company, as a percentage of the total revenue of such adviser (or their employer); (c) the policies and procedures of such adviser that are designed to prevent conflicts of interest; (d) any business or personal relationship of such adviser with a member of the Committee; (e) any shares of Company capital stock or other Company securities owned by such adviser (or their employer); and (f) such other factors as required by Commission Rules.

The Committee will have the sole authority to approve the fees and other retention terms of such advisers. The Company will provide for appropriate funding, as determined by the Committee, for:

- payment of compensation to any legal counsel, compensation and other consultants, accountants, experts and advisers retained by the Committee;
- ordinary administrative expenses of the Committee that are necessary and appropriate in carrying out its functions; and
- the commission of any necessary studies or surveys concerning the levels of executive compensation payable in the industry in which the Company is engaged and in other related industries or obtaining recommendations from outside/independent consultants concerning comparable compensation programs.

#### **V. MEETINGS, ACTIONS WITHOUT A MEETING AND STAFF**

The Committee will meet at least twice per year or more frequently, as determined appropriate by the Committee. The Chair, in consultation with the other member(s) of the Committee will set the dates, times and places of such meetings. The Chair or any other member of the Committee may call meetings of the Committee by notice in accordance with the Company's Bylaws. A quorum of the Committee for the transaction of business will be a majority of its members. Meetings may be held via telephonic- or video-conference. The Committee may also act by unanimous written consent in lieu of a meeting in accordance with the Company's Bylaws. Subject to the requirements of this Charter, applicable law, the

Exchange Rules and the Commission Rules, the Committee and the Chair may invite any director, executive or employee of the Company, or such other person, as it deems appropriate in order to carry out its responsibilities, to attend and participate (in a non-voting capacity) in all or a portion of any Committee meeting. The Committee may exclude from all or a portion of its meetings any person it deems appropriate in order to carry out its responsibilities. The Chair will designate a secretary for each meeting, who need not be a member of the Committee. The Secretary of the Company shall provide the Committee such staff support as it may require.

## **VI. MINUTES AND REPORTS**

The Committee will maintain written minutes of its meetings and copies of its actions by written consent, and will cause such minutes and copies of written consents to be filed with the minutes of the meetings of the Board. The Chair will report to the Board from time to time with respect to the activities of the Committee, including on significant matters related to the Committee's responsibilities and the Committee's deliberations and actions. The minutes of the Committee and actions by the unanimous written consent of the Committee members will be made available to the other members of the Board.

## **VII. DELEGATION OF AUTHORITY**

The Committee may from time to time, as it deems appropriate and to the extent permitted under applicable law, the Exchange Rules and the Commission Rules, and the Company's Certificate of Incorporation and Bylaws, form and delegate authority to subcommittees.

## **VIII. COMPENSATION**

Members of the Committee will receive such fees, if any, for their service as Committee members as may be determined by the Board, which may include additional compensation for the Chair. Such fees may include retainers or per meeting fees and will be paid in such form of consideration as is determined by the Board in accordance with applicable law, the Exchange Rules and the Commission Rules.

## **IX. REVIEW OF COMMITTEE COMPOSITION, PERFORMANCE AND CHARTER**

The Committee will evaluate the Committee's composition and performance on an annual basis. The Committee will also review and reassess the adequacy of this Charter periodically, and recommend to the Board any changes the Committee determines are appropriate.

## **X. PUBLICATION**

The Company shall make this Charter freely available to stockholders on request and, provided that the Company is subject to the periodic reporting requirements of the Exchange Act or any class of the Company's shares is admitted to trading on the AIM market of the London Stock Exchange, plc, shall publish it on the Company's web site.

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