

Modular Medical, Inc.
Compensation Committee Charter
Adopted by the Board of Directors as of June 8, 2020

1. Authority and Purpose

This Compensation Committee Charter (this “Charter”), specifies the scope of the responsibilities of the Compensation Committee (the “Committee”) of the board of directors (the “Board”) of Modular Medical, Inc. (the “Company”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements. The operation of the Committee shall be subject to the bylaws of the Company as in effect from time to time. The approval of this Charter shall be construed as a delegation of authority to the Committee with respect to the responsibilities set forth herein. The Committee may from time to time delegate duties or responsibilities to subcommittees or to one member of the Committee.

The primary purpose of the Committee is to assist in the discharge of the Board’s responsibilities with respect to the compensation of the Company’s executive officers. In carrying out these responsibilities, the Committee shall review all components of executive officer compensation for consistency with the Committee’s compensation philosophy as in effect from time to time.

2. Composition

The Committee shall be comprised of at least two directors, each of whom shall meet (a) the “independent director” definition of the listing rules of the stock exchange or quotation system upon which the Company’s common stock may be listed from time to time (to the extent such stock exchange or quotation system provides such a definition) and (b) the “non-employee director” definition of Rule 16b-3 promulgated under Section 16 of the Securities Exchange Act of 1934, as amended, of the U.S. Securities and Exchange Commission (the “SEC”). A director shall not serve as a member of the Committee if the Company’s chief executive officer (“CEO”) or another executive officer of the Company serves on the compensation committee of another company that employs that director as an executive officer. A member of the Committee cannot accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any subsidiary thereof. The receipt of fees or equity awards pursuant to the Company’s equity compensation plans by a director as part of a director’s compensation for service on the Board shall not disqualify the director from serving as a member of the Committee.

The Board shall appoint each Committee member and designate one Committee member as the chairperson of the Committee. Each member shall serve until his/her successor is duly elected and qualified or their earlier resignation or removal. The Board shall appoint a new member or members in the event that there is a vacancy on the Committee (whether as a result of a resignation, removal and/or otherwise) that reduces the number of members below two, or in the event that the Board determines that the number of members on the Committee should be increased. The Board may remove the entire Committee or any individual member(s) with or without cause by the affirmative vote of a majority of the Board. Any member may resign effective upon giving written notice to the chairman of the Board.

Any action taken by the Committee during a period in which one or more of the members subsequently is determined to have failed to meet the member qualifications shall nevertheless constitute duly authorized actions of the Committee and shall be valid and effective for all purposes, except to the extent required by law or determined appropriate by the Committee to satisfy regulatory standards.

3. Resources and Authority

The Committee may, in its sole discretion, retain or obtain the advice of compensation consultants, legal counsel, accounting or other advisors as appropriate, other than in-house legal counsel, to perform its duties hereunder and to determine the terms, costs and fees for such engagements, subject to compliance with the rules of the stock exchange or quotation system upon which the Company's common stock may be listed, if any. The Committee shall be directly responsible for the appointment, determination of compensation and oversight of the work of any compensation consultant, legal counsel and other advisor retained by the Committee. The fees and costs of any consultant or advisor engaged by the Committee to assist it in performing any duties hereunder shall be borne by the Company. The Committee shall also have authority to incur, at the expense of the Company, ordinary administrative expenses, including expenditures for external resources, that, as determined by the Committee, are necessary or appropriate in carrying out its duties. The Committee shall have authority to request that any of the Company's personnel, counsel, accountants or investment bankers, or any other consultant or advisor to the Company, attend any meeting of the Committee or meet with any member of the Committee or any of its special, outside legal, accounting or other advisors or consultants. The Committee shall have access to all books, records, facilities and personnel of the Company, as deemed necessary or appropriate by any member of the Committee to discharge the member's duties, responsibilities and/or obligations hereunder.

The Committee may select a compensation consultant, legal counsel or other advisor to the Committee only after taking into consideration, all factors relevant to that Person's (as defined in the Securities Act of 1933, as amended), independence from management, including the following:

- (a) The provision of other services to the Company by the Person that employs the compensation consultant, legal counsel or other advisor;
- (b) The amount of fees received from the Company by the Person that employs the compensation consultant, legal counsel or other advisor, as a percentage of the total revenue of the Person that employs the compensation consultant, legal counsel or other advisor;
- (c) The policies and procedures of the person that employs the compensation consultant, legal counsel or other advisor that are designed to prevent conflicts of interest;
- (d) Any business or personal relationship of the compensation consultant, legal counsel or other advisor with a member of the Committee;
- (e) Any stock of the Company owned by the compensation consultant, legal counsel or other advisor; and

- (f) Any business or personal relationship of the compensation consultant, legal counsel, other advisor or the Person employing that compensation consultant, legal counsel, or other advisor, with any executive officer of the Company.

