

Gilman Ciocia, Inc.

COMPENSATION COMMITTEE CHARTER

Purpose

There shall be a committee of the board of directors (the "Board") of Gilman Ciocia, Inc. (the "Company") to be known as the Compensation Committee (the "Compensation Committee"). The Compensation Committee's purpose is to:

1. Discharge the Board's responsibilities relating to the compensation and evaluation of the Company's senior executives (the "Senior Executives"), including the: President and Chief Executive Officer, Executive Vice President of Operations, Chief Accounting Officer, Chief Financial Officer, General Counsel, Chief Compliance Officer of the Company's broker dealer, the Vice President of Operations of the Company's broker dealer and the Director of Tax Operations.
2. To produce the report that the rules and regulations of the Securities and Exchange Commission (the "SEC") may require to be included in or incorporated by reference into the Company's annual report and proxy statement.

Composition

The Compensation Committee shall have at least three members, each of whom must be independent as defined under Rule 4200(a)(15) of The Nasdaq Stock Market and who would qualify as a "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934 ("Exchange Act"). To the extent practicable, the members of the Compensation Committee shall also be "outside directors" under the regulations relating to Section 162(m) of the internal Revenue Code.

The members of the Compensation Committee shall be appointed by the Board after its review of the recommendations by the Company's Corporate Governance and Nominating Committee. The members of the Compensation Committee will serve at the discretion of the Board. The Board shall designate one member of the Compensation Committee as its chairperson.

Duties and Responsibilities

The following are the duties and responsibilities of the Compensation Committee:

1. Review all compensation programs applicable to Senior Executives of the Company, including all forms of salary paid to Senior Executives of the Company and the grant of all forms of bonus and stock compensation provided to the Senior Executives of the Company, and make recommendations to the Board for its approval of such compensation programs.

2. In consultation with senior management, establish, review, and evaluate the long-term strategy of employee compensation and the types of stock and other compensation plans used by the Company, and make recommendations to the Board for its approval of such compensation plans.
3. Review and consider any new compensation plan or any material change to an existing compensation plan whether or not subject to stockholder approval and make recommendations to the Board regarding the adoption of any new compensation plan or material changes in any existing compensation plan (including, but not limited to any changes in the number of shares reserved for issuance thereunder); oversee the Company's compensation plans, and act as administrator of the Company's compensation plans, including granting awards to each Senior Executive and director; and approving awards for other eligible individuals and determining the terms and conditions of such awards.
4. Review corporate goals and objectives relevant to the compensation of the Company's Chief Executive Officer (the "CEO"), and propose the CEO's compensation level. In proposing the long-term incentive component of the CEO's compensation, the Compensation Committee may consider, among other factors, the Company's performance and relative stockholder return, the value of similar incentive awards to CEO's at comparable companies, the awards given to the CEO in past years, and any other factors the Compensation Committee deems appropriate. In connection with this evaluation, the Compensation Committee may request and receive input from other non-employee Board members or members of management either formally or informally. The Compensation Committee shall make recommendations to the Board for its approval of the compensation of the CEO.
5. In consultation with management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code, determining compliance with Section 409A of the Internal Revenue Code, and make recommendations to the Board for its approval of such compensation matters and programs and performance goals.
6. Review employment contracts, severance or similar termination payments proposed to be made to any current or former Senior Executive of the Company, change in control provisions, and other compensatory arrangements and make recommendations to the Board for its approval of such contracts and payments.
7. Review and discuss with management the Company's disclosures under "Compensation Discussion and Analysis" (the "CD&A") required by SEC regulations, and based on such review and discussion, make a recommendation to the Board as to whether the CD&A should be included in the Company's annual report on Form 10-K and, as applicable, the Company's proxy statement.

8. Any other compensation matters as from time to time may be directed by the Board.
9. Prepare and issue the evaluation required under "Compensation Committee Performance Evaluation" below.

Compensation Committee Performance Evaluation

The Compensation Committee shall produce and provide to the Board on an annual basis a performance evaluation of the Compensation Committee's performance of its duties under this charter. The evaluation shall also include any recommendations to improve the charter of the Compensation Committee. The performance evaluation shall be conducted in such a manner as the Compensation Committee deems appropriate.

Meetings

The Compensation Committee shall meet as necessary or at such times as determined by the Compensation Committee chairperson. Meetings may be conducted in whole or in part by telephone conference call or similar means. The Compensation Committee may act by unanimous written consent in its discretion. The Compensation Committee shall meet separately and periodically with management and the Company's independent auditors. The Company shall make available to the Compensation Committee at its meetings and otherwise, such individuals and entities as may be requested from time to time by the Compensation Committee, such as the President and Chief Executive Officer, Chairman of the Board, Chief Financial Officer and other members of management, the Company's independent auditors, inside and outside counsel.

Delegation

Any duties and responsibilities of the Compensation Committee may be delegated by the Compensation Committee to one or more members of the Compensation Committee or a subcommittee of the Compensation Committee, provided that no such delegation shall be made if it results in an equity award to a person subject to Section 16 of the Exchange Act no longer being eligible for the exemption under Rule 16b-3 of the Exchange Act or any successor rule

Resources and Authority

The Compensation Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management. The Compensation Committee may, at its discretion, also review the choice of any consultants or other experts recommended by management for the purpose of reviewing executive Company compensation. Authority to select, retain, terminate, and approve the fees and other retention terms of any compensation consultants retained to assist in the evaluation of the directors, President and Chief Executive Officer, or Senior Executive compensation shall be vested solely in the Compensation Committee.

Minutes and Reports

Minutes of each meeting will be kept and distributed to each member of the Compensation Committee and to the General Counsel of the Company. The chairperson of the Compensation Committee (or any acting chairperson in the absence of the chairperson) will report to the Board at each meeting.

Dated: December 14, 2007