

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
BIOFORM MEDICAL, INC.**

**PURPOSE**

The purpose of the Compensation Committee of BioForm Medical, Inc. (the “Company”) shall be to:

- provide oversight of the Company’s compensation policies, plans and benefits programs;
- discharge the Board’s responsibilities relating to (1) oversight of the compensation of the Company’s Chief Executive Officer (“CEO”) and its executive officers (including officers reporting under Section 16 of the Securities Exchange Act of 1934) and (2) the evaluation and approval of the Company’s CEO and executive officer compensation plans, policies and programs; and
- administer the Company’s equity compensation plans for its executive officers and employees.

The Compensation Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement.

**MEMBERSHIP REQUIREMENTS**

The Compensation Committee members will be appointed by, and will serve at the discretion of, the Board and Compensation Committee members may be replaced by the Board. The Compensation Committee shall consist of at least two (2) members of the Board. Members of the Compensation Committee must meet the following criteria:

- the independence requirements of the Nasdaq Stock Market, Inc. Marketplace Rules (the “Nasdaq Rules”),
- the non-employee director definition of Rule 16b-3 promulgated under Section 16 of the Securities Exchange Act of 1934, as amended; and
- the outside director definition of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The Board may designate one member of the Compensation Committee as its chairperson.

**AUTHORITY AND RESPONSIBILITIES**

- The Compensation Committee shall review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate his or her performance in light thereof, and consider factors related to the performance of the Company in approving the compensation level of the CEO. The CEO may not be present during deliberations or voting on such matters.
- The Compensation Committee shall annually review and approve the CEO’s (1) annual base salary, (2) annual incentive bonus, including the specific goals and amount, (3) equity compensation, (4) any employment agreement, severance arrangement and change in control agreement/provision, (5) any signing bonus or payment of relocation costs and (6) any other benefits, compensation or arrangements. In determining, the long-term incentive component of CEO compensation, the

Compensation Committee will consider, among other things, the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the Company's CEO in past years. The CEO may not be present during deliberations or voting on such matters.

- For those other executive officers identified by the Compensation Committee, the Compensation Committee shall review annually and approve items (1) through (6) in the previous bullet.
- The Compensation Committee shall annually review and recommend to the Board of Directors for its approval the compensation, including cash, equity or other compensation, for members of the Board of Directors for their service as (a) a member of the Board of Directors, (b) a member of any committee of the Board of Directors, (c) a Chairman of any committee of the Board of Directors and (d) the Chairman of the Board of Directors. The Compensation Committee will consider the Board of Directors' Nominating and Governance Committee's bi-annual review of the effectiveness of the operation of the Board of Directors and its committees in connection with the Compensation Committee's review and recommendations with respect to the Company's directors' compensation.
- The Compensation Committee shall administer the Company's equity incentive plans. In its administration of the plans, the Compensation Committee may, pursuant to authority delegated by the Board, (i) grant stock options or stock purchase rights to individuals eligible for such grants (including grants to individuals subject to Section 16 of the Securities Exchange Act of 1934 in compliance with Rule 16b-3 promulgated thereunder) and in accordance with procedures and guidelines as may be established by the Board and (ii) amend such stock options or stock purchase rights. The Compensation Committee shall also make recommendations to the Board with respect to amendments to the plans and changes in the number of shares reserved for issuance thereunder.
- The Compensation Committee shall provide oversight of the Company's overall compensation plans and benefits programs by reviewing management reports with respect thereto on at least an annual basis. The Compensation Committee shall also make recommendations to the Board with respect to improvements or changes to such plans or the adoption of new plans when appropriate.
- The Compensation Committee may form subcommittees for any purpose that the Compensation Committee deems appropriate and may delegate to such subcommittees such power and authority as the Compensation Committee deems appropriate. Specifically, at its discretion, the Compensation Committee shall have the authority to designate a Non-Officer Stock Option Committee with the authority to grant options or stock purchase rights to non-officer employees of the Company within guidelines established by the Compensation Committee from time to time. Such committee shall consist of a minimum of two (2) members of the Company's Board, one of whom may be the Chief Executive Officer. If designated, the Non-Officer Stock Option Committee will establish its own schedule and maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.
- The Compensation Committee shall make regular reports to the Board.
- The Compensation Committee shall review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.
- The Compensation Committee shall annually review its own performance.
- The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used by the Company to assist in the evaluation of CEO or executive officer

compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Compensation Committee shall also have authority to obtain advice and assistance from internal or external legal, compensation, accounting or other advisors.

- The Compensation Committee will set its own schedule of meetings and will meet at least quarterly, with the option of holding additional meetings at such times as it deems necessary. The Compensation Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.
- The Compensation Committee shall perform such other functions as assigned by law, the Company's certificate of incorporation or bylaws or the Board.

## **COMPENSATION**

Members of the Compensation Committee shall receive such fees, if any, for their service as Compensation Committee members as may be determined by the Board in its sole discretion. Such fees may include retainers, per meeting fees and fees for service as Chair of the Compensation Committee. Fees may be paid in such form of consideration as is determined by the Board.

Except as permitted under the applicable laws and regulations of the SEC and the Nasdaq Rules, members of the Compensation Committee may not receive any compensation from the Company except the fees that they receive for service as a member of the Board or any committee thereof or as a Chairman of the Board or Chair of any committee of the Board.