

VIRNETX HOLDING CORPORATION
COMPENSATION COMMITTEE CHARTER

(As amended March 14, 2019)

Purpose

The purpose of the Compensation Committee (the “Committee”) of the board of directors (the “Board”) of VirnetX Holding Corporation (the “Company”) is to:

1. Discharge certain responsibilities of the Board with respect to compensation, to make such reports in respect of compensation, compensation practices, and related matters as may be required under the rules and regulations promulgated under the Securities Exchange Act of 1934 (as amended, the “1934 Act”).
2. Provide oversight of the Company’s compensation policies, plans, benefits programs, and the Company’s overall compensation philosophy.
3. To take such other actions and matters as the Board may from time to time authorize the Committee to undertake or assume responsibility for.

Membership and Power to Act

The Committee shall be composed of three or more directors designated annually by the Board, upon recommendation of the Nominating and Governance Committee of the Board, and may be removed by the Board in its discretion.

The Board may designate a chairperson of the Committee. In the absence of that designation, the Committee may designate a chairperson by majority vote of the Committee members, provided that the Board may replace any chairperson designated by the Committee at any time.

During the period of time in which the Company’s securities are publicly traded, each member of the Committee will be (1) “independent” as defined under the applicable rules on which the Company’s securities are listed (except as otherwise permitted under such rules) and (2) a “non-employee director” under Rule 16b-3(b)(3)(i) promulgated under the 1934 Act. These terms are more fully described on Exhibit A attached hereto.

In the event that the Committee has more than two members and one or more members of the Committee are absent from a meeting of the Committee or being present at a meeting recuse themselves from an action taken, the remaining members of the Committee (provided there are at least two such members), acting unanimously, shall have the power to take any necessary action. No action of the Committee shall be valid unless taken pursuant to a resolution adopted and approved by at least two members of the Committee.

The Board simultaneously reserves to itself all authority delegated hereunder to the Committee. This reservation of authority does not in any way limit the Committee's authority to act definitively on matters delegated to it hereunder. Notwithstanding the above, the Board reserves the right at any time to revoke or change the authority delegated hereunder.

Meetings

The Committee will meet at such times as it deems appropriate to discharge its duties hereunder. The Committee may act by unanimous written consent.

Responsibilities of the Committee

The authority delegated to the Committee is set forth below. This description of authority is intended as a guide and the Committee may act and establish policies and procedures that are consistent with these guidelines or are necessary or advisable, in its discretion, to carry out the intent of the Board in delegating such authority and to fulfill the responsibilities of the Committee hereunder.

1. The Committee has authority to determine the amount and form of compensation paid to the Company's Chief Executive Officer (the "CEO"), including (a) base salary, (b) incentive bonus, including the specific goals and amount, (c) equity compensation, (d) any employment agreement, severance arrangement, or change of control protections, and (e) any other benefits, compensation or similar arrangements, if any (including, without limitation, perquisites and any other form of compensation such as a signing bonus or payment of relocation costs), and to take such action, and to direct the Company to take such action, as is necessary and advisable to compensate the CEO in a manner consistent with its determinations. The Committee will review at least annually the CEO's performance in determining his or her compensation, including in light of the goals and objectives established for such performance and the relationship of such compensation to corporate performance.
2. The Committee has authority to determine the amount and form of compensation paid to the Company's executive officers, officers, employees, consultants, and advisors, including items (a) through (e) listed in paragraph 1 above, and to review the performance of such persons in order to determine appropriate compensation, as well as to establish the Company's general compensation policies and practices and to administer plans and arrangements established pursuant to such policies and practices. The Committee has authority to take such action, and to direct the Company to take such action, as is necessary and advisable to compensate such persons and to implement such policies and practices in a manner consistent with its determinations. It is expected that the Committee may delegate its authority on these matters with regard to non-officer employees and consultants of the Company to officers and other appropriate Company supervisory personnel.
3. The Committee has authority to administer the Company's long-term incentive compensation and equity compensation plans for the CEO, the Company's other

executive officers, and the Company's other service providers, including without limitation to review and approve the adoption of such plans, to reserve shares of Company securities for issuance thereunder, to amend and interpret such plans and the awards and agreements issued pursuant thereto, and to make awards to eligible persons under the plans and determine the terms of such awards, including establishing and evaluating performance objectives and achievement.

