

STREAMLINE HEALTH SOLUTIONS, INC.
Compensation Committee Charter

I. PURPOSE

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Streamline Health Solutions, Inc., a Delaware corporation (the “Company”), will have direct responsibility for the compensation of the Company’s officers, including the Company’s chief executive officer, and other executives for incentive compensation, equity-based plans and pension plans as further provided in this Charter. For this purpose, compensation will include:

- annual base salary;
- annual incentive opportunity;
- stock option or other equity participation plans;
- profit-sharing plans;
- long-term incentive opportunity;
- financial terms of employment agreements, severance and change in control agreements and other similar agreements;
- any special or supplemental benefits;
- any pension rights; and
- any other payments that are deemed compensation under applicable rules and regulations of the Securities and Exchange Commission (the “SEC”) or the NASDAQ Stock Market (“NASDAQ”).

II. ORGANIZATION

The Committee will consist of three or more directors, each of whom will be “independent” in accordance with applicable law, including the rules of NASDAQ, subject to any applicable exceptions thereto. The members of the Committee will be appointed by the Board (on the recommendation of the Governance and Nominating Committee) and serve at the pleasure of the Board, which will also appoint the Chair of the Committee from among the members thereof.¹

III. MEETINGS

The Committee will meet in person or by telephonic means at least once per year and more frequently as circumstances dictate. A majority of the members of the Committee will constitute a quorum for transacting Committee business, and the act of a majority of those present at any meeting at which a quorum is present will be the act of the Committee. In the absence of a

¹ If at any time the Committee includes a member who is not a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the “Exchange Act”), then either a subcommittee comprised entirely of individuals who are non-employee directors or the Board will approve any grants made to any individual who is subject to liability under Section 16 of the Exchange Act. If at any time the Committee includes a member who is not an “outside director” within the meaning of Section 162(m) of the U.S. Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder, then a subcommittee comprised entirely of two or more individuals who are outside directors will approve any grants made to any individual the deductibility of whose compensation the Committee determines is or could be affected by said section.

quorum, a majority of the members of the Committee present may adjourn any meeting, from time to time, until a quorum is present. The Committee also may take actions by written consent signed by all members of the Committee.

IV. AUTHORITY AND RESPONSIBILITIES

The Committee will:

- Review and approve the Company's compensation strategy to ensure it is appropriate to continue to attract, retain and motivate senior management and other key employees.
- On an annual basis, review and approve corporate goals and objectives relevant to the compensation of the Company's chief executive officer (the "CEO"), evaluate the CEO's performance in light of those goals and objectives and, as a committee determine and approve the CEO's compensation level based on such evaluation.²
- On an annual basis, review and approve the compensation of all other officers and executives of the Company.
- Seek to ensure that senior executives are compensated effectively and in a manner consistent with the Company's articulated compensation strategy, internal considerations, competitive factors and applicable regulatory requirements.
- 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.
- Review, evaluate and make recommendations to the Board concerning the Company's incentive compensation plans, equity-based plans and pension plans. With respect to each such plan, the Committee will have responsibility for:
 - overseeing the activities of the individuals responsible for administering these plans, and discharging any responsibilities imposed on the Committee by any of these plans;
 - setting performance targets under all annual bonus and long-term incentive compensation plans as appropriate and committing to writing any and all performance targets for executives;
 - determining that any and all performance targets used for any performance-based compensation plans have been met before payment of any executive bonus or compensation under any such plans; and
 - approving all amendments to, and terminations of, all compensation plans and any awards under such plans.
- Review and approve any proposed employment agreement (including any amendments) with any current or proposed executive and any severance, retention or other termination plans and any severance, retention or other termination payments proposed to be made to

² In evaluating, determining and approving the long-term incentive component of CEO compensation, the Committee will also consider, among such other factors as it may deem relevant, the Company's performance, shareholder returns, the value of similar incentive awards to chief executive officers at comparable companies, the value of similar awards given to other executive officers of the Company and the awards given to the CEO in past years.

any current or former executive, except for any such payment made in accordance with a plan or agreement previously approved by the Board or the Committee.

- Grant any awards under any performance-based annual bonus, long-term incentive compensation and equity compensation plans to executives, including stock options and restricted stock.
- Review and recommend to the Board the Company's submissions to stockholders on executive compensation matters, including advisory votes on executive compensation and the frequency of such votes.
- Establish and periodically review the Company's policies concerning perquisite benefits.
- Periodically evaluate whether the Company's compensation policies and practices for its employees are reasonably likely to have a material adverse effect on the Company, as they relate to risk management practices and risk-taking incentives.
- Review the Company's compensation disclosures in its annual proxy statement and its Annual Report on Form 10-K filed with the SEC.
- Review its own performance annually.
- Review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the committee considers necessary or appropriate.
- Conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, to the extent deemed necessary or appropriate by the Committee.³
- Report regularly to the Board.
- Perform any other activities consistent with this Charter, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

Nothing in this Charter will preclude the Board from discussing and acting on CEO or other executive compensation generally or any other subject. The foregoing responsibilities and duties set forth in this Charter should serve as a guide only, with the express understanding that the Committee may carry out additional responsibilities and duties and adopt additional policies and procedures as may be necessary in light of changing business, legislative, regulatory, legal or other conditions.

V. RESOURCES

The Committee will have the authority to retain such compensation consultants, legal counsel or other advisers (each, a "Compensation Adviser") as it determines appropriate in its sole discretion to assist it in the performance of its functions. The Committee will have direct responsibility for the appointment, compensation and sole authority to provide oversight of any Compensation Adviser it retains, including the determination of the reasonable compensation to be paid in connection with such engagement, which will be funded by the Company.

Prior to selecting a Compensation Adviser, the Committee must consider the potential Compensation Adviser's independence, including:

³ All associates will be directed to cooperate with respect to any such investigations as requested by the Committee.

- the provision of other services to the Company by the person that employs the Compensation Adviser;
- the amount of fees received from the Company by the person that employs the Compensation Adviser, as a percentage of the total revenue of the person that employs the Compensation Adviser;
- the policies and procedures of the person that employs the Compensation Adviser that are designed to prevent conflicts of interest;
- any business or personal relationship of the Compensation Adviser with a member of the Committee;
- any stock of the Company owned by the Compensation Adviser; and
- any business or personal relationship of the Compensation Adviser or the person employing the Compensation Adviser with an executive officer of the Company.

The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting or to meet with any members of the Committee or any Compensation Advisers. However, the CEO may not be present during voting or deliberations on his or her compensation.

VI. DISCLOSURE OF CHARTER

This Charter will be made available on the Company's website at www.streamlinehealth.net under Investor Relations – Corporate Governance.