

CHARTER OF THE COMPENSATION COMMITTEE OF IPASS INC.

PURPOSE

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors of iPass Inc. (the “Company”) shall be to oversee all significant aspects of the Company’s compensation policies, plans and programs, and to produce the Committee report included in the annual proxy statement in accordance with applicable Securities and Exchange Commission (“SEC”) rules and regulations. The term “compensation” shall include salary, long-term incentives, bonuses, perquisites, equity incentives, severance arrangements and other related benefits and benefit plans.

COMPOSITION

The Committee shall consist of at least two members of the Board of Directors. The members of the Committee shall satisfy the independence requirements of the Nasdaq Global Select Market applicable to compensation committee members as in effect from time to time when and as required by the Nasdaq Stock Market. The members of the Committee shall be appointed by the Board. The Committee’s chairperson shall be designated by the Board or, if it does not do so, the Committee members shall elect a chairperson by vote of a majority of the full Committee.

MEETINGS AND MINUTES

The Committee shall hold such regular or special meetings as its members shall deem necessary or appropriate. Minutes of each meeting of the Committee shall be prepared and distributed to each director of the Company and the Secretary of the Company promptly after each meeting.

AUTHORITY

The Committee shall have full access to all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder. The Committee shall have the authority in its sole discretion to retain or to obtain advice and assistance from legal, compensation, accounting or other advisors (“Advisors”) and shall only be authorized to select, or receive advice from an Advisor (other than in-house legal counsel or Advisors excluded from such requirement under the Nasdaq rules) after taking into consideration the following factors:

- the provision of other services to the Company by the Advisor's employer;
- the amount of fees received from the Company by the Advisor's employer, as a percentage of the total revenue of the employer;
- the policies and procedures of the Advisor's employer that are designed to prevent conflicts of interest;
- any business or personal relationship of the Advisor with a member of the Committee;
- any stock of the Company owned by the Advisor; and

- any business or personal relationship of the Advisor or the Advisor's employer with an executive officer of the Company.

The Committee shall be directly responsible for the appointment of, and determine the compensation and oversee the work of, Advisors retained by the Committee. The Committee shall be entitled to appropriate funding from the Company to retain Advisors. The Committee may form and delegate authority to subcommittees as appropriate. The operation of the Committee shall be subject to the Bylaws of the Company as in effect from time to time and Section 141 of the Delaware General Corporation Law.

RESPONSIBILITIES

The Committee's functions and procedures should remain flexible to address changing circumstances most effectively. To implement the Committee's purpose, the Committee shall be charged with the following functions and processes, with the understanding, however, that the Committee may supplement or deviate from these activities as appropriate under the circumstances:

- 1. Overall Compensation Strategy.** The Committee shall review, modify (as needed) and approve the overall compensation strategy and policies for the Company, including:
 - reviewing and approving corporate performance goals and objectives relevant to the compensation of the Company's executive officers;
 - reviewing and advising the Board concerning regional and industry-wide compensation practices and trends to assess the adequacy and competitiveness of the Company's executive compensation programs among comparable companies in the Company's industry; and
 - reviewing and approving the terms of any employment agreements, severance arrangements and change of control protections for the Company's executive officers.
- 2. Compensation of Chief Executive Officer.** The Committee shall review and approve, in its sole discretion, the compensation and other terms of employment of the Company's Chief Executive Officer and shall evaluate the Chief Executive Officer's performance in light of relevant corporate performance goals and objectives. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee should consider the Company's performance and relative stockholder return, the value of similar incentive awards given to chief executive officers of comparable companies, and such other criteria as it deems advisable. The Committee shall ensure that the Chief Executive Officer is not present during voting or deliberations by the Committee regarding the Chief Executive Officer's compensation.
- 3. Compensation of Executive Officers and Other Employees.** The Committee shall review and approve the compensation and other terms of employment of the Company's other executive officers, taking into consideration actual Company performance and such other metrics or considerations as the Committee shall deem appropriate. In addition, the Committee shall have the authority to review and approve the compensation and other terms of employment of the Company's other officers and employees as the Committee shall deem appropriate.

4. Administration of Benefits Plans. The Committee shall administer the Company's stock option plans, stock appreciation rights plans, pension and profit sharing plans, stock bonus plans, stock purchase plans, bonus plans, deferred compensation plans and similar programs, by:

- making recommendations to the Board with respect to the adoption, amendment and termination of such plans;
- establishing guidelines;
- interpreting plan documents;
- selecting participants;
- approving grants and awards; and
- exercising such other power and authority as may be permitted or required under such plans.

The approval of this Compensation Committee Charter shall be construed as a delegation of such authority to the Compensation Committee; provided, however, that such delegation shall not in any way prohibit the Board from exercising any such authority concurrently.

5. Director Compensation – The Committee shall periodically review the compensation paid to non-employee Directors for their service on the Board and its committees and recommend any changes considered appropriate to the full Board for its approval.

6. Proxy Statement Report. The Committee shall prepare any report required by the applicable SEC rules and regulations to be included in the Company's annual proxy statement.

7. Review of Charter. The Committee shall review and assess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.