



CUI Global, Inc. Charter of the Compensation Committee of the Board of Directors

I. Purpose and Authority

The Compensation Committee (the "Committee") of the Board of Directors of CUI Global, Inc. (the "Company") is appointed by the Board of Directors (the "Board") to discharge the Board's responsibilities with respect to all forms of compensation of the Company's executive officers, to administer the Company's equity incentive plans and to produce an annual report on executive compensation for use in the Company's annual report and proxy statement. This Charter sets forth the authority and responsibility of the Committee for approving and evaluating executive officer compensation arrangements, plans, policies and programs of the Company and for administering the Company's equity incentive plans for employees whether adopted prior to or after the date of adoption of this charter (the "Stock Plans").

II. Membership

1. Independent oversight of executive officer compensation helps assure that appropriate incentives are in place, consistent with the Board's responsibility to act in the best interests of the Company. The Committee shall be comprised of at least two members, each of whom must: (i) be an "Independent Director" as defined under Rule 5605(a)(2); and (ii) not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any subsidiary thereof. Compensatory fees shall not include: (i) fees received as a member of the Committee, the Board or any other Board committee; or (ii) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service). In determining whether a director is eligible to serve on the Committee, the Company's Board shall consider whether the director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company to determine whether such affiliation would impair the director's judgment as a member of the Committee.
2. The Board will select members of the Committee who will be approved by a majority vote of the Board. Committee members will serve during their respective term as a director, subject to earlier removal by a majority vote of the Board. Unless a chair is elected by the full Board, the members of the Committee may designate a chair by majority vote of the Committee membership.
3. Notwithstanding paragraph 1 above, if the Committee is comprised of at least three members, one director who does not meet the requirements of paragraph 1 above and is not currently an executive officer or employee or a family member of an executive officer, may be appointed to the Committee if the Board, under exceptional and limited circumstances, determines that such individual's membership on the committee is required by the best interests of the Company and its shareholders. If the Company relies on this exception, it shall disclose either on or through the Company's website or in the proxy statement for the next annual meeting subsequent to such determination the nature of the relationship and the reasons for the determination. In addition, the Company shall provide any disclosure required by Instruction 1 to Item 407(a) of

Regulation S-K regarding its reliance on this exception. A member appointed under this exception may not serve longer than two years.

III. Duties and Responsibilities

The principal processes of the Committee in carrying out its oversight responsibilities are set forth below. These processes are set forth as a guide with the understanding that the Committee may supplement them as appropriate and may establish policies and procedures from time to time that it deems necessary or advisable in fulfilling its responsibilities.

1. The Committee will have the authority to determine the form and amount of compensation to be paid or awarded to all employees of the Company. The Committee may delegate authority to subcommittees of the Committee or to executive officers of the Company with respect to compensation determinations for persons who are not executive officers of the Company.
2. The compensation committee shall have the following specific responsibilities and authority:
 - (A) The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser.
 - (B) The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee.
 - (C) The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee.
 - (D) The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors:
 - (i) the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
 - (ii) the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
 - (iii) the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
 - (iv) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
 - (v) any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
 - (vi) any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.
 - (E) Nothing in this section shall be construed: (i) to require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser to the Committee; or (ii) to affect the ability or obligation of a Committee to exercise its own judgment in fulfillment of the duties of the Committee.
 - (F) The Committee is required to conduct the independence assessment outlined in this section with respect to any compensation consultant, legal counsel or other adviser that provides advice to the Committee, other than in-house legal counsel. However, nothing in this section requires a

compensation consultant, legal counsel or other compensation adviser to be independent, only that the Committee consider the enumerated independence factors before selecting, or receiving advice from a compensation adviser. The Committee may select, or receive advice from, any compensation adviser they prefer, including ones that are not independent, after considering the six independence factors outlined above.

