

**ZIX CORPORATION
BOARD OF DIRECTORS
COMPENSATION COMMITTEE**

Charter

This Charter will govern the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Zix Corporation (the “Company”^{*}), except as may be otherwise required by the charter or bylaws of the Company or by applicable law.

This Charter is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company’s charter and bylaws as amended from time to time, it is not intended to establish by its own force any legal duties or legally binding obligations.

Purposes and Responsibilities

The Committee’s principal purposes and responsibilities are to:

- establish and review the Company’s overall management compensation philosophy and policies;
- directly review and approve corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer (“CEO”) and other executive officers, including annual and long-term performance goals and objectives;
- evaluate the performance of the Company’s CEO and other executive officers in light of those goals and objectives; determine and approve the compensation of the CEO and other executive officers based on that evaluation, including incentive-based cash compensation and equity-based compensation;
- review and authorize any employment, compensation, benefit or severance agreement with any executive officer (and any amendments or modifications thereto);
- administer and oversee any equity-based or other compensation plan or program as to which the Board has delegated such responsibility to the Committee;
- review and make recommendations to the Board with respect to the Company’s overall director compensation philosophy and policies;
- produce a compensation committee report on executive officer compensation for inclusion in the Company’s proxy statement, in accordance with applicable rules and regulations;
- review and discuss with management stockholder advisory votes on executive compensation (“say-on-pay”) and stockholder advisory votes on the frequency of say-on-pay votes as required by Securities and Exchange Commission (“SEC”)

^{*} * For purposes of this document, references to the “Company” will, where appropriate, mean Zix Corporation and its subsidiaries.

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regulations to determine the form of the stockholder advisory proposal to be included in the proxy statement for election of Directors and the Company's recommendation as to the frequency of the of the say-on-pay vote;

- review and discuss with management the Company's Compensation Discussion and Analysis disclosure required by SEC regulations (including addressing whether and how the Company has taken action with respect to the results of prior say-on-pay votes) and determine whether to recommend to the Board that it be included in the Company's Annual Report on Form 10-K and/or any proxy statement for the election of Directors (or information statement in lieu thereof);
- review at least annually the Company's compensation policies and practices for executive officers, senior management and employees generally as they relate to the Company's risk management practices, including any incentives established for risk-taking and the manner in which risks arising out of the Company's compensation policies and practices are monitored and mitigated and any adjustments to compensation policies and practices that should be made to address changes in the company's risk profile;
- determine if the Committee is required to make disclosures required by SEC regulations regarding any conflict of interest of any compensation consultant, such disclosure to include whether: (i) the Committee retained or obtained the services of a compensation consultant; and (ii) the nature of the conflict of interest and how the conflict is being addressed;
- deliver such other reports or communications relating to compensation as may be required by applicable law, or which the Committee otherwise determines in its business judgment to be necessary or advisable;
- perform such other purposes and responsibilities as may be delegated or assigned to the Committee by the Board; and
- report to the Board as needed.

Delegation of Authority

To the extent permitted by applicable law, the Company's charter and bylaws, the Committee has and may exercise the powers and authority of the Board with respect to the purposes and responsibilities described in this Charter. In discharging its responsibilities, the Committee is empowered to retain, at the Company's expense, such experts (including counsel and outside consultants, "Advisors"), as the Committee deems appropriate. The Committee has the authority to determine, authorize and approve on behalf of the Company, the compensation of any Advisors hired by the Committee pursuant to this Charter. The Committee has the authority to create one or more subcommittees of two or more of its members. The Committee may delegate any of its responsibilities to a subcommittee of this Committee so long as such delegation is not otherwise inconsistent with law and applicable rules and regulations of the SEC and NASDAQ Stock Market.

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Access to Management and Advisors

The Committee will maintain free and open communication with (i) the Company's CEO, the Company officer having responsibility for managing the human resource function and other members of management, and (ii) such Advisors as the Committee deems appropriate.

Funding

The Company will, as requested by the Committee, provide funding for any Advisors hired by the Committee, and for administrative and other expenses of the Committee that are necessary or appropriate in carrying out its functions and duties.

Key Tasks and Processes

The Committee has the authority to perform the tasks and processes delegated or assigned to it pursuant to this Charter and by the Board from time to time.

Administration Guidelines

The Committee will be administered in accordance with the administration guidelines established for it by the Board from time to time, including Committee member qualifications, Committee member appointment and removal, and Committee structure and operations.