

PHENIXFIN CORPORATION

COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee is a standing committee created by the Board of Directors (the “Board”) of PhenixFIN Corporation (the “Corporation”) to:

- oversee the Corporation’s compensation policies generally and make recommendations to the Board with respect to incentive compensation and equity-based plans of the Corporation that are subject to Board approval;
- evaluate executive officer performance and review the Corporation’s management succession plan;
- oversee and set compensation for the independent directors of the Board and the Corporation’s executive officers; and
- prepare the report on executive officer compensation that the Securities and Exchange Commission rules require to be included in the Corporation’s annual proxy statement.

Membership

The Compensation Committee shall consist of at least three members, comprised solely of independent directors meeting the applicable independence requirements of the NASDAQ Stock Market LLC. The Nominating and Corporate Governance Committee shall recommend nominees for appointment to the Compensation Committee annually and as vacancies or newly created positions occur. Compensation Committee members shall be appointed by the Board and may be removed by the Board at any time. The Nominating and Corporate Governance Committee shall recommend to the Board, and the Board shall designate, the Chairman of the Compensation Committee.

Responsibilities

The following shall be the principal responsibilities of the Compensation Committee, which may be supplemented from time to time:

Compensation Policies

- The Compensation Committee shall review and make recommendations to the Board in respect of any incentive compensation, equity-based plans, retirement plans, deferred compensation plans and other benefits plans of the Corporation that are subject to Board approval. In undertaking these responsibilities, the Compensation Committee shall take into account factors it deems appropriate from time to time, including the Corporation’s business strategy and risks to the Corporation and its business implied by such programs. The Compensation Committee shall review on a periodic basis the Corporation’s executive compensation programs, select an appropriate peer group for purposes of such periodic review, and make any modifications that the Compensation Committee may deem necessary or advisable, in its sole discretion.

Independent Director and Executive Officer Compensation

- The Compensation Committee shall oversee and approve the compensation of the independent directors of the Board.
- The Compensation Committee shall review and approve the compensation, if any, by the Corporation for each of the Corporation's executive officers, including the Corporation's chief executive officer. The Compensation Committee shall, among other things:
 - identify corporate goals and objectives relevant to executive officer compensation;
 - evaluate each executive officer's performance in light of such goals and objectives and set each executive officers compensation based on such evaluation and such other factors as the Compensation Committee deems appropriate and in the best interests of the Corporation (including the cost to the Corporation of such compensation); and
 - determine any long-term incentive component of each executive officer's compensation based on awards given to such executive officer in past years, the Corporation's performance, shareholder return and the value of similar incentive awards relative to such targets at comparable companies and such other factors as the Compensation Committee deems appropriate and in the best interests of the Corporation (including the cost to the Corporation of such compensation).
- The Compensation Committee may delegate to one or more officers of the Corporation the authority to make grants and awards of stock rights or options to any non-Section 16 officer of the Corporation under such of the Corporation's incentive compensation or other equity-based plans as the Compensation Committee deems appropriate and in accordance with the terms of such plans.

Management Succession

- The Compensation Committee shall, in consultation with the Corporation's chief executive officer (the "CEO"), periodically review the Corporation's management succession planning including policies for CEO selection and succession in the event of the incapacitation, retirement or removal of the CEO and evaluations of, and development plans for, any potential successors to the CEO.

Disclosure

- The Compensation Committee shall prepare the report on executive officer compensation that the Securities and Exchange Commission rules require to be included in the Corporation's annual proxy statement (currently no such report would be required to be produced because none of the Corporation's executive officers are compensated by the Corporation).

Reporting to the Board

- The Compensation Committee shall report to the Board periodically. This report shall include a review of any recommendations or issues that arise with respect to Corporation compensation and benefits policies, executive officer compensation, management succession planning and any other matters that the Compensation Committee deems appropriate or is requested to be included by the Board.
- At least annually, the Compensation Committee shall evaluate its own performance and report to the Board on such evaluation.
- The Compensation Committee shall periodically review and assess the adequacy of this charter and recommend any proposed changes to the Nominating and Corporate Governance Committee.

Authority

The Compensation Committee has the sole authority to retain and terminate any compensation consultant assisting the Compensation Committee in the evaluation of CEO or executive officer compensation, including sole authority to approve all such compensation consultant's fees and other retention terms.

The Compensation Committee may delegate its authority to subcommittees or the Chairman of the Compensation Committee when it deems appropriate and in the best interests of the Corporation.

Procedures

The Compensation Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter. The Chairman of the Compensation Committee, in consultation with the other committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this charter. No executive officer should attend that portion of any meeting where such executive's performance or compensation is discussed, unless specifically invited by the Compensation Committee.

Adopted January 4, 2021