

COMPENSATION COMMITTEE CHARTER

I. Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of SIGA Technologies, Inc. (the “Company”) is to (i) assist the Board in discharging its responsibilities in respect of compensation of the Company’s executive officers and directors, (ii) evaluate the performance of the Company’s executive officers, (iii) assist the Board in developing succession plans for executive officers, (iv) administer the Company’s stock and incentive compensation plans and recommend changes in such plans to the Board, as needed, and (v) assist in the preparation and production of the materials regarding executive compensation required or desired to be included in the Company’s proxy statement.

II. Membership

The Committee shall be comprised of three or more directors, each of whom shall be free from any relationship that, in the opinion of the Board, would interfere with his or her exercise of independent judgment and must be found by the Board to qualify as an “independent director” under the Nasdaq Marketplace Rules (the “Marketplace Rules”), unless the Board determines that an exemption to such qualification is available under the Marketplace Rules. In addition, all Committee members shall be independent and qualified to serve on the Committee under Rule 16b-3 issued pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”), under Rule 10C issued pursuant to the Exchange Act; and the applicable regulations under Section 162(m) of the Internal Revenue Code of 1986, as amended.

Members of the Committee shall serve at the pleasure of the Board and may be removed at the Board’s sole and absolute discretion. Members shall serve until their successors shall be duly elected and qualified. The Committee’s chairperson shall be designated by the full Board or, if the Board does not do so, the Committee members shall elect a chairperson by vote of a majority of the full Committee. In the absence of the chairperson at any meeting of the Committee, the members may elect a chairperson to preside.

III. Meetings

The Committee shall meet in person, telephonically or otherwise at least twice during each fiscal year. The Committee may also hold special meetings or act by unanimous written consent, as may be required.

The Committee may request any officer or employee of the Company or the Company’s outside counsel to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee; provided, however, that the chief executive officer may not be present during any discussions or deliberations of the Committee regarding the chief executive officer’s compensation.

The chairperson of the Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson will endeavor to ensure that the agenda for each meeting is circulated in advance of the meeting. The Committee shall keep minutes of every meeting and conference call and report its actions and any recommendations to the Board after each of the Committee’s meeting.

The Committee meetings will be governed by the quorum and other procedures generally applicable to meetings of the Board under the Company’s bylaws, unless otherwise stated in the bylaws or by resolution of the Board or the Committee. The Committee shall have the authority to delegate any of its responsibilities to subcommittees

IV. Committee Resources and Advisors

The Committee shall have the authority to retain, on its own behalf, compensation consultants, outside legal and other consultants to advise the Committee as it deems necessary to carry out its duties. The Committee shall also have the authority to obtain advice and assistance from internal and external legal, human resources or other advisors.

In connection with retaining any such compensation consultants, outside legal and other consultants or advisors, the Committee shall consider all factors relevant to a determination of the potential consultant’s or adviser’s independence from management, including the following matters:

- The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other consultant or advisor;
- The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other consultant or advisor, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other consultant or advisor;
- The policies and procedure of the person that employs the compensation consultant, legal counsel or other consultant or advisor that are designed to prevent conflicts of interest;
- Any business or personal relationship of the compensation consultant, legal counsel or other consultant or advisor with any member of the

Committee;

- Any stock of the Company owned by the compensation consultant, legal counsel or other consultant or advisor; and
- Any business or personal relationship of the compensation consultant, legal counsel or other consultant or advisor or the person employing the advisor with any executive officer of the Company.

While the above items shall be considered by the Committee, the Committee shall not be prohibited from retaining a compensation consultant, legal or other consultant or advisor because such consultant or advisor had provided services to, received fees from, owned stock in or otherwise had some sort of relationship with the Company or any of its executive officers.

The Company will provide the appropriate funding, as determined by the Committee, for payment of compensation to any consultants or advisors engaged by the Committee. The Company will also provide the appropriate funding, as determined by the Committee, for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

V. Responsibilities and Duties

The Committee's authority and responsibilities shall be as provided in this Section V. Notwithstanding the foregoing, where permitted by and subject to compliance with applicable law, rule or regulation, including, without limitation, the rules and regulations of the United States Securities and Exchange Commission or the NASDAQ Stock Market, an alternate group of directors may also, but not to the exclusion of the Committee, exercise the authority or undertake the responsibilities provided as follows:

1. Executive Officer Compensation - to review and approve, on an annual basis, the corporate goals and objectives with respect to the compensation for the Company's chief executive officer and other executive officers. The Committee shall evaluate, at least once a year, the chief executive officer and other executive officers' performance in light of these established goals and objectives and based upon these evaluations shall recommend to the full Board the chief executive officer and other executive officers' annual compensation, including salary, bonus, incentive and equity compensation. In reviewing and recommending the compensation of the chief executive officer and other executive officers, the Committee may consider the compensation awarded to officers of similarly situated companies, the Company's performance, the individuals' performance, compensation given to the Company's officers in past years or any other fact the Committee deems appropriate. The chief executive officer shall not be permitted to participate in any discussions or processes concerning his or her compensation, but may participate in a non-voting capacity in discussions or processes concerning the compensation of other executive officers.
2. Compensation Policies and Performance Review- to develop and assess periodically the Committee's compensation policies applicable to the Company's executive officers and directors, including the relationship of corporate performance to executive compensation.
3. Compensation Plan Awards - to approve stock option grants and other equity-based or incentive awards under the Company's stock and incentive compensation plans, including any performance criteria relating to the plans or awards, and otherwise assist the Board in administering awards under these plans. Such duties may include, but are not limited to, approving issuances of equity pursuant to tax qualified, non-discriminatory benefit plans and to new employees as an inducement to hiring, where such issuances are not otherwise approved or to be approved by shareholders.
4. Stock and Incentive Plans- to review and administer the Company's stock and incentive compensation plans and recommend changes in such plans to the Board, as needed. The Committee shall establish criteria for the granting of options and other incentive awards to executive officers and other employees and review and approve the granting of options and other incentive awards in accordance with such criteria, to the extent that such matters are not otherwise subject to shareholder approval under applicable law or the listing standards of the NASDAQ Stock Market.
5. Significant Officer Contracts- to review and approve significant employment agreements, arrangements or transactions with executive officers, including any arrangements having any compensatory effect or purpose.
6. Director Compensation- to review and recommend to the Board appropriate director compensation programs for service as directors, committee chairs and committee members.
7. Committee Report in Proxy Statement - to prepare and approve a report of the Committee for inclusion in the Company's proxy statement with respect to its annual meeting of stockholders, as and to the extent required by any applicable law or the listing standards of the NASDAQ Stock Market.
8. Compensation Discussion and Analysis - to review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") disclosure for the Company's proxy statement and, based on such review and discussion, possibly recommend to the Board that the CD&A be included in the Company's proxy statement.
9. Annual Performance Review - to evaluate the Committee's performance on an annual basis, including compliance by the Committee with this Charter.
10. Periodic Charter Review-to review periodically, but no less frequently than annually, the adequacy of this Charter and recommend any proposed changes to the Board for approval.