

ONTRAK, INC.

Compensation Committee Charter

(Approved: January 30, 2023)

Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Ontrak, Inc. (the “Company”) shall be as follows:

1. To determine, or recommend to the Board for determination, the compensation for the Chief Executive Officer (the “CEO”) of the Company.
2. To determine, or recommend to the Board for determination, the compensation for all other officers of the Company who are “officers” for purposes of Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) (“Executive Officers”).
3. To assist the Board in establishing and reviewing the compensation plans and programs in which the Executive Officers and/or members of the Board may participate and, to the extent specifically authorized by the Board, to administer the Company’s equity and other incentive compensation plans.
4. To perform such other duties and responsibilities as enumerated in and consistent with this Charter and to take or cause to be taken such other actions and address such other matters as the Board may authorize the Committee to undertake from time to time.

Composition

The Committee shall consist of two or more members of the Board. Each member of the Committee must be determined by the Board to be “independent” under the applicable listing standards of any stock exchange, quotation system or market on which the Company’s securities are listed (the “Exchange Rules”), subject to any available exception under the Exchange Rules. In addition, subject to any available exception under the Exchange Rules, in affirmatively determining the independence of any director who will serve on the Committee, the Board must consider all factors specifically relevant to determining whether a director has a relationship to the Company (or any parent or subsidiary of the Company) which is material to that director's ability to be independent from management in connection with the duties of a Committee member, including, but not limited to, any specific factors set forth in the Exchange Rules.

To the extent that the Board deems practicable and advisable, each member of the Committee shall also qualify as a “non-employee director” as defined in Rule 16b-3(b)(3) under the Exchange Act; provided that notwithstanding anything contained herein to the contrary, if not all members of the Committee qualify as non-employee directors, any grant of equity compensation to directors and Executive Officers shall be made by a subcommittee of the Committee comprised of at least two members who qualify as non-employee directors or by the Board.

Appointment and Removal

The members of the Committee shall be appointed by the Board. A member shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority vote of the Board in accordance with the Company's Amended and Restated Bylaws, as may be amended from time to time (the "Bylaws").

Chairperson

Unless a Chairperson is elected by the Board, the members of the Committee shall designate a Chairperson by majority vote of the full Committee membership. The Chairperson will approve the agenda for the meetings of the Committee and preside over each meeting. In the Chairperson's absence, the members of the Committee may designate another member of the Committee to act as chair of the meeting. The Chairperson may establish such other rules, consistent with this Charter, as may from time to time be necessary and proper for the conduct of the business of the Committee.

Meetings

The Committee shall meet as frequently as circumstances dictate. The Chairperson of the Committee or a majority of the members of the Committee may call meetings of the Committee. Any one or more of the members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment as long as all persons participating in the meeting can speak with and hear each other. The Committee may also act by unanimous written consent in lieu of a meeting in accordance with the Bylaws.

All non-management directors who are not members of the Committee may attend meetings of the Committee, but may not vote. In addition, the Committee may invite to its meetings any director, member of management of the Company, and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate.

As part of its responsibilities regarding compensation of the CEO and other Executive Officers, the Committee should meet separately at least on an annual basis with the CEO and any other corporate officers as it deems appropriate. However, the Committee should also meet from time to time without such officers present, and in all cases, such officers shall not be present at meetings at which their performance and compensation are being discussed and determined.

Delegation to Subcommittees and Others

In fulfilling its responsibilities, except to the extent as may be limited by applicable law or the Exchange Rules, the Committee shall be entitled to delegate any or all of its responsibilities to one or more subcommittees of the Committee. Any such subcommittee shall keep minutes of its meeting and other written records of its actions and regularly report the same to the Committee or the Board.

In addition, to the extent permitted by and consistent with applicable law, rules and regulations, the Committee may delegate to one or more Executive Officers its authority under the Company's equity-based compensation plans, if any, to grant stock options and other equity awards to employees or consultants who are not Executive Officers or members of the Board, within written guidelines approved by the Committee.

Duties, Responsibilities and Authority

The basic duty of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. In discharging that duty, members are entitled to rely on the honesty and integrity of the Company's management and its outside auditors, attorneys and advisors, to the fullest extent permitted by applicable law. Pursuant to Article 5 of the Bylaws, the Committee shall have and may exercise all the powers and authority of the Board in all matters required, necessary or reasonable in the performance of the Committee's purpose, responsibilities and functions described in this Charter. Notwithstanding the foregoing, except where the authority to make determinations as a Committee is specifically delegated to the Committee in this Charter, the Board shall determine whether the Committee shall make determinations as a Committee or shall make recommendations to the Board.

In discharging its duties and responsibilities and fulfilling its purpose, the Committee is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate. In addition to individual compensation to members for serving on the Committee as reasonably determined by the Board, the Company shall provide appropriate funding, as determined by the Committee, for payment of ordinary administrative expenses of the Committee that the Committee deems reasonable or necessary in carrying out its duties and responsibilities, subject only to any limitations imposed by applicable laws, rules and regulations.

The Committee shall carry out the duties and responsibilities set forth below. These functions should serve as a guide with the understanding that the Committee may determine to carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal, or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in this Charter.