- (G) For purposes of this section, the Committee is not required to conduct an independence assessment for a compensation adviser that acts in a role limited to the following activities for which no disclosure is required under Item 407(e)(3)(iii) of Regulation S-K: (a) consulting on any broad-based plan that does not discriminate in scope, terms or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; and/or (b) providing information that either is not customized for the Company or that is customized for the Company based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.
3. The Committee will annually review the corporate goals and objectives relevant to executive officers' compensation. In light of these goals and objectives, the Committee will annually review decisions respecting (i) salary paid to the executive officers, (ii) the grant of cash-based bonuses and equity compensation provided to the executive officers, (iii) the entering into or amendment or extension of any employment contract or similar arrangement with the executive officers, (iv) executive officers' severance or change in control arrangement, and (v) any other executive officer compensation matters as from time to time directed by the Board. In determining the long-term incentive component of the executive officer's compensation. The Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to executive officers at companies that the Committee determines comparable based on factors it selects and the incentive awards given to the Company's executive officers in prior years. The compensation of the Chief Executive Officer and all other executive officers of the Company shall be determined by this Committee comprised solely of Independent Directors and recommended to the Board for determination by a vote in which only Independent Directors participate. The Chief Executive Officer may not be present during voting or deliberations relating to the compensation of the Chief Executive Officer.
 4. The Committee will annually review and make recommendations to the Board with respect to adoption and approval of, or amendments to, all cash-based and equity-based incentive compensation plans and arrangements, and the shares and amounts reserved thereunder after taking into consideration the Company's strategy of long-term and equity-based compensation.
 5. The Committee will: (i) approve grants of stock, stock options or stock purchase rights to individuals eligible for such grants (including grants in compliance with Rule 16b-3 promulgated under the Exchange Act to individuals who are subject to Section 16 of the Exchange Act); (ii) interpret the Stock Plans and agreements thereunder; and (iii) determine acceptable forms of consideration for stock acquired pursuant to the Stock Plans. The Committee may delegate to the Company's Chief Executive Officer the authority to grant options to employees of the Company or of any subsidiary of the Company who are not directors or executive officers, provided that no option grant exceeds any limit subsequently established by resolution of the Committee and, provided further, that the price per share is no less than the fair market value of the Company's common stock on the date of grant.

6. The Committee will meet with the CEO within 90 days after the commencement of each calendar year, or such other time as is mutually convenient to the parties, to discuss the incentive compensation programs to be in effect for the Company's executive officers for such fiscal year and the corporate goals and objectives relevant to those programs.
7. The Committee will periodically review the Company's procedures with respect to employee loans, and will not approve any arrangement in which the Company, directly or indirectly, extends or maintains credit, arranges for the extension of credit or renews an extension of credit, in the form of a personal loan to or for any director or executive officer (or equivalent thereof) of the Company. The Committee will assist the Board and management of the Company in complying with this prohibition.
8. The Committee will prepare an annual report on executive compensation to the Company's stockholders for inclusion in the annual report and proxy statement for the Company's annual meeting in accordance with the rules and regulations of the Securities and Exchange Commission.
9. The Committee will make regular reports to the Board and will at least annually review its performance and submit a report on its performance to the Board.
10. The Committee will perform any other activities required by applicable law, rules or regulations, including the rules of the Securities and Exchange Commission and any exchange or market on which the Company's capital stock is traded, and perform other activities that are consistent with this charter, the Company's certificate of incorporation and bylaws, and governing laws, as the Committee or the Board deems necessary or appropriate.

IV. Meetings

The Committee will meet in executive session at least twice a year or more frequently in response to the needs of the Board or as otherwise determined by the chairman of such Committee and shall provide written reports to the Board. In lieu of a meeting, the Committee may also act by unanimous written consent resolution. The Committee will review this Charter annually and recommend to the Board any changes it determines are appropriate.

V. Minutes

The Committee will maintain written minutes of its meetings, and will file such minutes with the minutes of the meetings of the Board.

Adopted and approved by the Board of Directors of CUI Global, Inc. this 31st day of July 2013.

/s/ Colton Melby
Colton Melby,
Board Chairman

Attest:
/s/ William J. Clough
William J. Clough,
President/CEO