



Compensation Committee Charter of the Board of Directors of Proginet Corporation

Dated: June 1, 2004

I. Organization

There shall be a Compensation Committee of the Board of Directors of Proginet Corporation (the "Company"). The Committee shall consist of two or more directors designated by the Board of Directors, each of whom shall be "independent" under applicable law and stock exchange regulations, and shall be a non-employee director, as defined in Rule 16b-3 under the Securities Exchange Act of 1934, or any successor regulation. Members of the Committee shall be selected by the Board as soon as possible, following the Company's Annual Meeting of Stockholders. Members of the Committee shall serve for terms of one year, or until their successors are duly elected and qualified. The Board shall elect the Chairman of the Committee.

II. Purpose

The purpose of the Committee is to:

1. discharge the responsibilities of the Board relating to compensation of the Company's executive officers,
2. evaluate the performance of the Chief Executive Officer
3. determine the compensation of the Company's executive officers and oversee the compensation of other members of management and
4. produce the annual report on executive compensation for inclusion in the Company's proxy statement pursuant to the rules of the Securities and Exchange Commission.

The compensation programs for the Company's executive officers shall be designed to attract, motivate and retain talented executives responsible for the success of the Company and shall be determined within a competitive framework and based on the achievement of the Company's overall financial results, individual contributions and other measures as determined appropriate.

III. Duties and Responsibilities

The duties and responsibilities of the Committee shall include the following, in addition to such other duties and responsibilities as may be delegated to the Committee from time to time by the Board.

1. Determine the Company's philosophy relating to the compensation of executive officers.
2. Annually evaluate the Chief Executive Officer's performance against goals and objectives established by the Board of Directors, and set the Chief Executive Officer's compensation level based on this evaluation.
3. Review and make recommendations to the Board with respect to the adoption, amendment and termination of the Company's management incentive compensation and equity compensation plans,

oversee their administration and discharge any duties imposed on the Committee by any of those plans.

4. Assess the competitiveness and appropriateness of, determine, and authorize the salaries, variable compensation, long-term incentive plan awards, terms of employment, retirement or severance benefits, and perquisites of the executive officers of the Company.
5. Authorize the granting of variable compensation and equity awards to employees and delegate to the Chief Executive Officer, to the extent the Committee deems appropriate, the authority to allocate such awards among employees other than executive officers, subject to the limitations set forth in the applicable plans pursuant to which such compensation or awards are to be granted.
6. Prepare the Committee's annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations, and review and approve, prior to publication, the compensation sections of the proxy statement.
7. Exercise the sole authority to retain and terminate any compensation consultant used to provide advice with respect to the compensation of executive officers, and approve the fees of such consultant. The Committee may also retain, at the Company's expense, such independent counsel or other advisers that it deems necessary.
8. Periodically conduct a review of the Committee's performance and this Charter and recommend any proposed changes to the Board.

IV. Meetings

1. The Committee shall meet during the first quarter of each year to evaluate the Chief Executive Officer's performance during the preceding year and approve Chief Executive Officer, other executive officer and management compensation, and shall meet at such other times as shall be determined by the Chairman of the Committee.
2. Following each of its meetings, the Compensation Committee shall deliver a report on the meeting to the Board including a description of all actions taken by the Compensation Committee at the meeting and submit to the full board all matters requiring such board approval.
3. The Compensation Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors