

HITEK GLOBAL INC.
COMPENSATION COMMITTEE CHARTER

A. Purpose

The primary purposes of the Compensation Committee (the “**Committee**”) are to (i) assist the Board of Directors (the “**Board**”) in discharging its responsibilities with respect to compensation and benefits of the Company’s executive officers, and directors, (ii) produce an annual report on executive compensation for inclusion in the Company’s proxy statement in accordance with the applicable rules and regulations, if required thereby, and (iii) administer the Company’s stock option plans.

B. Composition

The Committee shall be comprised of at least three directors each of whom (i) is “independent” under the rules of the NASDAQ Stock Market, Inc. (the “**NASDAQ**”), except as provided by NASDAQ Rule 4350(d), and the Sarbanes-Oxley Act of 2002, and the rules promulgated thereunder, (ii) does not accept any consulting fee, advisory or other compensatory fee from the Company other than in his or her capacity as a Member of the Board, and (iii) is not an “affiliate” of the Company or any subsidiary of the Company, as such term is defined in Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the “**Act**”). Members of the Committee shall be appointed by the Board upon the recommendation of a majority of the independent directors and may be removed by the Board in its discretion.

C. Meetings

The Committee shall meet in person, telephonically or otherwise at least twice during each fiscal year. The Committee may also hold special meetings or act by unanimous written consent, as may be required.

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 to meet with any members of, or consultants to, the Committee; provided, however, that the chief executive officer may not be present during any discussions or deliberations of the Committee regarding the chief executive officer’s compensation.

The chairperson of the Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson will ensure that the agenda for each meeting is circulated in advance of the meeting. The Committee shall keep minutes of each of its meetings and conference calls and report its actions and any recommendations to the Board after each of the Committee’s meeting.

The Committee meetings will be governed by the quorum and other procedures generally applicable to meetings of the Board under the Company's bylaws, unless otherwise stated in the bylaws or by resolution of the Board or the Committee. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate.

D. Committee Authority and Responsibilities

The Committee's authority and responsibilities shall be as provided in this Section D. Notwithstanding the foregoing, where permitted by and subject to compliance with applicable law, rule or regulation, including, without limitation, the rules and regulations of the United States Securities and Exchange Commission or NASDAQ, an alternate group of directors may also, but not to the exclusion of the Committee, exercise the authority or undertake the responsibilities provided for in this Section D.

1. Executive Officer Compensation. Review and recommend to the Board on an annual basis the corporate goals and objectives with respect to the compensation for the Company's chief executive officer, other executive officers and general employees. The Committee shall evaluate at least once a year the chief executive officer and other executive officers' performance in light of these established goals and objectives and based upon these evaluations shall recommend to the full Board the chief executive officer and other executive officers' annual compensation, including salary, bonus, incentive and equity compensation. In reviewing and recommending the compensation of the chief executive officer and other executive officers, the Committee may consider the compensation awarded to officers of similarly situated companies, the Company's performance, the individuals' performance, compensation given to the Company's officers in past years or any other fact the Committee deems appropriate. The chief executive officer shall not be permitted to participate in any discussions or processes concerning his compensation, but may participate in a non-voting capacity in discussions or processes concerning the compensation of other executive officers.
2. Compensation Policies and Performance Review. Develop and periodically assess the Committee's compensation policies applicable to the Company's executive officers and directors, including the relationship of corporate performance to executive compensation.
3. Competitiveness Evaluation. Periodically review and advise the Board concerning both regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company's compensation programs for the chief executive officer, other executive officers and directors relative to comparable companies in the Company's industry.
4. Compensation Plan Awards. Recommend to the Board stock option grants and other equity-based or incentive awards under the Company's stock and incentive compensation plans, including any performance criteria relating to the plans or awards, and otherwise assist the Board in administering awards under these plans. Such duties may include, but not be limited to, approving issuances of equity pursuant to tax

qualified, non-discriminatory benefit plans and to new employees as an inducement to hiring, where such issuances are not otherwise approved or to be approved by shareholders.

5. Stock and Incentive Plans. Review and administer the Company's stock and incentive compensation plans and recommend changes in such plans to the Board, as needed. The Committee shall establish criteria for the granting of options to executive officers and other employees and review and recommend to the Board the granting of options in accordance with such criteria, to the extent that such matters are not otherwise subject to shareholder approval under applicable law or the rules of NASDAQ.
6. Significant Officer Contracts. Review and recommend to the Board significant employment agreements, arrangements or transactions with executive officers, including any arrangements having any compensatory effect or purpose.
7. Director Compensation. Review and recommend to the Board appropriate director compensation programs for service as directors, committee chairs and committee members.
8. D&O Insurance. Review and establish appropriate coverage for the Company's D&O insurance.
9. Committee Report in Proxy Statement. Prepare and approve a report of the Committee for inclusion in the Company's proxy statement with respect to its annual meeting of stockholders, as and to the extent required by any applicable law or the listing standards of NASDAQ.
10. Annual Performance Review. Evaluate the Committee's performance on an annual basis, including compliance by the Committee with this Charter.
11. Periodic Charter Review. Periodically review the adequacy of this Charter and recommend any proposed changes to the Board for approval.

E. Committee Resources

The Committee has the sole authority to retain consultants and advisors as it may deem appropriate in its discretion. The Committee has the authority to review and make recommendations regarding related fees and other retention terms. The Committee must assess such advisor's independence before retention of such advisors (other than advisors whose role is limited to activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K), taking into consideration the following factors:

1. whether the compensation consulting firm employing the compensation advisor is providing any other services to the Company;

2. how much the compensation consulting firm who employs the compensation advisor has received in fees from the Company, as a percentage of that person's total revenue;
3. what policies and procedures have been adopted by the compensation consulting firm employing the compensation advisor to prevent conflicts of interest;
4. whether the compensation advisor has any business or personal relationship with a member of the Committee;
5. whether the compensation advisor owns any stock of the Company; and
6. whether the compensation advisor or the person employing the advisor has any business or personal relationship with an executive officer of the Company.