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## **Usio, Inc. Compensation Committee Charter**

### **Purpose**

The purpose of the Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Usio, Inc. (the “**Company**”) is to carry out the responsibilities delegated by the Board relating to the review and determination of executive compensation.

### **Membership and Procedures**

***Membership and Appointment.*** The Committee shall consist of at least two members of the Board, with the exact number being determined by the Board. The members of the Committee shall be appointed by the Board. The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

***Independence and Qualifications.*** Each member of the Committee shall meet the independence and experience requirements of the applicable provisions of federal law, the rules and regulations promulgated thereunder and the applicable rules of The Nasdaq Stock Market, provided that the exemptions from the independence requirements set forth in such rules and regulations shall also be applicable to members of the Committee.

At least two members of the Committee must qualify as “non-employee directors” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and as “outside directors” for the purposes of Section 162(m) of the Internal Revenue Code, as amended.

***Resources.*** The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors, including a compensation consultant, as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of any outside counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to any compensation consultant, any outside counsel and any other advisors to the Committee. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor to the compensation committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter. The Committee may request any officer or employee of the Company or the Company’s outside counsel to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee, and shall have full access to all books, records, facilities and personnel of the Company in connection with the discharge of its responsibilities.



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The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

**Structure and Operations.** The Board shall designate a member of the Committee as the chairperson. The Committee shall meet at least two times a year at such times and places as it deems necessary to fulfill its responsibilities. The Committee shall report regularly to the Board on its discussions and actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases the CEO and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

**Evaluation.** The Committee shall review and reassess the adequacy of this Charter at least annually and recommend any proposed changes to the Board for approval.

### **Duties and Responsibilities**

The Committee shall have the following authority and responsibilities:

- (i) To review and approve annually the corporate goals and objectives applicable to the compensation of the chief executive officer (“**CEO**”), evaluate at least annually the CEO’s performance in light of those goals and objectives, and determine and approve the CEO’s compensation level based on this evaluation. In evaluating and determining CEO compensation, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation (“**Say on Pay Vote**”) required by Section 14A of the Exchange Act. The CEO cannot be present during any voting or deliberations by the Committee on his or her compensation.
- (ii) To approve the compensation of all other executive officers. In evaluating and determining executive compensation, the Committee shall consider the results of the most recent Say on Pay Vote.
- (iii) To review, and make recommendations to the Board regarding the adoption of incentive compensation plans and equity-based plans, which includes the ability to amend and terminate such plans. The Committee shall also have the authority to administer the Company’s incentive compensation plans and equity-based plans, including designation of the employees to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan.