

**FRIENDFINDER NETWORKS INC.**  
**COMPENSATION COMMITTEE CHARTER**

**I. PURPOSE**

The Board of Directors (the “Board”) of FriendFinder Networks Inc. (including its subsidiaries where the context permits, the “Company”) has established a Compensation Committee (the “Committee”) for the purpose of reviewing and approving, on behalf of the Board, management recommendations regarding all forms of compensation to be provided to executive officers and directors of the Company and, with respect to employees of the Company other than executive officers, compensation under the Company’s equity compensation plans (the “Equity Plans”).

**II. MEMBERSHIP**

The Committee shall consist of at least three directors, each of whom shall (a) meet the independence requirements established by the Board and applicable laws, regulations and listing requirements, (b) be a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, and (c) be an “outside director” within the meaning of Section 162(m) of the United States Internal Revenue Code of 1986, as amended (the “Code”). The Board appoints the members of the Committee and the chair (the “Chair”) of the Committee. The Board may remove any member from the Committee at any time with or without cause.

**III. RESPONSIBILITIES**

The Committee shall be responsible for reviewing and approving, on behalf of the Board, the amounts and types of compensation of any nature to be paid to the Company’s executive officers, and for recommending to the Board the compensation of the Company’s directors. Where directed by the Board, the Committee also shall be responsible for reviewing and approving compensation for employees of the Company other than executive officers.

The Committee shall be responsible for administering the Company’s Equity Plans.

Such responsibilities shall include the following:

1. Recommending to the full Board the cash compensation of directors, including payments for attendance at Board and committee meetings;
2. Reviewing the executive compensation plans in light of the limitations of deductibility under Section 162(m) of the Code;
3. Granting equity and other incentive awards to executive officers, directors and other eligible individuals under the Company’s Equity Plans and determining the terms and conditions of such awards. The Committee shall also make recommendations to the Board with respect to amendments to the Equity Plans and changes in the number of shares reserved for issuance thereunder;

4. Issuing a report on executive compensation in accordance with applicable rules and regulations of the SEC for inclusion in the Company's annual proxy statement;
5. Evaluating the performance of the Chairman of the Board and the Chief Executive Officer (and such other executive officers as the Committee deems appropriate) in light of the Company's current business environment and the Company's strategic objectives;
6. Evaluating the need for, and provisions of, employment agreements or severance arrangements for the executive officers or, if so directed by the Board, other officers of the Company; and
7. Reviewing trends in executive compensation, overseeing the development of new compensation plans, and, when necessary, approving the revision of existing executive compensation plans.
8. Reviewing and assessing annually the Committee's performance.

#### **IV. RESOURCES AND AUTHORITY**

The Committee shall have the resources and authority to discharge its responsibilities, including the authority, to the extent it deems necessary or appropriate, to retain independent financial, legal or other advisors. The Company shall provide funding, as determined by the Committee, for payment of compensation to any independent advisors or administrative support employed by the Committee.

Any action duly and validly taken by the Committee pursuant to the power and authority conferred under this Charter shall, for all purposes, constitute an action duly and validly taken by the Board and may be certified as such by the Secretary or other authorized officer of the Company.

#### **V. AUTHORITY**

The Committee may form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Committee to perform certain of its duties on its behalf.

#### **VI. MEETINGS AND REPORTS**

The Committee shall hold such meetings as the Chair of the Committee or the Chairman of the Board may direct. The Committee shall maintain written minutes of its meetings, which minutes shall be filed with the minutes of the meetings of the Board. At each quarterly meeting of the Board, the Chair of the Committee shall provide the Board with a report of the Committee's activities and proceedings if applicable.