The Committee shall conduct this independence assessment with respect to any compensation consultant, legal counsel or other advisor that provides advice to the Committee, other than: (i) in-house legal counsel and (ii) any compensation consultant, legal counsel or other advisor whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of SEC Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.

Nothing herein requires that a compensation consultant, legal counsel or other compensation advisor to the Committee be independent, only that the Committee consider the independence factors listed above before selecting or receiving advice from a compensation advisor. The Committee may select or receive advice from any compensation advisor it prefers, including ones that are not independent, after considering the six independence factors outlined above.

Nothing herein shall be construed: (i) to require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, independent legal counsel or other advisor to the Committee or (ii) to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

4. Responsibilities

To implement the Committee's purpose, the Committee shall have the following responsibilities:

- (a) Review, approve and/or modify from time to time, as appropriate the Company's overall compensation objectives, strategy and policies;
- (b) Review and make recommendations to the Board regarding all compensation for the CEO, including annual base salary, incentive-based and equity-based compensation;
- (c) Review and make recommendations to the Board regarding annual performance objectives and goals relevant to compensation for the CEO and evaluate the performance of the CEO in light of these goals and objectives;
- (d) Consider, in determining the long-term incentive component of compensation for the CEO, the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the Company's CEO in past years; and, in making such determination, the Committee should seek to achieve an appropriate level of risk and reward;

- (e) Review and make recommendations to the Board regarding salaries, incentive and equity awards and all other compensation for the other executive officers and oversee the evaluation of management including the other executive officers;
- (f) Periodically, and as and when appropriate, review and make recommendations to the Board regarding all employment, severance, or change-in-control agreements, any special or supplemental compensation and benefits, or provisions including the same, applicable to executive officers;
- (g) Periodically and as and when appropriate review and advise the Board concerning both regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company's compensation programs for the CEO and other executive officers relative to comparable companies in the Company's industry;
- (h) Make recommendations to the Board regarding incentive-based or equity-based compensation plans. The Committee shall also have the authority to administer the Company's incentive compensation plans and equity-based plans, including designation of the employees to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan;
- (i) Review and make recommendations to the Board regarding the type and amount of compensation to be paid or awarded to Board members, including any consulting, retainer, Board meeting, committee and committee chair fees and equity awards;
- (j) Review and approve the Compensation Discussion and Analysis ("CD&A"), a Committee report on executive compensation and the other related disclosures, each as required by the SEC to be included in the Company's annual report and annual proxy statement in accordance with applicable SEC rules and regulations and recommend to the Board based on the review and discussions whether the CD&A should be included in the Company's annual report and annual proxy statement.
- (k) Perform such other activities consistent with this Charter, the Company's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate;
- (l) Review and reassess the adequacy of this Charter on an annual basis and at such other times as deemed appropriate, and recommend any proposed changes to the Board for approval; and
- (m) Review and evaluate the Committee's own performance on an annual basis.

5. Meetings

The Committee shall hold meetings as it deems necessary in its judgment, but at least one time per year, and shall report its activities to the Board. Attendance of a Committee meeting may be in person, by telephone or other form of electronic communication in which all of the members are

able to hear and communicate with each other. Each Committee meeting shall be at such time and place as determined by the Committee. A majority of all members of the Committee shall constitute a quorum, and all actions taken by the Committee at a meeting shall require the affirmative vote of a majority of the members present at any meeting at which there is a quorum of the members of the Committee.

The Committee may also act by unanimous written consent of the members in lieu of a meeting.

The Committee chairperson shall preside at each Committee meeting. If the Committee chairperson is not present at a Committee meeting, the Committee members present at that meeting shall designate one of its members as the acting chairperson of such meeting.

The Committee shall take and maintain written minutes of each meeting, which minutes shall be approved at a subsequent Committee meeting. Committee minutes will be filed with the minutes of the meetings of the Board.

The CEO shall not be present during any Committee deliberations or voting with respect to his or her compensation.