

# **CREATIVE MEDICAL TECHNOLOGY HOLDINGS, INC.**

## **COMPENSATION COMMITTEE CHARTER**

### **I. PURPOSE**

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) Creative Medical Technology Holdings, Inc. (the “Company”) is to (i) oversee the Company’s compensation policies, plans and programs, and to review and determine the compensation to be paid to the Company’s executive officers and directors, (ii) to the extent applicable, review and discuss with management the Company’s disclosures contained under the caption “Compensation Discussion and Analysis” (“CD&A”) in the Company’s filings with the Securities and Exchange Commission (the “SEC”), and (iii) to the extent applicable, to prepare and review the Committee report on executive compensation included in the Company’s annual proxy statements in accordance with applicable rules and regulations of the SEC in effect from time to time. The term “compensation” shall include salary, long-term incentives, bonuses, perquisites, equity incentives, severance arrangements, retirement benefits and other related benefits and benefit plans.

### **II. COMPOSITION**

The Committee shall be comprised of at least two (2) members of the Board who, both independently and taken as a group, satisfy the independence and financial literacy requirements of The Nasdaq Stock Market (“Nasdaq”) applicable to the Committee, as in effect from time to time and when and as required by Nasdaq. The members of the Committee shall be appointed by and serve at the discretion of the Board. Vacancies occurring on the Committee shall be filled by the Board. The Committee’s chairperson (the “Chair”) shall be designated by the Board or if the board does not do so, the Committee members shall appoint a Committee member as Chair by a majority vote of the Committee members.

### **III. MEETINGS AND PROCEDURES**

The Committee shall meet on a regular basis and shall hold such meetings as the members of the Committee deem necessary or appropriate. Except as otherwise set forth in this Compensation Committee Charter (this “Charter”) or as required by any applicable laws, rules or regulations, the Committee may meet in separate executive sessions with other directors, the chief executive officer and other Company employees, agents or representatives invited by the Committee.

The Committee may establish its own procedures, including the formation and delegation of authority to subcommittees, in a manner not inconsistent with this Charter, the Bylaws or any applicable laws, rules or regulations. The Chair or majority of the Committee members may call meetings of the Committee. A majority of the authorized number of Committee members shall constitute a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at a meeting at which a quorum is present shall be the act of the Committee, unless in either case a greater number is required by this Charter, the Bylaws or any applicable laws, rules or regulations. The Committee shall keep written minutes of its meetings

and deliver copies of the minutes to the Company's secretary for inclusion in the Company's records.

#### **IV. AUTHORITY**

The Committee shall have full access to all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder. The Committee shall have the authority to obtain, at the expense of the Company, advice and assistance from internal or external legal, accounting or other advisors and consultants. Other reasonable expenditures for external resources that the Committee deems necessary or appropriate in the performance of its duties are permitted. The approval of this Committee Charter shall be construed as a delegation of authority to the Committee with respect to the responsibilities set forth herein.

#### **V. RESPONSIBILITIES**

To implement the Committee's purpose and policies, the Committee shall be charged with the following duties and responsibilities. The Committee may supplement and, except as otherwise required by applicable law or the requirements of Nasdaq or any stock exchange on which the Company's Common Stock then trades, deviate from these activities as appropriate under the circumstances:

1. *Overall Compensation Strategy.* The Committee shall review, modify (as needed) and approve the overall compensation strategy and policies for the Company, including:

- reviewing and approving corporate performance goals and objectives relevant to the compensation of the Company's executive officers;
- evaluating and recommending to the Board for approval the compensation plans and programs advisable for the Company, as well as evaluating and recommending to the Board for approval the modification or termination of existing plans and programs;
- establishing policies with respect to equity compensation arrangements; and
- reviewing and approving the terms of any employment agreements, severance arrangements, change-of-control protections and any other compensatory arrangements (including, without limitation, perquisites and any other form of compensation) for the Company's executive officers.

2. *Compensation of Chief Executive Officer.* The Committee shall determine and approve or recommend to the Board for determination and approval the compensation and other terms of employment of the Company's Chief Executive Officer and shall evaluate the Chief Executive Officer's performance in light of relevant corporate performance goals and objectives. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee should consider the Company's performance and relative stockholder return, the value of similar incentive awards given to chief executive officers of comparable companies, the awards given to the Company's Chief Executive Officer in past

years, and such other criteria as the Committee deems advisable. The Chief Executive Officer may not be present during the voting or deliberations regarding his or her compensation.

3. *Compensation of Other Executive Officers.* The Committee shall review and approve the individual and corporate performance goals and objectives of the Company's other executive officers that are periodically established. The Committee shall determine and approve or recommend to the Board for determination and approval the compensation and other terms of employment of these executive officers, taking into consideration the executive officer's success in achieving his or her individual performance goals and objectives and the corporate performance goals and objectives deemed relevant to the officer as established by the Committee.

4. *Compensation of Directors.* The Committee shall review and recommend to the Board or approve the type and amount of compensation to be paid or awarded to Board members, including consulting, retainer, Board meeting, committee and committee chair fees and stock option grants or awards

5. *Administration of Benefit Plans.* The Committee shall recommend to the Board the adoption, amendment and termination of the Company's stock option plans, stock appreciation rights plans, pension and profit sharing plans, incentive plans, stock bonus plans, stock purchase plans, bonus plans, deferred compensation plans and similar programs. The Committee shall have full power and authority to administer these plans, establish guidelines, interpret plan documents, select participants, approve grants and awards, and exercise such other power and authority as may be permitted or required under such plans.

6. *Compensation Discussion and Analysis.* To the extent applicable, the Committee shall review and discuss with management the Company's disclosures contained under the caption "Compensation Discussion and Analysis" for use in any of the Company's annual reports on Form 10-K, registration statements, proxy statements or information statements and make recommendations to the Board that the CD&A be approved for inclusion in the Company's annual reports on Form 10-K, registration statements, proxy statements or information statements.

7. *Committee Report.* The Committee shall prepare and review the Committee report on executive compensation (if any) required to be included in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.