

**EVCI CAREER COLLEGES HOLDING CORP.**  
**Compensation Committee Charter**  
**(Effective October 27, 2004)**

**Status**

The Compensation Committee is a committee of the Board of Directors (the "Board").

**Membership**

The Compensation Committee shall consist of two or more directors all of whom, in the judgment of the Board shall be independent in accordance with The Nasdaq Stock Market's listing standards. In addition, a person may serve on the Compensation Committee only if the Board determines that he or she (i) is a "Non-employee Director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, and (ii) is an "outside director" for purposes of Section 162(m) of the Internal Revenue Code.

Members of the Compensation Committee may be removed with or without cause by the Board.

**Purpose**

The purposes of the Compensation Committee are to (i) establish annual and long-term performance goals and objectives for EVCI's executive officers, (ii) recommend to the Board for determination the compensation of EVCI's Chairman, Chief Executive Officer ("CEO") and other executive officers, and (iii) if required or deemed desirable, produce an annual report on executive compensation for inclusion in EVCI's annual proxy statement that complies with the rules and regulations of the Securities and Exchange Commission.

**Responsibilities**

The Compensation Committee's responsibilities include:

1. evaluating the performance of the Chairman, CEO and other executive officers in light of the approved performance goals and objectives;
2. recommending to the Board the compensation, including bonuses, of the Chairman, CEO and other executive officers based upon the evaluation of the performance and total compensation of the Chairman, CEO and the other executive officers, respectively;
3. making recommendations to the Board with respect to new cash-based incentive compensation plans and equity-based compensation plans;
4. administering EVCI's stock plans for employees;
5. reviewing and approving the terms of any employment agreements, severance agreements, change of control protections and other compensatory arrangements for EVCI's and other executive officers; and

6. performing such other responsibilities expressly delegated to the Compensation Committee by the Board from time to time.

In determining the recommended compensation of the EVCI's Chairman, CEO and other executive officers, the Compensation Committee may consider, among other factors, (i) EVCI's performance and relative stockholder return; (ii) the value of similar compensation packages of executive officers at companies that are reasonably comparable to EVCI; and (iii) the aggregate cost to EVCI of all components of the compensation awarded, including severance costs and perquisites.

The Compensation Committee may, in its discretion, employ a compensation consultant to assist in the evaluation of the compensation of EVCI's Chairman, CEO or other executive officers. The Compensation Committee shall have the sole authority to approve the fees and other retention terms of such a compensation consultant. The Compensation Committee also has the authority, as it deems necessary and appropriate, to consult with other outside advisors to assist in its performance of its responsibilities to EVCI.

### **Meetings**

The Compensation Committee shall meet at least two times each year in executive session, without EVCI's management, and at such other times as it deems necessary to fulfill its responsibilities.

The CEO may not be present during voting or deliberations on recommendations by the Compensation Committee to the Board regarding the CEO's compensation.