Compensation for Officers and Directors

1. Establish and review the overall compensation philosophy of the Company.
2. Review and approve, or recommend to the Board for approval, the Company's corporate goals and objectives and any individual performance goals and objectives relevant to the compensation for the CEO and other Executive Officers, including annual performance objectives.
3. Evaluate the performance of the CEO and other Executive Officers in light of those goals and objectives and, based on such evaluation, approve, or recommend to the Board for approval, the amount and form of compensation to be paid to the CEO and other Executive Officers. The term "compensation" shall include base salary, bonuses, incentive compensation (whether in the form of cash or equity), perquisites, severance or change-in-control benefits, and any other benefits, direct and indirect, that are not available to Company employees generally.
4. In approving or recommending the long-term incentive component of compensation for the CEO and other Executive Officers, the Committee should consider the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs and other Executive Officers at comparable companies or companies of similar size or generally engaged in the healthcare services business, and the awards given to the CEO and other Executive Officers in past years.

5. In connection with its responsibility for determining, or recommending to the Board for determination, the compensation of the Company's CEO and other Executive Officers, the Committee may:
 - (a) Review and recommend to the Board, or approve, new executive compensation programs;
 - (b) Review on a periodic basis the operations of the Company's executive compensation programs to determine whether they are properly coordinated and achieving their intended purposes;
 - (c) Oversee the Company's submission to a stockholder vote of matters relating to compensation, including advisory votes on executive compensation and the frequency of such votes, incentive and other compensation plans, and amendments to such plans;
 - (d) Review the results of the Company's "say on pay" votes as well as the results of other Company stockholder votes with respect to compensation-related matters and consider whether any changes should be made to the Company's compensation plans and programs as a result of such stockholder vote;
 - (e) Establish and periodically review policies for the administration of executive compensation programs; and
 - (f) Take steps to modify any executive compensation program that yields payments and benefits that are not reasonably related to executive or corporate performance.
6. Review and recommend to the Board for approval, compensation of directors of the Company.
7. Review policies relating to prerequisites for directors and Executive Officers.
8. Review policies and procedures pertaining to expense accounts and reimbursement of expenses for directors and Executive Officers.
9. Review and make recommendations to the Board regarding directors' and officers' indemnification and insurance matters.
10. To the extent not delegated to the Audit Committee of the Board, review and approve all related party transactions (as specified in Item 404 of Regulation S-K) and review and make recommendations to the Board, or approve, any contracts or other transactions with current or former Executive Officers, including consulting arrangements, employment agreements, change-in-control agreements, severance agreements, termination arrangements, and loans to employees made or guaranteed by the Company.

Incentive and Equity-Based Compensation Plans

11. Review and make recommendations to the Board with respect to the Company's incentive-compensation plans and equity-based compensation plans, and review the activities of any individuals with delegated authority to approve awards under or administer those plans.
12. Review and make recommendations to the Board, or approve, all awards of shares, share options, and other equity awards pursuant to the Company's equity-based compensation plans, subject to any limitations on the Committee's authority under such plans.
13. Oversee compliance with the rules and guidelines of the Company's equity-based compensation plans.

Authority to Retain Advisors

14. Have authority to select, retain, or obtain the advice of, and/or replace, as needed, any compensation consultant, legal counsel, and other experts and advisors as the Committee may deem appropriate in its sole discretion without any further Board approval. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of its compensation consultants, outside legal counsel, and other experts and advisors and shall have the sole authority to approve their fees and other terms of retention. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation and expenses to any such legal counsel, experts and other advisors retained by the Committee. The Committee shall evaluate the qualifications, performance and independence of any such legal counsel, experts and other advisors. To the extent required by applicable law, rules or regulations, including the Exchange Rules, before selecting or receiving advice from any compensation consultant, outside legal counsel, or other advisor, the Committee shall take into consideration the following independence factors:
 - (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 or other advisor or the person employing the adviser with an Executive Officer.

Other Responsibilities

15. If the Company is required by applicable rules of the Securities and Exchange Commission (“SEC”) to include a Compensation Discussion and Analysis (“CD&A”) in any filing with the SEC, review the CD&A prepared by management, discuss the CD&A with management and, based on such review and discussions, recommend to the Board that the CD&A be included in the Company’s Annual Report on Form 10-K, proxy statement, or any other applicable filing as required by the SEC.
16. To the extent the Company is required by applicable rules of the SEC to include such “pay versus performance” disclosure in any filing with the SEC, review and approve, or recommend to the Board for approval, the peer group on which “peer group total shareholder return” will be determined for purposes of the Pay Versus Performance Table, the “Company-Selected Measure(s)” to be presented in the Pay Versus Performance Table, and the performance measures to be included in the Company’s “Tabular List” disclosure (each term as defined in Item 407(v) of Regulation S-K, or any successor rule).
17. Consider and make a recommendation to the Board regarding the frequency of holding a “say on pay” vote at annual meetings of the Company’s stockholders, if such a frequency proposal will be contained in the Company’s proxy statement.
18. Oversee assessment of risks associated with the Company’s compensation policies and practices for all employees to determine whether such policies and practices create risks that are reasonably likely to have a material adverse effect on the Company.
19. Report regularly to the Board with respect to matters that are relevant to the Committee’s discharge of its responsibilities and with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chairperson or any other member of the Committee designated by the Committee to make such report.
20. Maintain minutes or other records of meetings and activities of the Committee.
21. Review and reassess the adequacy of this Charter at least annually and recommend to the Board any changes that the Committee may deem appropriate.

Indemnification

The Company shall, to the maximum extent and in the manner permitted by Section 145 of the Delaware General Corporation Law, indemnify each member of the Committee against expenses judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact that such person is or was a member of the Committee and/or the Board.