

ELECSYS CORPORATION COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee is appointed by the Board of Directors (the “Board”) of Elecsys Corporation (the “Company”) to discharge the Board’s responsibilities relating to compensation of the Company’s executive officers. The Committee has overall responsibility for approving and evaluating the Company’s executive officer compensation plans, policies and programs and also approves and administers the Company’s benefit plans, including the Company’s Stock Option Plan.

Committee Membership

The Compensation Committee shall consist of two or more directors, as determined by the Board, each of whom shall meet the independence requirements of the American Stock Exchange and shall also meet the definition of “Non-employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. In addition, at least two members of the Compensation Committee shall satisfy the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The members of the Compensation Committee shall be elected by the Board at the annual meeting of the Board to serve a term of one (1) year or until their successors are duly elected and qualified. The Board will appoint a chairperson to preside at the Compensation Committee meetings and schedule meetings as appropriate. The Compensation Committee may not appoint subcommittees and may not delegate any of the Committee’s responsibilities.

Meetings

The Compensation Committee shall meet as frequently as circumstances dictate. At least one meeting will be in person and the others may be held by teleconference as the chairperson deems advisable. A majority of the members of the Compensation Committee shall constitute a quorum for the transaction of business.

The Compensation Committee will report to the Board regarding its recommendations, maintain written minutes of its meetings, provide copies of the minutes to the Board, and file its minutes with the Corporate Secretary.

Committee Authority and Responsibilities

1. The Compensation Committee shall also have access to Company resources in order to obtain advice and assistance from internal or external legal, accounting or other advisors, as necessary for the Committee to carry out its responsibilities under this Charter.

2. The Compensation Committee shall review and approve annually goals and objectives relevant to CEO base and incentive (short-term and long-term, cash and equity) compensation, evaluate the CEO's performance in light of those goals and objectives, and approve the CEO's compensation levels based on this evaluation. The CEO shall not be present during voting on or deliberations of his or her compensation. In determining the long-term incentive component of CEO compensation, the Compensation Committee will consider, among other matters, the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years. The Compensation Committee shall conduct an annual evaluation of the performance of the CEO.
3. The Compensation Committee shall review and approve annually, (a) the base compensation level, and (b) the incentive compensation (short-term and long-term cash and equity) of the Executive Officers of the company. Executive Officers shall mean those officers subject to Section 16 of the Securities Exchange Act of 1934. In addition, the Compensation Committee shall review and approve, with respect to the CEO and all Executive Officers, all employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and any special or supplemental benefits.
4. The Compensation Committee shall review and report on any additional compensation matters as the Board requests.
5. The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
6. The Compensation Committee shall review and discuss with management the Compensation Discussion and Analysis section (the "CD&A") to be included in the Company's annual proxy statement, and based on such review and discussion, make a recommendation to the Board as to whether the CD&A should be included in the Company's annual report on Form 10-KSB and the Company's annual proxy statement, and produce a report on such recommendation to be included in the Company's annual proxy statement.

Effective: January 23, 2008