

**Patriot Scientific Corporation  
Compensation Committee Charter**

**I. Committee Member Composition**

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Patriot Scientific Corporation (the “Corporation”) shall be comprised of no fewer than three (3) members with the following qualifications:

1. The Committee shall consist entirely of independent members of the Board who also are outside directors for purposes of Section 162 (m) of the Internal Revenue Code, as amended, and non-employee directors for purposes of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended.
2. Each member of the Committee shall also satisfy, in the judgment of the Board, the applicable independence requirements adopted by the Board with reference to the requirements of the U.S. Securities and Exchange Commission (“SEC”).
3. Each member shall be free of any relationship that, in the judgment of the Board from time to time, would interfere with the exercise of his or her independent judgment.

The members of the Committee shall be elected by the Board. Members of the Committee may be removed by a majority vote of the Board.

**II. Purpose**

The purpose of the Committee is to:

1. Review, oversee and approve the policies of the Corporation relating to compensation of the Corporation's executives and directors and make recommendations to the Board with respect to such policies.
2. Provide a report on executive compensation and a compensation discussion and analysis for inclusion in the Corporation's appropriate filings with the SEC, in accordance with applicable rules and regulations.
3. Oversee the development and implementation of succession plans for the Chief Executive Officer of the Corporation (“CEO”) and other key executives.

**III. Responsibilities**

Additional responsibilities of the Committee shall be to:

1. Ensure that the Corporation's executive compensation programs are designed to enable it to recruit, retain and motivate a large group of talented and diverse executives.
2. Ensure that the Corporation's executive compensation programs are competitive, support organization objectives and stockholder interests, and ensure a pay for performance linkage.
3. Approve all special perquisites, special cash payments and other special compensation and benefit arrangements for the Corporation's executive officers.
4. With sole and exclusive authority, make and approve stock option grants and other discretionary awards under the Corporation's stock option or other equity incentive plans to all persons who are Board members or executive officers within the meaning of Rule 16b-3.
5. Grant stock options and other discretionary awards under the Corporation's stock option or other equity incentive plans to all other eligible individuals in the Corporation's service. The Committee may delegate to one or more officers designated by the Committee the authority to make grants to eligible individuals (other than any such officer) who are not executive officers, provided that the Committee shall have fixed the price (or formula for determining the price) and the vesting schedule for such grants, approved the form of documentation evidencing such grants, and determined the appropriate number of shares or the basis for determining such number of shares by position, compensation level or category of personnel. Any officer(s) to whom such authority is delegated shall regularly report to the Committee the grants so made. Any such delegation may be revoked at any time.

6. Amend the provisions of the Corporation's stock option or other equity incentive plans, to the extent authorized by the Board, and make recommendations to the Board with regards to incentive compensation and equity-based plans.
7. Approve for submission to the stockholders stock option or other equity incentive plans or amendments thereto.
8. Otherwise administer and oversee the Corporation's stock option or other equity incentive plans, or appoint an administrator thereof.
9. Oversee and periodically review the operation of all of the Corporation's employee benefit plans, however, responsibility for the day-to-day administration will be performed by Corporation personnel. The Committee shall appoint and oversee the investment and administrative fiduciaries for any employee benefit plans and programs.
10. Ensure that the annual incentive compensation plan is administered in a manner consistent with the Corporation's compensation strategy and terms of such plan.
11. Notwithstanding anything herein, the following shall be presented as a recommendation to the Board: (i) any action, including the adoption or amendment of any equity compensation plan, that is required by law or regulation to be submitted to the stockholders of the Corporation for approval, and (ii) any approval, amendment or termination of change in control agreements/provisions related to the directors or officers of the Corporation.
12. Set corporate goals and objectives relevant to the CEO's compensation and when doing so shall consider the Corporation's performance and relative stockholder return, the value of similar incentive awards to CEO's at comparable companies and awards made to the CEO in past years. The Committee shall annually review and evaluate the CEO's performance in light of these goals and objectives. The Committee shall approve, amend or terminate these goals and objectives and to determine all compensation levels based on this evaluation to be recommended to the Board, including the following (a) annual base salary level, (b) annual bonus incentive level, and (c) long-term incentive level, and (d) employment agreements or severance agreements.
13. Meet with the CEO to discuss corporate goals and performance results.
14. Establish the objectives for the Corporation's compensation programs for the executive officers, determine what such programs are designed to reward, establish each element of compensation, determine the rationale for paying each element, determine how the amount for each element is to be determined, and determine how each compensation element fit into the overall compensation objectives. The Committee shall annually review and shall approve, amend or terminate for executives of Corporation all compensation to be recommended to the Board, including (a) annual base salary level, (b) annual bonus incentive level, (c) long-term incentive level, and (d) employment agreements or severance agreements. The Compensation Committee may solicit and, if received, may accept or reject the recommendation of the CEO with respect to the foregoing.
15. Oversee preparation of succession plan presentations to the Board, including plans in the event of an emergency or retirement of the CEO. The Committee Chairman works with the CEO in preparation of the succession plan presentations. The Committee undertakes such follow-up steps with respect to succession planning as may be delegated by the Board from time to time.
16. Approve, amend or terminate the compensation and/or benefits for members of the Board.
17. Review this Charter periodically, update it as appropriate, and submit it to each member of the Board.
18. Undertake such other responsibilities as the Board may delegate or assign to the Committee from time to time.

#### **IV. General**

1. The Chairperson shall be appointed by the Committee.
2. The Committee shall meet at least two (2) times each year, or more frequently as circumstances require. Any member of the Committee can call for a meeting of the Committee.
3. The Committee may delegate any of its duties to subcommittees comprised of Committee members or officers of the Corporation as the Committee may deem appropriate in its sole discretion.
4. A majority of the total number of members of the Committee shall constitute a quorum of the Committee.

5. The Committee shall have the sole authority to retain and terminate any legal counsel or compensation or other consultant to be used to assist in the evaluation of director or executive compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors and the sole authority to approve the payment of the advisor's fees and other retention items. All fees and other retention items for compensation consultants, legal, accounting or other advisors shall be paid by the Corporation.
6. Minutes shall be kept of each meeting of the Committee, and distributed to each member of the Committee and to the Secretary of the Corporation. The Committee shall regularly provide reports of its actions to the Board.