

COMPENSATION COMMITTEE CHARTER

I. Purpose

The purpose of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of TechTeam Global, Inc. (the "Company") is to: (1) oversee the administration of the Company's compensation plans; (2) review and approve the compensation of the Company's executive officers; (3) administer the Stock Option/Incentive Based Plans; (4) formally review and evaluate the CEO performance; (5) develop, implement and administer the Company's succession planning process, and (6) prepare any report on executive compensation required by the rules and regulations of the Securities and Exchange Commission (the "SEC").

II. Committee Membership

The Compensation Committee shall consist of three or more directors, each of whom shall satisfy the applicable independence requirements of the NASDAQ Stock Market and any other regulatory requirements. Each member of the Compensation Committee should have experience in compensation matters.

The Board shall appoint the members of the Committee. Members shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

III. Committee Structure and Operations

The Board shall designate one member of the Committee as its chairperson. The Committee shall meet in person or telephonically at least four times year at a time and place determined by the Committee chairperson, with further meetings to occur or actions to be taken by unanimous written consent when deemed necessary or desirable by the Committee or its chairperson.

The chairperson will ensure that the agenda for each meeting is circulated in advance of the meeting. The Committee will, at each of its meetings, meet in executive session. The Committee will perform its duties, where appropriate, in consultation with the CEO, the Company's Vice President of Human Resources, the CFO, and/or General Counsel.

IV. Committee Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

1. In consultation with senior management, oversee the development and implementation of the Company's compensation programs in light of the Company's general compensation philosophy.
2. Review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the performance of the CEO in light of those goals and objectives, and set the CEO's compensation level based upon this evaluation. In determining the long-term incentive component of the CEO's compensation, the Committee shall consider, among other factors, the Company's performance and relative shareholder return, the value of similar incentive awards to the chief executive officers at comparable companies, and the awards given the CEO in recent years.
3. Report to the Board on the results of its evaluation of the performance of the CEO in light of the CEO's annual goals and objectives.
4. The Committee will meet at least annually to review officer compensation. The Committee may retain the services of an independent expert, who will provide the Committee with competitive data for the various officer positions, and shall provide advice and counsel to the Committee in setting salaries and total compensation. The Committee shall expressly determine the compensation for the Chairman of the Board, Chief Executive Officer ("CEO"), and based on the advice of the CEO, for all Vice Presidents, subject to approval by the Board. The Committee shall be responsible for approving new compensation plans or other material perquisites benefiting officers.
5. On behalf of the Board, the Committee shall administer all stock option or other incentive based plans in accordance with the terms and conditions of such plans, and, in consultation with management, determine awards based upon the criteria in the Company's Long-Term Incentive Plan, the Company's Annual Incentive Plan, and the Company's 2004 Incentive and Stock Awards Plan.
6. Prepare and issue the evaluations and reports required under "Committee Reports" below.
7. Develop and approve plans for managerial succession of the Company;

8. Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval; and
9. Perform any other activities consistent with this Charter, the Company's By-laws and governing law, as the Board deems appropriate.

V. Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel and other experts or consultants as it deems appropriate, without seeking approval of the Board or management. The Committee will report to the full Board on its retention of any experts or consultants.

VI. Committee Reports

The Committee shall produce the following reports and provide them to the Board.

1. An annual Report of the Compensation Committee on Executive Compensation for inclusion in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.
2. An annual performance evaluation of the Committee, which compares the performance of the Committee with the requirements of this charter. The performance evaluation should also recommend to the Board any improvements to this charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner, as the Committee deems appropriate.
3. The Committee will maintain minutes of its meetings for inclusion in the Company's minute book.