

BRAND ENGAGEMENT NETWORK INC.

COMPENSATION POLICY

The Board of Directors (the “**Board**”) of Brand Engagement Network Inc. (the “**Company**”) has approved and adopted the following compensation policy (the “**Policy**”) with respect to the employees of the Company. This Policy shall be effective as of March [], 2024, the date of the consummation of the transactions contemplated by that certain Business Combination Agreement dated September 7, 2023, by and among the Company, DHC Acquisition Corp, and the other parties thereto (such date the “**Effective Date**”).

1. Purpose.

The purposes of this Policy are as follows: (i) promote the Company’s goals and work plan for the long-term benefit of the Company’s stakeholders; (ii) compensating and providing long-term incentives to Employees (as defined below); and (iii) establishing an acceptable limit on the overall annual compensation payable to Employees while continuing to create incentives for Employees by compensating the Employees within the terms and provisions of this Policy.

2. Definitions. The following terms used in this Policy shall have the following meanings:

“**Base Salary**” means an Employee’s annual base salary, annualized hourly wage rate, overtime, commissions, and pay during vacations or other authorized leaves of absence paid by any member of the Company during a Fiscal Year, including amounts not currently includible in gross income by reason of the Employee’s election to defer such amounts under a cafeteria plan, flexible spending account, 401(k) plan or other deferred compensation plan of the Company or any other member of the Company, but excluding any Bonus, Equity-Based Award and Benefits.

“**Benefits**” means medical, dental, life and disability insurance benefits provided to an Employee, and to an Employee’s spouse and dependents, in which the Employee was entitled to participate, whether or not the Employee or the Employee’s spouse or dependents participated.

“**Bonus**” means any cash performance-based bonus, year-end cash bonus or other cash bonus paid by the Company to any Employee during a Fiscal Year, including amounts not currently includible in gross income by reason of the Employee’s election to defer such amounts under a cafeteria plan, flexible spending account, 401(k) plan or other deferred compensation plan of the Company.

“**Budgeted Annual Compensation**” means, for each Fiscal Year, the total Compensation that would be paid or granted by the Company to all individuals for service as an Employee with respect to any Fiscal Year in the absence of the Annual Compensation Cap established by this Policy.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Compensation**” means with respect to each Employee for any Fiscal Year, the aggregate amount or value of the Base Salary, Bonus, Equity-Based Compensation paid or granted to such Employee for such Fiscal Year.

“**Compensation Committee**” means the Compensation Committee of the Board, or such other committee of the Board as the Board may from time to time designate.

“**Date of Grant**” means the effective date on which an Equity-Based Award is made to an Employee as set forth in the applicable award agreement.

“**Employee**” means a common law employee (as defined in accordance with the regulations and revenue rulings then applicable under Section 3401(c) of the Code) of the Company; provided, however, in the case of individuals whose employment status, by virtue of their employer or residence, is not determined under Section 3401(c) of the Code, “Employee” shall mean an individual treated as an employee for local payroll tax or employment purposes by the applicable employer under applicable law for the relevant period. For the avoidance of doubt, “Employee” shall not include (i) non-employee directors on the Board, and (ii) any consultants or independent contractors of the Company.

“**Equity-Based Award**” means any stock options, restricted stock or equity awards, stock or equity appreciation rights, restricted stock or equity units, dividend equivalent rights, or other forms of equity awards made by the Company to any Employee under any equity-based compensation plan during a Fiscal Year.

“**Equity-Based Compensation**” means, with respect to each Fiscal Year for each outstanding Equity-Based Award held by an Employee, an amount equal to the Grant Date Fair Value of such Equity-Based Award multiplied by the percentage of such Equity-Based Award that vests during such Fiscal Year.

“**Fiscal Year**” means the fiscal year of the Company.

“**GAAP**” means accounting principles generally accepted in the United States from time to time, applied on a basis substantially consistent with the audited financial statements of the Company.

“**Grant Date Fair Value**” means, such respect to an Equity-Based Award, the grant date fair value as determined in accordance with the Financial Accounting Standards Board Accounting Standards Codification 718 (“ASC 718”), or any successor thereto, as of such Equity-Based Award’s Date of Grant.

“**Gross Revenues**” means, with respect to any Fiscal Year, the gross revenues of the Company and its calculated on a consolidated basis for such Fiscal Year in accordance with GAAP.

“**Person**” means any individual, estate, corporation, partnership, limited partnership, limited liability company, limited company, joint venture, trust, unincorporated or governmental organization or any agency or political subdivision thereof.

“**Related Entity**” means any Person that is directly or indirectly controlled by an Employee or in which such Employee and the Employee’s family members are among classes of economic beneficiaries, whether or not such Employee or such Employee’s family members are entitled to economic distributions from such Person.

“**Subsidiary**” means, with respect to the Company, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors or other governing body of such corporation is owned, directly or indirectly, at the date of determination, by the Company, by one or more Subsidiaries of the Company or a combination thereof, (b) a partnership (whether general or limited) in which the Company or a Subsidiary of the Company, at the date of determination, (i) owns more than 50% of the partnership interests of such partnership (considering all of the partnership interests of the partnership as a single class), directly or indirectly, or (ii) otherwise controls such partnership, directly or indirectly, (c) any other Person (other than a corporation or a partnership) in which the Company, one or more Subsidiaries of the Company, or a combination thereof, directly or indirectly, at the date of determination, (i) has at least a majority ownership interest, (ii) has the power to elect or direct the election of a majority of the directors or other governing body of the Company, or (iii) otherwise controls the Company or (d) any other Person the financial information of which is consolidated by the Company for financial reporting purposes under GAAP.

“**Unpaid Compensation**” means, for each Fiscal Year, the amount by which the Budgeted Annual Compensation exceeds the Annual Compensation Cap for such Fiscal Year.

3. [RESERVED]

4. Term.

This Policy will have an initial term commencing on March [], 2024 and continue through [], 2025 (the “**Initial Term**”). Upon the expiration of the Initial Term, this Policy shall automatically renew and extend for successive twelve (12) month periods (each a “**Renewal Term**”) unless the Board, in accordance with the provision of Section 5, determines not to renew the Initial Term or any Renewal Term.

5. Amendment and Waiver.

Only with the approval of a majority of the members of the Board (a) may the terms and provisions of this Policy be amended (including, for the avoidance of doubt, any increase to the Annual Compensation Cap), (b) may any provisions of this Policy be waived, and (c) may the Board elect not to renew and extend the Initial Term or any Renewal Term.