

**CHARTER FOR THE  
COMPENSATION COMMITTEE  
OF  
CYTRX CORPORATION**

(As adopted by the Board of Directors on July 18, 2014)

**1. PURPOSE.**

The purpose of the Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**” and, each member of the Board, a “**Director**”) of CytRx Corporation (the “**Company**”) is to assist the Board in discharging its duties relating to compensation of the Company’s executive officers and non-employee Directors.

**2. STATEMENT OF POLICY.**

The Committee’s primary duties and responsibilities are to:

- Establish and review the Company’s overall management compensation philosophy and policies.
- Provide compensation to the Company’s executive officers in such a manner as to attract and retain the best available personnel for positions of substantial responsibility with the Company.
- Recommend to the Board and administer the Company’s executive officer compensation plans, policies and programs.
- Regularly review and advise the Board with respect to executive compensation philosophy and policies applicable to the Company.
- Prepare an annual report on executive compensation for inclusion in the Company’s proxy statement.

The Committee will fulfill these responsibilities by carrying out the activities enumerated in Section 5 of this Charter. The Committee may augment the activities defined by Section 5 at its discretion in order to comply with the requirements of the Sarbanes-Oxley Act, the requirements of Nasdaq and the Securities and Exchange Commission (the “**SEC**”) and any other applicable laws and regulations.

**3. COMPOSITION.**

The Committee shall consist of at least three (3) but not more than five (5) directors, each of whom will be a “non-employee director” as defined in Rule 16b-3 promulgated under Section 16 of the Securities Exchange Act of 1934, as amended, an “outside director” as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended, and an “independent

director” within the meaning of the applicable Nasdaq rules and any rule or regulation prescribed by the SEC now or in the future.

The members of the Committee, including its Chair, will be appointed annually by the Board, following receipt of the recommendation of the Nomination and Governance Committee. Committee members will serve at the discretion of the Board.

#### **4. MEETINGS.**

The Committee shall meet four (4) times annually, or more frequently, as circumstances dictate. A meeting may be called by the Chair or at the direction of the Chair at the request of any member of the Committee. The Committee may meet in person or by phone and shall have the authority to act by written consent. A majority of the total authorized number of members of the Committee will constitute a quorum at all Committee meetings, and the affirmative vote or written consent of a majority of the authorized number of members shall be necessary and sufficient to take any Committee action.

All non-employee Directors may attend and observe meetings of the Committee. In such case, however, any Director who is not a member of the Committee shall neither participate in any discussion or deliberation at such meeting unless the Committee so requests and, in no event, shall any Director who is not a member of the Committee be entitled to vote on any Committee matters.

The Committee may request any officer or employee of the Company or the Company’s outside counsel to attend a meeting of the Committee or meet with any members of, or consultants to, the Committee.

#### **5. COMMITTEE RESPONSIBILITIES AND AUTHORITY.**

Pursuant to the Committee’s purpose, the Committee shall:

- Review and approve corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer (“CEO”) and all other officers within the meaning of SEC Rule 16-1(f) (“Officers”), including annual and long-term performance goals and objectives. Evaluate the performance of the Company’s CEO and other Officers in light of those goals and objectives; determine and approve the compensation of the CEO and other Officers based on that evaluation, including incentive-based compensation and equity-based compensation. Produce a compensation committee report on executive officer compensation for inclusion in the Company’s proxy Statement, in accordance with applicable rules and regulations. The CEO may not be present during voting or deliberations on his or her compensation.
- 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 the SEC regulations to determine the form of the stockholder advisory proposal to be included in the proxy statement for the

election of Directors and the Company's recommendation as to the frequency 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 the 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 10K and/or any proxy statement for the election of Directors.
- Approve all special perquisites, special cash payments and other special compensation and benefit arrangements for Officers.
- Review and make recommendations to the Board with respect to the Company's overall director compensation philosophy and policies. In connection with such recommendations, the Committee shall present to the Board the criteria used to determine such compensation recommendations.
- With sole and exclusive authority (except as explicitly delegated to the Company's Chief Executive Officer), make and approve stock option grants and other discretionary awards under the Company's stock option or other equity incentive plans to all persons who are Board members or Officers. Any option grant made pursuant to a delegation to the Company's Chief Executive Officer shall be promptly reported to the Committee, and any such delegation may be revoked at any time by the Committee.
- Amend the provisions of the Company's stock option or other equity incentive plans, to the extent authorized by the Board, and make recommendations to the Board with respect to incentive compensation and equity-based plans.
- Approve for submission to the Company's shareholders stock option or other equity incentive plans or amendments thereto.
- Oversee and periodically review the operation of all of the Company's employee benefit plans. Responsibility for day-to-day administration, including the preparation and filing of all government reports and the preparation and delivery of all required employee materials and communications, will be performed by Company personnel.
- Review matters related to management performance, compensation and succession planning and executive development for executive staff.
- Approve any and all separation packages and severance benefits for Officers.
- Have full access to the Company's executives, personnel and advisors as necessary to carry out its responsibilities.

- Obtain such data or other resources as it deems necessary to perform its duties, including, but not limited to, obtaining external consultant reports or published salary surveys.
- Have responsibility for the review and approval of all reports and summaries of compensation policies and decisions as may be appropriate for operational purposes or as may be required under applicable law.
- Review this Charter at least annually, as conditions dictate, and recommend any changes to the Board.
- On an annual basis, evaluate the performance of the Committee in light of its purpose.
- Report to the Board on the major items covered at each Committee meeting.
- Perform any other activities consistent with this Charter, the Company's Restated Bylaws, as amended, and governing law as the Committee or the Board deems necessary or appropriate.

Notwithstanding the foregoing, any action of the Committee, other than the grant of stock options or other discretionary awards under the Company's stock option or other equity incentive plans, may be subject to Board review and may be revised, modified or rescinded by the Board.

## **6. OUTSIDE ADVISORS.**

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisor to the compensation committee, and the authority granted in this Charter shall not affect the ability or the obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

In retaining or seeking advice from compensation consultants, outside counsel and other advisors (other than in-house legal counsel), the Committee must take into consideration the following six factors:

1. The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other advisor;
2. 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;
3. The policies and procedures of the person that employs the compensation consultant, legal counsel or other advisor that are designed to prevent conflict of interest;
4. Any business or personal relationship of the compensation consultant, legal counsel or other advisor with a member of the compensation committee;
5. Any stock of the Company owned by the compensation consultant, legal counsel or other advisor; and
6. Any business or personal relationship of the compensation consultant, legal counsel, other advisor or the person employing the advisor with an executive officer of the Company.

The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees, or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

## **7. MINUTES.**

The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

## **8. COMPENSATION.**

Members of the Committee will be eligible to receive fees or other compensation for their service as Committee members as determined by the Board. Changes in such compensation will be determined by the Board in its sole discretion.

## **9. DELEGATION OF DUTIES.**

Subject to the Company's Restated Certificate of Incorporation, as amended, and Restated Bylaws, as amended, and applicable laws and rules of markets in which the Company's

securities then trade, in fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.