

IMPERIAL HOLDINGS, INC.

COMPENSATION COMMITTEE CHARTER

This charter ("Charter") is adopted as the Charter of the Compensation Committee ("Committee") of Imperial Holdings Inc. ("Company") by this Committee of the Board of Directors on February 9, 2011. The Committee shall meet as needed, and may meet in any manner permitted by law and the Bylaws of the Company, including telephonically. A majority of the Committee members shall constitute a quorum, and a majority of the members present shall decide any question brought before the Committee. The Committee shall report to the full Board any actions taken at its meetings at the Board meeting next following each Committee meeting.

Membership:

The Committee shall consist of at least three (3) Independent Directors consistent with the Company's Corporate Governance Guidelines and the current listing requirements of the New York Stock Exchange. All such Independent Directors shall also be outside directors within the meaning of section 162 (m) of the Internal Revenue Code.

The Board will appoint the Committee members and a Chairman based on the recommendation of the Corporate Governance and Nominating Committee. The Board may remove Committee members at any time with or without cause and may fill any vacancies on the Committee.

The Committee shall:

1. Review and recommend to the Board the overall compensation policies for the Company.
2. Review and approve corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and determine and approve the Chief Executive Officer's compensation level based on this evaluation.
3. Review the performance of the Company's Executive Officers and make recommendations to the Board with respect to such Executive Officers' compensation.
4. Make recommendations to the Board with respect to incentive-compensation plans and equity-based plans that are subject to Board approval.
5. Serve as the Committee required under Section 162(m) of the Internal Revenue Code, and make all grants of stock options and restricted stock awards under the Company's equity incentive plans under Section 16(b).
6. Administer the Company's equity compensation plans, and grant awards under such plans, with the authority to delegate all or part of such responsibilities to one or more subcommittees, including management members, to the maximum extent permitted by applicable laws.
7. Oversee the administration of the Company's employee benefit plans.
8. Prepare or cause to be prepared the Compensation Discussion and Analysis and the Compensation Committee Report on Executive Compensation to be included in the

Company's Annual Proxy Statement.

9. At least once per year, evaluate the Company's performance in the area of diversity in the Company's workforce.
10. Have authority, at the Committee's sole discretion, to engage any compensation consultant to study and make recommendations regarding director or executive-level compensation matters, including authority to approve the compensation of the consultants and other terms of their engagement.
11. Have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
12. Conduct an annual self-evaluation of the Committee and each of its members individually; its performance of its duties under this Charter; and the effectiveness of the overall compensation philosophy of the Company.
13. Oversee regulatory compliance with respect to compensation matters.
14. Review and approve employment or severance arrangements with senior management.
15. Report to the Board following each Compensation Committee meeting as to actions taken and recommendations made to the full Board.