

Compensation Committee Charter PainCare Holdings, Inc.

Membership

The compensation Committee of the Board of Directors of PainCare Holdings, Inc., shall consist of a majority of the directors who the Board determines (i) are “independent” in accordance with American Stock Exchange listing standards, (ii) are “non-employee directors” for purposes of Rule 16b-3 under the Securities and Exchange Act of 1934, as amended (the “1934 Act”) and (iii) satisfy the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code. The members of the Committee shall be appointed and may be removed by the Board.

Purpose, Authority and Responsibilities

The purpose of the Committee shall be to discharge the Board’s responsibilities relating to executive compensation, to produce an annual report on executive compensation to be included in the Company’s proxy statement in accordance with applicable rules and regulations, and to review the succession plans for the chief executive officer and other senior executives.

In the furtherance of this purpose, the Committee shall have the following authority and responsibilities:

- to review and approve goals and objectives relevant to the compensation of the chief executive officer, to evaluate the performance of the chief executive officer in light of these goals and objectives, and recommend to the Board the compensation of the chief executive officer based on this evaluation;
- to review and approve compensation of all other officers;
- to administer and make recommendations to the Board with respect to incentive compensation plans and equity based plans and to review the cumulative effect of its actions;
- to prepare an annual report on the executive compensation to be included in the Company’s proxy statement, in accordance with applicable rules and regulations;
- to evaluate the Committee’s performance at least annually and report to the Board on such evaluation;
- to periodically review and assess the adequacy of this charter and recommend any proposed changes to the Board for approval; and
- to perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee shall deem appropriate.

Procedures

The Committee shall meet as often as it deems is appropriate to carry out its responsibilities. A majority of the members of the Committee shall constitute a quorum. The chair of the Committee, in consultation with the other Committee members, shall set meeting agendas. The Committee shall report its actions and recommendations to the Board. The Committee shall have the sole authority to retain and terminate any compensation consultants, legal counsel and any other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and terms of any consultants, counsel or other advisors that it retains.

The Committee may delegate its authority to subcommittees of the chair of the Committee when it deems appropriate.