

SIEBERT FINANCIAL CORP., INC.

Compensation Committee Charter

I. General Statement of Purpose

The Compensation Committee of the Board of Directors (the “Compensation Committee”) of Siebert Financial Corp., Inc. (the “Company”), on behalf of the Board of Directors (the “Board”), discharges the Board’s responsibilities relating to compensation of the Company’s directors and executives, oversees the Company’s overall compensation structure, policies and programs, reviews the Company’s processes and procedures for the consideration and determination of director and executive compensation, and is responsible for producing a report for inclusion in the Company’s proxy statement relating to its annual meeting of stockholders or annual report on Form 10-K, if required, in accordance with applicable rules and regulations. The primary objective of the Compensation Committee is to develop and implement compensation policies and plans that are appropriate for the Company in light of all relevant circumstances and which provide incentives that further the Company’s long-term strategic plans, are consistent with the culture of the Company and the overall goal of enhancing stockholder value, and ensure the attraction and retention of employees, the motivation of management to achieve the Company’s corporate goals and strategies, and the alignment of the interests of employees with the long-term interests of the Company’s stockholders.

II. Compensation Committee Composition

The number of individuals serving on the Compensation Committee shall be fixed by the Board from time to time but shall consist of no fewer than two (2) members, each of whom shall satisfy the independence standards established pursuant to Rule 5605(a)(2) of the Nasdaq Stock Market Rules of the Nasdaq Stock Market LLC, subject to any applicable exceptions contained in the Stock Market Rules of the Nasdaq Stock Market LLC. In determining the members of the Compensation Committee, the Board will consider whether the members qualify as “non-employee directors” as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and as “outside directors” as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended. In addition, in affirmatively determining the independence of any director who will serve on the Compensation Committee, the Board shall consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director’s ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: (i) the source of compensation of the director, including any director, consulting, advisory or other compensatory fee paid by the Company to the director; and (ii) whether the director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

The members of the Compensation Committee shall be appointed annually by the Board and may be replaced or removed by the Board at any time, with or without cause. Resignation or removal of a director from the Board, for whatever reason, shall automatically and without any further action constitute resignation or removal, as applicable, from the Compensation Committee. Any vacancy on the Compensation Committee, occurring for whatever reason, may be filled only by the Board. The Board shall designate one member of the Compensation

Committee to be Chairperson of the committee.

III. Meetings

The Compensation Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter, which meetings may be in person or by telephone conference or other communications equipment by means of which all persons participating in the meeting can hear each other. A majority of the members of the Compensation Committee shall constitute a quorum for purposes of holding a meeting and the Compensation Committee may act by a vote of a majority of members present at such meeting. In lieu of a meeting, the Compensation Committee may act by unanimous written consent in accordance with the Company's bylaws. The Chairperson of the Compensation Committee, in consultation with the other committee members and management, may set meeting agendas consistent with this Charter.

IV. Compensation Committee Activities

The Compensation Committee's purpose and responsibilities shall be to:

A. Review of Charter

- Review and reassess the adequacy of this Charter annually and submit any proposed changes to the Board for approval.

B. Processes and Procedures for Considering and Determining Director and Executive Compensation

- Review and reassess periodically (and where appropriate, make such recommendations to the Board as the Compensation Committee deems advisable with regard to) the Company's processes and procedures for the consideration and determination of director and executive officer compensation, and review and discuss with management any description of such processes and procedures to be included in the Company's proxy statement.

C. Performance Evaluation of the Compensation Committee

- Periodically perform a performance evaluation of the Compensation Committee and report to the Board on the results of such evaluation.

D. Incentive-Compensation and Equity-Based Plans

- Review and make such recommendations to the Board as the Compensation Committee deems advisable with respect to incentive-compensation and equity-based plans that are subject to approval by the Board. In addition, the Compensation Committee, or a majority of the independent directors serving on the Board, shall approve any tax-qualified, non-discriminatory employee benefit plans (and any parallel nonqualified plans) for which stockholder approval is not sought and

pursuant to which options or stock may be acquired by officers, directors, employees or consultants of the Company.

