

## **GAIN CAPITAL HOLDINGS, INC.**

### **COMPENSATION COMMITTEE CHARTER**

#### **Purpose and Responsibilities of the Committee**

The Board of Directors (the “Board”) of GAIN Capital Holdings, Inc. (the “Company”) has established the Compensation Committee (the “Committee”) to have direct responsibility to review, and, as appropriate and as provided in this charter, act on behalf of the Board or make recommendations to the Board concerning, executive compensation and employee benefits for the Company. The Committee is also responsible for the preparation of the compensation committee report required by Securities and Exchange Commission (“SEC”) rules to be included in the Company’s annual proxy statement.

The business of the Company is managed under the direction of the Board and the various committees thereof, including the Committee. The basic responsibility of the Committee is to exercise its business judgment in carrying out the responsibilities described in this charter in a manner the Committee members reasonably believe to be in the best interest of the Company and its stockholders. The Committee is not expected to assume an active role in the day-to-day operation or management of the Company.

#### **Committee Membership**

The Committee shall consist of no fewer than three members, comprised solely of directors deemed by the Board to be independent and who meet the independence requirements of the New York Stock Exchange. Each member of the Committee must qualify as "non-employee directors" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and as "outside directors" for the purposes of Section 162(m) of the Internal Revenue Code, as amended.

In consultation with the Nominating and Corporate Governance Committee, the Board shall appoint the members of the Committee and designate one member to be its Chair. Committee members may be replaced, and the Chair may be changed, from time to time by the Board.

#### **Organization**

The Committee shall meet regularly at such time and place as the Committee shall determine to be appropriate to carry out its responsibilities under this charter. Representatives of management shall attend meetings as necessary and when invited by the Committee or the Chair. No executive officer should attend that portion of any meeting where such executive’s performance or compensation is discussed, unless specifically invited by the Committee or the Chair.

A quorum for the transaction of business at any meeting of the Committee shall consist of two Committee members.

The Chair, in consultation with other Committee members, shall determine the frequency and length of the Committee meetings and shall set the agenda for, and preside at, meetings of the Committee.

Subject to the third preceding paragraph, the Secretary, the Assistant Secretary or another designated individual shall record and keep minutes of all Committee meetings.

### **Committee Responsibility and Authority**

In addition to any other responsibilities which may be assigned from time to time by the Board, the responsibility and authority of the Committee include the following:

1. The Committee shall evaluate, in such manner as it deems appropriate, the performance of the Company's Chairman, Chief Executive Officer ("CEO") and Vice Chairman, including reviewing and approving corporate goals and objectives relating to the compensation of such officers and evaluating their performance in light of such goals and objectives. The Committee shall also evaluate such other factors as the Committee deems appropriate and in the best interests of the Company. Based on this evaluation, the Committee, together with the other independent members of the Board, shall review and set the compensation for the Chairman, the CEO and the Vice Chairman, including any long-term incentive component of such officers' compensation. In evaluating and determining CEO compensation, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation ("Say on Pay Vote") required by Section 14A of the Exchange Act.
2. The Committee shall, in consultation with the Company's CEO, periodically review the Company's management succession planning, including policies for CEO selection and succession in the event of the incapacitation, retirement or removal of the CEO and evaluation of, any potential successors to the CEO.
3. The Committee shall oversee in such manner it deems appropriate the periodic evaluation of the performance of management. In connection therewith, the Committee shall consider and approve the Company's executive compensation and benefits policies generally (subject, if applicable, to shareholder approval), including base salary, salary increases and other remuneration arrangements for executive officers of the Company, including participation in any incentive-compensation plans and equity-based plans for executive officers. In reviewing such compensation and benefits policies, the Committee may consider the recruitment, development, promotion, retention and compensation of executive officers of the Company and any other factors that it deems appropriate.
4. The Committee shall review and discuss with management the annual "Compensation Discussion and Analysis" prepared for inclusion in the Company's annual proxy statement in accordance with SEC rules and, based upon such review and discussions, recommend to the Board whether such "Compensation Discussion and Analysis" should be included in such annual proxy statement. The Committee shall also be responsible for preparation of the Compensation Committee Report, respecting the foregoing review,

discussion and recommendation, required by the SEC rules to be included in the Company's annual proxy statement.

5. The Committee shall adopt (subject, if applicable, to shareholder approval) and oversee the administration of incentive-compensation plans and equity-based plans for all executive officers. In overseeing such incentive-compensation plans and equity-based plans, including deciding whether to adopt, amend or terminate any such plans, the Committee shall consider the results of the most recent Say on Pay Vote.
6. The Committee shall review and make recommendations to the Board with respect to Board compensation for non-employee directors.
7. The Committee shall adopt (subject, if applicable, to shareholder approval) and oversee the administration of all benefits plans made available to Company employees generally.
8. The Committee shall review and assess risks arising from the Company's compensation policies and practices for its employees and whether any such risks are reasonably likely to have a material adverse effect on the Company.
9. The Committee may delegate authority to individual Committee members or such subcommittees as the Committee deems appropriate and in the best interests of the Company, and the Committee shall review the actions of all such individuals or subcommittees as appropriate.
10. The Committee may delegate to one or more officers of the Company the authority to make grants and awards of stock rights or options to any non-Section 16 officer of the Company under such of the Company's incentive-compensation or other equity-based plans as the Committee deems appropriate and in accordance with the terms of such plans.
11. To review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.
12. The Committee shall report to the Board regularly on its actions and deliberations.

In carrying out its responsibilities, the Committee's practices and policies should remain flexible, in order for the Committee to respond to changing facts and circumstances.

### **Outside Advisors**

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this charter. The Committee shall set the compensation, and

oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this charter. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor to the compensation committee, and the authority granted in this charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this charter.

In retaining or seeking advice from compensation consultants, outside counsel and other advisors (other than the Company's in-house counsel), the Committee must take into consideration the factors specified in Section 303A.05 of the New York Stock Exchange Listed Company Manual (or any successor provision). The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors. The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

### **Committee Self-Assessment**

The Committee shall conduct an annual evaluation of its own performance and shall report the results of such evaluation to the Board. In connection with the annual evaluation, the Committee shall also recommend to the Board any modifications to this charter that the Committee deems necessary or appropriate. The format of the self-assessment shall be determined by the Committee.