



COMPENSATION COMMITTEE CHARTER

I. Purpose

The purpose of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Command Security Corporation (the "Company") is to (i) discharge the Board's responsibilities relating to executive compensation; (ii) produce an annual report regarding executive compensation (the "Compensation Committee Report"); and (iii) discharge any other responsibilities provided for in this Charter.

II. Membership and Organization

- A. The Committee shall be comprised of three or more members of the Board, each of whom, except as otherwise permitted, shall satisfy the independence requirements of The New York Stock Exchange ("NYSE"). Each member of the Committee shall also qualify, in the determination of the Board, (1) as a "non-employee director for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (2) as an "outside director" for purposes of Section 162(m) of the Internal Revenue Code.
- B. The members of the Committee and the Chairman of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee of the Board. Members shall serve at the pleasure of the Board for such term or terms as the Board may determine.
- C. The Committee shall meet at least three times annually, or more frequently as the Committee may determine. The Committee shall meet in executive session at least on an annual basis. The Chairman of the Committee shall report to the Board regularly regarding the Committee's activities and actions, including at the first Board meeting following any Committee meeting.
- D. The Chairman or, in the event of his absence from any meeting, another member of the Committee designated by vote of the members in attendance at such meeting, will chair all meetings of the Committee and set the agendas for such meetings. Any other member of the Committee shall have the right to submit items to be included on the agenda for any Committee meeting.
- E. The Committee may, to the extent consistent with maintaining the confidentiality of compensation discussions, invite the Company's Chief Executive Officer ("CEO") to participate in all or a portion of any meetings of the Committee, but if present during any deliberations of the Committee, the CEO may not vote. The CEO may not be present during any discussions and deliberations of the Committee regarding the CEO's compensation.
- F. The Committee shall keep regular minutes of its meetings and report the same to the Board from time to time and upon request.

III. Duties and Responsibilities

- A. The Committee shall review and discuss with the Company's management the Compensation Discussion and Analysis required by Item 402 of Regulation S-K promulgated by the Securities and Exchange Commission ("Regulation S-K"). Based on such review and discussion, the

Committee shall determine whether to recommend to the Board that the Compensation Discussion and Analysis be included in the Company's annual report or proxy statement for the annual meeting of shareholders. The Committee shall provide, over the names of the members of the Committee, the required Compensation Committee Report for the Company's annual report or proxy statement for the annual meeting of shareholders.

- B. The Committee shall on an annual basis discuss its basis for the compensation of the named executive officers (as defined in Item 402(a)(3) of Regulation S-K) reported for the last completed fiscal year, including the factors and criteria upon which such compensation was based. The Committee shall specifically discuss the relationship of the Company's performance to the named executive officers' compensation for the last completed fiscal year, describing each measure of the Company's performance, whether qualitative or quantitative, on which such compensation was based. The Committee shall have the sole authority to set each named executive officer's compensation level based on this evaluation. The named executive officers shall not be permitted to participate in any discussions or processes of the Committee concerning their compensation.
- C. The Committee shall on an annual basis review and approve Company goals and objectives relevant to the compensation of each executive officer of the Company, and evaluate the executive officer's performance in light of those goals and objectives, and shall have the sole authority to set the executive officer's compensation level based on this evaluation.
- D. To the extent, if any, that the Company may determine, with such shareholder or other approval as may be required for such action, to adjust or amend the exercise price of stock options or stock appreciation rights ("SARs") previously awarded to any named executive officer, whether through amendment, cancellation or replacement grant, or other means (a "repricing"), the Committee shall explain in reasonable detail any such repricing of options or SARs held by such named executive officer in the last completed fiscal year, as well as the basis for each such repricing.
- E. The Committee shall, in consultation with management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
- F. The Committee shall review and recommend actions to the Board regarding director and officer indemnification and insurance matters, on the advice of the Company's Legal Counsel.
- G. The Committee shall approve the establishment or material amendment of any tax qualified, non-discriminatory employee benefit plans or parallel nonqualified plans or other equity compensation arrangements, pursuant to which stock of the Company may be acquired by its officers, directors, employees or consultants.
- H. The Committee shall perform any other activities consistent with this Charter, and the Company's Bylaws and Certificate of Incorporation, as may be determined by the Board.



IV. Additional Responsibilities and Authority

- A. The Committee shall have authority to retain, at the expense of the Company, any compensation or similar consultant as it shall deem necessary to carry out its duties, without Board or management approval.
- B. The Committee shall annually review and evaluate the performance of the Committee, including compliance by the Committee with this Charter.
- C. The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval.