

SANUWAVE HEALTH, INC. COMPENSATION COMMITTEE CHARTER

Purpose

The primary purposes of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of SANUWAVE Health, Inc. (the “Company”) are: (i) to assist the Board in discharging its responsibilities with respect to the Company’s compensation programs and compensation of the Company’s executive officers; (ii) to review the annual Compensation Discussion and Analysis (“CD&A”) disclosure, and produce a report of the Compensation Committee on executive compensation, for inclusion in the Company’s annual proxy statement (each if required by the Securities and Exchange Commission or market rules); (iii) to provide recommendations regarding management successors; and (iv) to administer the Company’s equity and nonequity incentive plans.

Organization

The Committee shall consist of two or more directors, each of whom shall satisfy the applicable independence requirements of applicable market rules (if required) and any other regulatory requirements. The Committee may form and delegate authority to subcommittees when appropriate.

Notwithstanding the paragraph above, if the Committee is comprised of at least three members, one director who is not independent as defined in Section 803A, and is not a current officer or employee or an immediate family member of such person, may be appointed to the Committee, if the Board, under exceptional and limited circumstances, determines that membership on the Committee by the individual is required by the best interests of the Company and its shareholders, and the Board discloses, in the next annual meeting proxy statement (or in its next annual report on SEC Form 10-K or equivalent if the issuer does not file an annual proxy statement) subsequent to such determination, the nature of the relationship and the reasons for that determination. A director appointed to the Committee pursuant to this exception may not serve for in excess of two years.

Committee members shall be elected by resolution of the Board and shall serve until their successors shall be duly elected and qualified. The Committee’s chairperson shall be designated by the full Board. The Committee’s chairperson shall (i) chair and set the agendas for all meetings of the Committee; (ii) coordinate the evaluation of the performance of the Chief Executive Officer; and (iii) perform other activities as requested by the other directors or as circumstances dictate.

Structure and Meetings

The chairperson of the Committee will preside at each Committee meeting and, in consultation with the other Committee members, shall set the frequency of meetings and the agenda for each meeting. The chairperson will ensure that the agenda for each meeting is circulated in advance of the applicable meeting. The Committee shall meet at least one time

annually, and shall maintain minutes and records of the meetings and activities of the Committee.

The Committee may invite to its meetings any member of management of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may meet with or without Company personnel present, and in all cases officers shall not be present at meetings at which their performance or compensation is being discussed or determined.

The Committee shall inform the Board of the actions taken or issues discussed at its meetings at the next meeting of the full Board following a committee meeting.

Duties and Responsibilities

The Committee shall have the power and authority of the Board to perform and shall perform the following duties and responsibilities:

1. establish and review the overall executive compensation philosophy of the Company;
2. review and approve Company goals and objectives relevant to the compensation of the Chief Executive Officer and other executive officers, including annual performance objectives;
3. at least annually, review the compensation and performance of the Company's officers, review and approve corporate goals relevant to the compensation of the Chief Executive Officer and other executive officers, evaluate the Chief Executive Officer's performance in light of these goals and objectives, evaluate the performance of the Company's senior executive officers, and based on such evaluation, make recommendations for approval by the Board's independent directors with respect to the annual compensation of the Chief Executive Officer and other executive officers, including the annual salary, bonus, stock options, other incentive awards and other benefits, direct and indirect;
4. if then required by the rules of the Securities and Exchange Commission, review the annual CD&A and produce an annual report on executive compensation for inclusion in the Company's annual proxy statement, in accordance with all applicable rules and regulations;
5. make recommendations for Board approval with respect to incentive compensation plans and equity-based incentive plans, and administer such plans by (i) establishing policies and criteria for the granting of awards to the Company's officers and other employees, and (ii) reviewing and approving the grants of awards to the executive officers in accordance with such policies and criteria;
6. periodically review the policies and criteria for the administration of all executive compensation programs, the operations of the compensation programs and whether they are achieving their intended purposes;
7. monitor compliance by executives with the terms and conditions of the Company's executive compensation plans and programs;

8. establish and periodically review policies in the area of senior management perquisites;
9. review Board compensation levels and practices periodically, and recommend to the Board, from time to time, changes in such compensation levels and practices (including retainers, committee fees, stock options and other similar items as appropriate);
10. review and approve plans and processes for management development and succession; provided however, that with respect to Chief Executive Officer succession planning, the Committee will make recommendations to the Board for approval;
11. periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval; and
12. perform any other activities consistent with this Charter, the Company's Bylaws and governing law as the Committee or the Board deems appropriate.

Performance Evaluation

As requested by the Board, the Committee shall conduct and present to the Board a performance evaluation of itself.

Committee Resources

The Committee shall have the authority to obtain advice and seek assistance from internal and external legal, accounting, consulting and other advisors. The Committee shall determine the extent of funding necessary for the payment of fees to any consultant retained to advise the Committee.

The Committee shall have sole authority to retain and terminate any compensation consultant used to assist in the development and/or analysis of the Company's compensation philosophy, or the evaluation of a director, the Chief Executive Officer or other senior executive and shall have sole authority to approve such firm's fees and other retention terms.