- Exercise all rights, authority and functions of the Board under all of the Company's stock option, stock incentive, employee stock purchase and other equity-based plans, including without limitation, the authority to interpret the terms thereof, to grant options thereunder and to make stock awards thereunder; provided, however, that, except as otherwise expressly authorized to do so by this Charter, any such plan or a resolution of the Board, the Compensation Committee shall not be authorized to amend any such plan.
- Delegate to one or more executive officers the authority to grant equity awards pursuant to an equity-based plan to certain employees who are not directors or executive officers of the Company in accordance with the terms of the Company's equity compensation plan, the Company's equity grant policy and applicable law.

E. Executive Officer Compensation.

- Review and approve, or recommend for approval by the Board, the compensation of the Company's Chief Executive Officer (the "CEO") and the Company's other executive officers¹, including salary, bonus and incentive compensation levels; deferred compensation; executive perquisites; equity compensation (including awards to induce employment); severance arrangements; change-in-control benefits and other forms of executive officer compensation. The CEO may not be present during voting or deliberations on his or her compensation.

V. Additional Compensation Committee Authority

At such time as the Company ceases to qualify as a "Smaller Reporting Company," the Compensation Committee is authorized, on behalf of the Board, to do any of the following, as the Compensation Committee deems necessary or appropriate in its discretion:

¹ Nasdaq defines "Executive Officer" to mean an issuer's president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the issuer in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the issuer. Officers of the issuer's parent(s) or subsidiaries shall be deemed officers of the issuer if they perform such policy-making functions for the issuer. In addition, when the issuer is a limited partnership, officers or employees of the general partner(s) who perform policy-making functions for the limited partnership are deemed officers of the limited partnership. When the issuer is a trust, officers or employees of the trustee(s) who perform policy-making functions for the trust are deemed officers of the trust. (Nasdaq Rule 5605(a)(1)).

A. Matters Related to Compensation of the Company's Directors

- Review and make such recommendations to the Board as the Compensation Committee deems advisable with regard to the compensation of the directors of the Company, including with respect to any equity-based plans.

B. Matters Related to Compensation Consulting Firms or Other Outside Advisors


- At such time as the Company is no longer a "Smaller Reporting Company," retain or obtain the advice of compensation consultants, legal counsel and/or other advisers; provided that:
 - The Compensation Committee is authorized to, and must, have direct responsibility for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Compensation Committee and the Company must provide for appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to any such compensation consultant, legal counsel or other adviser; and
 - Before any compensation consultant, legal counsel or other adviser (other than (1) in-house legal counsel or (2) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees or (ii) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, legal counsel or other adviser and about which the compensation consultant, legal counsel or other adviser does not provide advice) is selected by, or provides advice to, the Compensation Committee, the Compensation Committee shall take into consideration the following factors:
 - The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
 - The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;

- The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Compensation Committee;
- Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.
- Prohibit the Company from engaging a compensation consultant engaged by the Compensation Committee, or an affiliate of any such compensation consultant, to provide any other services to the Company without the approval of the Compensation Committee.

VI. General

- The Compensation Committee may establish and delegate authority to one or more subcommittees consisting of one or more of its members, when the Compensation Committee deems it appropriate to do so in order to carry out its responsibilities.
- The Compensation Committee shall make regular reports to the Board concerning areas of the Compensation Committee's responsibility.
- In carrying out its responsibilities, the Compensation Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management and such experts, advisors and professionals with whom the Compensation Committee may consult. The Compensation Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company to render advice to the Company attend a meeting of the Compensation Committee or meet with any members of or advisors to the Compensation Committee.
- The Compensation Committee may perform such other functions as may be requested by the Board from time to time.

Adopted Francis V. Cuttita  _____

Adopted Charles A. Zabatta  _____