

HEARTLAND PAYMENT SYSTEMS, INC. COMPENSATION COMMITTEE CHARTER

Purpose of Committee

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Heartland Payment Systems, Inc. (the “Company”) is to discharge the responsibilities of the Board relating to executive compensation.

Committee Membership

The Committee will consist of at least three members appointed from time to time by the Board. The Committee will consist solely of non-employee directors who have been determined, in the business judgment of the Board, to meet the independence requirements of the New York Stock Exchange, Inc. (the “NYSE”) and applicable law. The members of the Committee shall be appointed by the Board for such term or terms as the Board may determine in its discretion and serve at the pleasure of the Board. The Board shall appoint the Chairperson of the Committee.

Committee Duties and Responsibilities

The Committee shall:

1. Review trends in management compensation, oversee the development of new compensation plans and, when necessary, approve the revision of existing plans.
2. Review and approve on an annual basis the corporate goals and objectives relevant to the compensation for the Company’s chief executive officer. The Committee shall evaluate at least once a year the chief executive officer’s performance in light of these established goals and objectives and based upon these evaluations shall set the chief executive officer’s annual compensation, including salary, bonus, incentive and equity compensation.
3. Review and approve on an annual basis the evaluation process and compensation structure for the Company’s officers. The Committee shall evaluate the performance of the Company’s senior executive officers and shall approve the annual compensation, including salary, bonus, incentive and equity compensation, for such senior executive officers. The Committee shall also provide oversight of management’s decisions concerning the performance and compensation of other Company officers.
4. Assist the board in evaluating potential candidates for executive positions, including chief executive officer, and to oversee the development of executive succession plans.
5. Review the Company’s incentive compensation and other equity-based plans and recommend changes in such plans to the Board as needed. The Committee will have and will exercise all the authority of the Board with respect to the administration of such plans.
6. Evaluate compliance with the Company’s compensation plans and policies.

7. Conduct an annual evaluation of the Committee's performance in carrying out these duties and responsibilities, and prepare and issue the evaluation report required under "Performance Evaluation" below.

8. Prepare an annual Report of the Compensation Committee on Executive Compensation for inclusion in the Company's annual proxy statement in accordance with applicable SEC rules and regulations and relevant listing authority.

9. To perform any other duties or responsibilities consistent with this Charter, the Company's articles or incorporation and bylaws, each as from time to time amended and restated, and governing law as the Committee or the Board deems necessary or appropriate.

Meetings and Reporting

The Committee shall meet in person or telephonically no less frequently than twice per year, or more frequently as circumstances dictate. The proceedings of all Committee meetings shall be reflected in written minutes, which shall be maintained with the records of proceedings of the Board. The Committee shall report to the Board at appropriate intervals (but no less than once per year) on the activities of the Committee and its findings.

The Committee is governed by the same rules regarding meetings (including meetings by teleconference or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee may invite such members of management to its meetings, as it deems appropriate, consistent with the maintenance of the confidentiality of compensation discussions. No member of the Company's senior management shall attend any meeting where that person's performance or compensation is discussed, unless specifically invited by the Committee. The Committee may request the Company's outside counsel, independent auditor or other consultants to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee.

The Chief Executive Officer (the "CEO") of the Company shall not be present during any voting or deliberations of the Committee regarding the CEO's compensation.

Performance Evaluation

The Committee shall prepare and review with the Board an annual performance evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this Charter. The performance evaluation shall recommend to the Board any improvements to the Committee's charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Committee or any member thereof designated by the Committee to make such report.

Resources and Authority

The Committee will have the resources and authority necessary to discharge its duties and responsibilities, including the authority to retain outside counsel or other experts or consultants, as it deems appropriate.

Committee members shall receive no compensation other than for Board or Committee services.

Delegation to Subcommittee

The Committee may, in its discretion, delegate its authority in accordance with the Delaware General Corporation Law to subcommittees established by the Committee from time to time, which subcommittees will consist of one or more members of the Committee and will report to the Committee.

Adoption of Charter

This Charter was originally adopted by the Board of Directors on May 10, 2004.