

TABLE TRAC, INC.

COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS CHARTER

Recent Date Approved: December 15, 2016

I. PURPOSE

The purpose of the Compensation Committee is to discharge the responsibilities of the Board of Directors relating to the compensation of the Company's Executive Officers and the Board of Directors as well as to review selected employee and management compensation programs and the company's compensation philosophy and practices for effectiveness and regulatory compliance.

II. MEMBERSHIP

The Committee shall be comprised of at least two directors, each of whom shall be independent, non-officer directors, and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. In addition each member shall be a "nonemployee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 and qualify as an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code. The Board will appoint one member to serve as Chair each year and shall have the right to make changes to membership composition at any time with or without cause.

III. RESPONSIBILITIES

The Compensation Committee is responsible to:

- review and reassess the adequacy of this Charter at least annually, and more frequently as conditions dictate, and propose any amendments to the Charter as the Committee deems necessary or appropriate.
- review the Company's compensation philosophy and trends in its industry to ensure competitiveness, attract and retain talented management and Directors, and align motivation and interests of key leadership with long-term interests of the shareholders.
- administer, on behalf of the Board of Directors, the Company's equity-based compensation and management incentive programs, and other compensation initiatives identified by the Board. The Committee may delegate to a subcommittee of Company officers the authority to make grants of stock options and stock awards to eligible individuals who are not executive officers.
- establish and approve annual salary and bonus plans and payments and other compensation, for the company's Chief Executive Officer and all other officers reporting to the CEO, and such similar plans for members of management and all other employees.

- establish and approve all compensation for outside members of the Board of Directors including, but not limited to annual retainers, committee chair, member and meeting fees, and equity grants.
- establish and review the annual Goals and Objectives of the Company's Chief Executive Officer.
- review and approve all special compensation programs for the Company's officers including packages for new officers, change-in-control and retirement agreements, severance and termination packages and other supplemental benefits.
- review any compensation-related proposals properly brought forth to the Company by its shareholders and recommend action to the Board of Directors.
- prepare the compensation report or any compensation related information as required by the Securities and Exchange Commission to be included in the Company's annual proxy statement or other required filings.
- evaluate, on an annual basis, this charter, the committee's independence and its overall effectiveness and report its findings to the Board of Directors.

IV. OPERATIONS

The Compensation Committee shall:

- meet as often as required, but no less than two (2) times annually. At meetings the Committee may require the presence of management, counsel, outside consultants or other entities as it deems necessary to carry out its responsibilities.
- have the resources available and the authority to engage any outside consultant to assist in discharging its duties and shall have access to all relevant records of the Company.
- prepare timely and accurate minutes of its meetings, circulate those minutes to its members for approval, and present those minutes to the Board of Directors.
- report to the Board of Directors at each of their Board Meetings and review the committee's deliberations and actions taken since the last Board Meeting.

The Compensation Committee Chair shall prepare an agenda for each meeting and provide materials for review at the meetings.

A simple majority of members in attendance in person or by teleconference will constitute a quorum for each meeting.