4. The Committee will advise the Board on management proposals to stockholders on executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and proposals received from stockholders on executive compensation matters. The Committee will review the results of such votes and consider any implications in connection with the Committee's ongoing determinations regarding the Company's executive compensation policies and practice.
5. The Committee has authority, in its sole discretion, to select, engage, compensate and terminate compensation consultants, legal counsel, and such other advisors as it deems necessary and advisable to assist the Committee in carrying out its responsibilities and functions as set forth herein. Compensation paid to such parties and related expenses will be borne by the Company and the Company will make appropriate funding available to the Committee for such purposes.
6. Prior to selecting and receiving advice from compensation consultants, outside legal counsel and other advisors (other than the Company's in-house legal counsel, if any), the Committee will consider the independence factors set forth in the applicable rules of the Securities and Exchange Commission (the "SEC") and the listing standards of the securities exchange on which the Company's securities are listed.
7. The Committee may retain, or receive advice from, any compensation advisor it prefers, including advisors that are not independent, after considering the requisite independence factors. Notwithstanding the foregoing, the Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of the Company's executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.
8. The Committee shall evaluate whether any compensation consultants retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.
9. The Committee shall evaluate director compensation, including equity compensation, and make recommendations to the Board regarding director compensation.
10. To the extent allowable under applicable law, regulations, or the listing standards of the

securities exchange on which the Company's securities are listed, the Committee may delegate its authority granted under this charter to a subcommittee of the Committee (consisting either of a subset of members of the Committee or, after giving due consideration to whether the eligibility criteria described above with respect to Committee members and whether such other Board members satisfy such criteria, any members of the Board). In addition, the Committee may delegate to one or more officers of the Company (or other appropriate supervisory personnel) the authority to grant stock options and other stock awards to employees or consultants (who are not executive officers or members of the Board) of the Company or of any subsidiary of the Company.

11. The Committee shall review and discuss with management the Company's proposed disclosure under the "Compensation Discussion and Analysis" ("CD&A") required by Regulation S-K under the 1934 Act and recommend to the Board whether such CD&A should be included in the Company's proxy statement and Annual Report on Form 10-K.
12. The Committee will prepare a Compensation Committee Report in accordance with the rules and regulations of the SEC for inclusion in the Company's proxy statement.
13. The Committee will make regular reports to the Board with respect to significant actions and determinations made by the Committee.
14. The Committee will periodically review this charter and make recommendations to the Board with regard to appropriate changes to the charter.
15. Conduct, at least annually, a self-performance evaluation of this Committee.
16. The Committee has the authority to perform such other activities and functions as are required by law, the rules of the securities exchange on which the Company's securities are listed, provisions in the Company's charter documents, and as are otherwise necessary and advisable, in its or the Board's discretion, to the efficient discharge of its duties hereunder.

Reports

The Committee will present approved minutes of Committee meetings to the Board, and report to the Board on any significant matters arising from the Committee's work.

Exhibit A

1. Independent Director.

The Committee must be composed solely of “independent” directors, as defined in NYSE American Rule 803(A).

Under the NYSE American Guide, no director qualifies as "independent" unless the Board affirmatively determines that the director does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The following persons would not be considered independent:

- (a) a director who is, or during the past three years was, employed by the Company, other than prior employment as an interim executive officer (provided the interim employment did not last longer than one year)
- (b) a director who accepted or has an immediate family member who accepted any compensation from the Company in excess of \$120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following:
 - (1) compensation for Board or Board committee service,
 - (2) compensation paid to an immediate family member who is an employee (other than an executive officer) of the Company,
 - (3) compensation received for former service as an interim executive officer (provided the interim employment did not last longer than one year), or
 - (4) benefits under a tax-qualified retirement plan, or non-discretionary compensation;
- (c) director who is an immediate family member of an individual who is, or at any time during the past three years was, employed by the Company as an executive officer;
- (d) a director who is, or has an immediate family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the Company made, or from which the Company received, payments (other than those arising solely from investments in the Company's securities or payments under non-discretionary charitable contribution matching programs) that exceed 5% of the organization's consolidated gross revenues for that year, or \$200,000, whichever is more, in any of the most recent three fiscal years;
- (e) a director who is, or has an immediate family member who is, employed as an executive officer of another entity where at any time during the most recent three fiscal years any of the Company's executive officers served on the compensation

- committee of such other entity; or
- (f) a director who is, or has an immediate family member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years.

2. Non-Employee Director.

Rule 16b-3(b)(3)(i) of the 1934 Act defines a Non-Employee Director as a director who:

- (a) is not currently an officer (as defined in Rule 16a-1(f)) of the issuer or a parent or subsidiary of the issuer, or otherwise currently employed by the issuer or a parent or subsidiary of the issuer;
- (b) does not receive compensation, either directly or indirectly, from the issuer or a parent or subsidiary of the issuer, for services rendered as a consultant or in any capacity other than a director, except for an amount that does not exceed the dollar amount for which disclosure would be required pursuant to Rule 404(a) of this chapter;
- (c) does not possess an interest in any other transaction for which disclosure would be required pursuant to Rule 404(a) of this chapter; and
- (d) is not engaged in a business relationship for which disclosure would be required pursuant to Rule 404(b) of this chapter.