



**CHARTER OF THE
COMPENSATION & MANAGEMENT DEVELOPMENT COMMITTEE
OF THE BOARD OF DIRECTORS OF INTERPACE DIAGNOSTICS
GROUP, INC.**

I. PURPOSE AND SCOPE

The primary purposes of the Compensation & Management Development Committee (the “Committee”) of the Board of Directors (the “Board”) of Interpace Diagnostics Group, Inc. (the “Company”) are: (i) to establish and maintain executive compensation policies for the Company consistent with corporate objectives and stockholder interests, and (ii) to oversee the competency and qualifications of the Company’s senior management personnel and the provisions of senior management succession planning.

The Board shall annually appoint the Committee, including the Chairperson thereof, which will be comprised of three or more directors, all of whom, in the judgment of the Board, shall be independent in accordance with listing standards of The NASDAQ Stock Market and shall be free of any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member. In addition, a person may serve on the Committee only if the Board determines that he or she (i) is a “Non-Employee Director” as defined under applicable federal securities laws¹ and (ii) satisfies the requirements of an “outside director” as defined under applicable federal tax law.² Members of this Committee may be eligible for awards, including stock-based awards such as stock options, restricted stock, SARS, or deferred stock, available under the Company’s 2004 Stock Award and Incentive Plan (as amended from time to time, the “Plan”), which was approved by stockholders in June 2004. In exercising its responsibilities, the Committee may consider the recommendations of senior management and the Committee’s executive compensation consultants. The Committee has the authority to retain counsel and experts as deemed appropriate to be used to assist it in the evaluation of executive compensation, and shall have the authority to approve the consultant’s fees and the other terms and conditions of the consultant’s retention.

II. DUTIES AND RESPONSIBILITIES

The Committee is responsible for a broad range of activities, including the following:

- Review and provide input to the Board regarding the Company’s goals and objectives relevant to Chief Executive Officer (“CEO”) compensation, including consideration of market data, internal salary relationships and such other factors as the Committee deems appropriate.
- Review and make recommendations to the Board regarding all compensation of the Chief Executive Officer, including but not limited to (1) annual base salary level, (2) annual incentive opportunity level, (3) long-term opportunity incentive level, and (4) any special or supplemental benefits or perquisites.
- Review and approve the Company’s goals and objectives relevant to other executive officers’ compensation, including consideration of market data, internal salary relationships and such other factors as the Committee deems appropriate.

¹ See Rule 16b-3 under the Securities Exchange Act of 1934.

² See Section 162(m) of the Internal Revenue Code and the related IRS regulations.

- Review and approve all compensation of other executive officers and selected key management employees after reviewing the annual evaluation of the performance of such officers and the compensation recommendations made by the Chief Executive Officer.
- Review and approve the Company's peer companies and other data sources for purposes of evaluating the Company's compensation competitiveness and establishing the appropriate competitive position of the levels and mix of compensation elements.
- Review and approve individual grants of incentive awards Company-wide, and any amendments thereto (other than grants to the CEO, with respect to which the Committee shall make recommendations to the Board); provided that the Committee may authorize a pool of equity awards from which the Chief Executive Officer may make grants of equity-based compensation to eligible individuals who are not executive officers.
- Review and approve annual compensation plans, incentive plans and benefit plans and review any changes to such plans which may result in a material change to executive compensation.
- Review and recommend to the Board equity plans for directors, executive officers, employees and other eligible service providers, including any material amendments thereto, which plans and/or amendments require the approval of the Company's shareholders.
- Review and approve all deferred compensation plans and defined contribution plans for employees and directors.
- Oversee management's decisions regarding Company-wide benefit plans as appropriate.
- Perform the administrative functions assigned to the Committee by the Board or the provisions of any incentive compensation plan, equity-based plan, employee stock purchase plan or other employee benefit plan.
- Review compensation arrangements Company-wide to confirm that the Company's compensation plans, policies and practices for all employees do not create risks that are reasonably likely to have a material adverse effect on the Company.
- Review and approve the implementation of, and any material changes or modifications to, employee and director stock ownership guidelines.
- Review and approve general guidelines for senior and executive management employment and separation agreements and review and approve employment and separation agreements of the Company's executive officers.
- Review and discuss with management the Compensation Discussion and Analysis section (the "CD&A") required to be included in the Company's annual proxy statement by the rules and regulations of the Securities and Exchange Commission (the "SEC") and, based on such review and discussion, make a recommendation to the Board as to whether the CD&A as proposed by the Company's management should be included in the Company's annual report and proxy statement.
- Prepare the annual Compensation Committee Report for inclusion in the Company's annual proxy statement in accordance with the applicable rules and regulations of the SEC.

- Ensure that any compensation consultant retained by the Committee is independent of the Company.
- Review and recommend to the Board compensation for non-employee directors, committees of the Board, and Chairman of the Board.
- Evaluate annually the adequacy of this Charter.
- Prepare an annual performance evaluation of this Committee.
- Perform any other activities consistent with this Charter, the Company's Certificate of Incorporation and Bylaws and applicable laws and regulations of the SEC, The NASDAQ Stock Market or any other regulatory or governmental body, as the Committee deems appropriate or as requested by the Board.

III. MEETINGS AND PROCEDURES OF THE COMMITTEE

The Committee may fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. The Committee shall meet as provided by its rules, which shall be at least four times annually or more frequently as circumstances require. The Chairperson of the Committee or a majority of the members of the Committee may also call a special meeting of the Committee. A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; and *provided further* that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.

IV. ACCOUNTABILITY

Following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

V. MANAGEMENT DEVELOPMENT

The Committee shall determine on an annual basis that a satisfactory system is in effect to review and evaluate the development and orderly succession of senior officers throughout the Company. The Committee, along with the CEO, shall present their findings of such a system to the Board.