

HOOPER HOLMES, INC.

**COMPENSATION COMMITTEE
CHARTER**

A. Purposes

The Committee shall recommend to the Board compensation for the CEO and the Board of Directors and shall determine compensation for all other executive officers of the Company after considering recommendations of the CEO. The Committee shall also administer the Company's equity and other incentive compensation plans as may be in effect from time to time.

B. Committee Organization

The Committee shall consist of not less than two members of the Board with the Chair to be elected by the Board. Except as otherwise permitted by applicable laws and stock exchange rules, each member of the Committee shall be an "independent director" as defined by such laws and rules.

Each member of the Committee shall also be a "non-employee director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and shall satisfy the requirements of "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

C. Function and Responsibilities

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes and responsibilities of the Committee. The Committee may form and delegate some or all of its authority to subcommittees when it deems appropriate. Without limiting the generality of the preceding statements, the Committee shall have the following duties and responsibilities, and the necessary power and authority, including budgetary and fiscal authority, to carry out such duties and responsibilities.

Executive Compensation

- Periodically review the Company's compensation philosophy and how its pay programs align with that philosophy, especially in relation to the Company's business goals and strategies, determine whether any change is needed or desired, and if so, modify and review the Company's compensation philosophy or compensation programs, plans or awards accordingly.

- Develop the total compensation program and practices of the Company with full consideration of all tax, accounting, legal and regulatory requirement (including Section 162(m) of the Internal Revenue Code of 1986, as amended).

- Periodically review market data to assess the Company's competitive position for each component of executive compensation (especially base salary, annual incentives, long-term incentives and benefits) by reviewing appropriate peer companies' market data, including, to the extent deemed appropriate, data compiled by qualified third-party consultants. If applicable, the Committee shall review and approve the list of a peer group of companies to which the Company compares itself for compensation purposes.

- Approve, subject where appropriate to submission to shareholders, all equity-related incentive compensation plans (including specific provisions) in which Company "officers" (as defined in Section 16 of the Securities Exchange Act of 1934 ("Section 16") and Rule 16a-1 promulgated thereunder) and any others subject to the reporting and short-swing liability provisions of Section 16 are participants, and perform such acts and duties as are necessary to administer such plans in accordance with their terms and conditions and in conformance with any further restrictions placed on the Committee by the Board, including, but not limited to the following:
 - approving equity incentive guidelines and the general size of overall grants;
 - approving specific grants to Company officers, and any others, subject to the reporting and short-swing liability provisions of Section 16 of the Securities Exchange Act of 1934;
 - interpreting the plans;
 - determining rules and regulations relating to the plans;
 - designating categories of employees eligible to participate in the long-term incentive plans;
 - imposing limitations, restrictions and conditions upon any award as the Committee deems appropriate; and
 - establishing, maintaining, revising and rescinding rules and regulations relating to the Company's incentive plans.

- Review annually and approve the individual elements of the total compensation and benefits paid to each of the Company's executive officers (other than the CEO, for which the Committee's responsibilities are listed below) after (a) determining such compensation and benefits appropriate for

the size and financial results of the Company, as well as the scope and performance of the officers' duties and responsibilities, and expected contribution of the Company's future success, (b) considering the recommendation made by the CEO for the compensation of such officers, and (c) reviewing the Board's evaluation, if any, of each such officer.

- Approve, and periodically review, the terms of any employment contract, severance agreement or change in control agreements for executive officers and other individual employees or groups of employees.
- Annually ensure that the Company's proxy statement for its annual meeting of shareholders contains such information, and meets such requirements, regarding executive compensation as may be prescribed by applicable rules and regulations of the Securities and Exchange Commission (SEC), and issue, if required, a report on executive compensation for inclusion in the proxy..
- In coordination with the Audit Committee, review and approve in advance the contents of SEC and other regulatory filings relating to compensation matters. This includes the footnote disclosure of compensation elements included or incorporated by reference in the Company's annual report on Form 10-K and its proxy statement for its annual meeting of shareholders.
- Establish and administer the performance goals and other criteria for payment of any compensation to executive officers which is intended to be performance-based compensation for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended, including without limitation the determination and certification in accordance with Section 162(m) and regulations thereunder that such performance goals and criteria have been met.

CEO Compensation

- Review annually and recommend to the Board the individual elements of total compensation and benefits for the CEO after taking into consideration the following:
 - the size, financial results and corporate goals and objectives of the Company;
 - the terms of the CEO's employment agreement, if any;
 - market data, including market data compiled by third-party consultants;
 - the CEO's duties and responsibilities;

- the performance of the CEO in meeting corporate goals and objectives; and
- such other criteria as the Committee deems appropriate.
- Review and approve annually specific corporate goals and objections relevant to the CEO's compensation for the next fiscal year.

Directors' Compensation

- Review at least once every two years and make recommendations to Board with respect to compensation of directors for service on the Board and on committees of the Board.

Other Employee Compensation Plans and Arrangements

- Monitor the Company's overall employee compensation and benefits philosophy strategy and, when appropriate, make recommendations to the Board.
- Periodically review the benefit plans of the Company and, when appropriate, make recommendations to the Board.
- Administer all employee stock plans of the Company in accordance with their terms and approve all grants of stock options, restricted stock or other forms of equity compensation to employees of the Company pursuant to such plans.

D. Procedures

The Committee shall meet in person or by telephone as often as necessary to carry out its responsibilities and it may also act by unanimous written consent in lieu of a meeting. A majority of the members of the Committee will constitute a quorum and the vote of a majority of the members present at a meeting in person or by telephone at which a quorum is present shall constitute the action of the Committee. The Committee shall keep appropriate records of meetings and other actions it may take.

The Committee may invite, consistent with the maintenance of the confidentiality of compensation discussions, the Company's CEO, to participate in such discussions. However, the CEO may not be present during any deliberations or voting of the Committee regarding the compensation of the CEO.

The Committee shall have the sole authority to retain, amend the engagement with, and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation. The Committee shall have the sole authority to approve the

consultant's fees and other retention terms and shall have authority to cause the Company to pay the fees and expenses of such consultants. The Committee shall also have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors, and to cause the Company to pay the fees and expenses of such outside advisors.

The members of the Committee will commit themselves, through the use of consultants, review of current publications, surveys or other pertinent data dealing with corporate director and/or executive officer compensation, to being knowledgeable and current in compensation, benefit and related issues.

Further, the Committee shall report regularly to the Board, shall review this charter from time to time and recommend changes to the Board for approval, and shall annually evaluate its own performance.