

**COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS OF
ARRHYTHMIA RESEARCH TECHNOLOGY, INC.
CHARTER**

I. Purpose

The Compensation Committee is appointed by the Board of Directors to evaluate the performance of the Company's senior executives, to consider the design and competitiveness of the Company's compensation plans, to review and recommend senior executive compensation and to administer the Company's employee benefits plans.

II. Committee Membership

The Committee will be composed of at least three directors. All members of the Committee shall satisfy the definition of "independent" under the applicable listing standards of the NYSE MKT exchange ("NYSE MKT") as such standards shall be amended from time to time. The Committee members will be appointed by the Board and may be removed by the Board in its discretion. The Chairman of the Committee will be designated by the Board. The Committee shall have the authority to delegate any of its responsibilities to one or more subcommittees as the Committee may from time to time deem appropriate. Each such subcommittee shall consist of one or more members of the Committee. The Committee shall also have the authority to delegate any of its administrative or other responsibilities to executive officers or other employees of the Company where such delegation is consistent with applicable law and NYSE MKT listing standards.

III. Meetings

The Committee shall meet as often as its members deem necessary to perform the Committee's responsibilities.

IV. Committee Authority and Responsibilities

The Committee shall:

- Evaluate the performance of the Chief Executive Officer in light of the Company's goals and objectives and determine the Chief Executive Officer's compensation based on this evaluation and such other factors as the Committee shall deem appropriate;
- Recommend to the independent members of the Board for determination all salary, bonus, and long-term incentive awards for executive officers;
- Recommend to the independent members of the Board the aggregate amounts and methodology for determination of all bonuses, and long-term incentive awards for all employees;
- Review and recommend equity-based compensation plans to the full Board and recommend to the Board grants and awards thereunder;
- Review and recommend changes to the Company's equity-based compensation plans other than those changes that require stockholder approval under the plans, the requirements of NYSE MKT and/or any applicable law;

- Review and recommend to the full Board changes to the Company's equity-based compensation plans that require stockholder approval under the plans, the requirements of NYSE MKT and/or any applicable law;
- Review and recommend changes in the Company's retirement, health, welfare and other benefit programs that result in a material change in costs or the benefit levels provided;
- Administer the Company's equity-based compensation plans; and
- Review and discuss any Compensation Discussion and Analysis and/or Compensation Committee Report required to be included in the Company's proxy statement or annual report on Form 10-K with management and, based on such review and discussions, (i) recommend to the Board that such reports be included in the Company's proxy statement or annual report on Form 10-K and (ii) provide a report to that effect in the Company's proxy statement in accordance with applicable rules and regulations of the Securities and Exchange Commission.

The Committee will have the authority, to the extent it deems necessary or appropriate, to retain independent compensation consultants and other professional advisors to assist it in carrying out its responsibilities. The Company will provide for appropriate funding, as determined by the Committee, for payment of the fees and expenses of any advisors retained by the Committee.

The Committee will make regular reports to the Board and will propose any necessary action to the Board. Such reports shall provide information with respect to any delegation of authority by the full Committee to a subcommittee, to management, or to third parties.

The Committee will review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

The Committee will annually evaluate the Committee's own performance and provide a report on such evaluation to the Board.