

HEELYS, INC.

COMPENSATION COMMITTEE CHARTER

(as amended through November 11, 2009)

Purpose

The Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Heelys, Inc. (the "Company") has been established for the purpose of assisting the Board in fulfilling its responsibilities regarding the Company's compensation practices, including (without limitation) by determining, reviewing and approving, or reviewing and recommending to the Board, all compensation to be provided to the Company's directors and its officers as defined in Rule 16a-1 (f) promulgated under the Securities Exchange Act of 1934, as amended ("Officers"), and overseeing or supervising the administration of the Company's equity-related and other incentive compensation plans or programs for all of its employees.

Structure and Membership

2.1 Number. The Committee shall be composed of at least two members appointed by the Board.

2.2 Independence. Each member of the Committee must be: (i) an "independent director" as defined by the rules and regulations of the Nasdaq Stock Market and the Company's By-Laws, (ii) a "non-employee director" as defined by Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and (iii) an "outside director" as defined by Section 162(m) of the Internal Revenue Code of 1986, as amended.

2.3 Chair. The Chair of the Committee shall be appointed by the Board or, if the Board does not do so, by a majority of the members of the Committee. The Chair shall, if present, preside at all meetings of the Committee and exercise and perform such other powers and duties as may be assigned to him or her by the Board or the Committee.

2.4 Term of Service. Each member of the Committee shall serve for such term or terms as the Board determines or until his or her successor is appointed. Any member or members of the Committee may be removed or replaced at any time, with or without cause, by the Board. Vacancies on the Committee shall be filled by the Board.

2.5 Compensation. The compensation of Committee members shall be as determined by the Board.

Authority

To allow the Committee to achieve its purpose and satisfy its responsibilities, the Committee shall have the authority described in this Section 3.

3.1 Subcommittees. The Committee may establish subcommittees of one or more members of the Committee, and delegate its authority and responsibilities to such subcommittees, as it deems appropriate.

3.2 Consultants and Advisors. The Committee may, from time to time, engage, determine the compensation of, and terminate the engagement of compensation consultants, legal counsel, and other advisors to advise the Committee on executive compensation practices and policies or any other matters within the scope of this

Charter.

3.3 Other Actions. The Committee shall have access to and the right to use such resources of the Company, and may take such other actions, as the Committee deems necessary or appropriate to satisfy its responsibilities set forth in this Charter or as otherwise delegated by the Board.

3.4 Guidance from Board. The Committee shall in good faith follow and implement or seek to implement all compensation principles, if any, that are adopted by the Board and communicated to the Committee to guide its activities.

Meetings and Procedures

The Committee shall meet at least once each year and otherwise as often as the Committee or its Chair deems necessary to carry out the Committee's responsibilities. The Committee may invite members of management, compensation consultants or other advisors to attend meetings and provide pertinent information. The Committee shall be governed by the same rules regarding meetings, action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board under the Company's By-Laws. The Committee is authorized to adopt its own procedures or rules not inconsistent with this Charter, the Company's By-Laws, the laws of the State of Delaware, and the rules and regulations of the Nasdaq Stock Market.

Responsibilities

The Committee shall have the principal responsibilities set forth in this Section 5.

5.1 Compensation Plans. The Committee shall be responsible for reviewing and making recommendations to the Board regarding significant employee-compensation plans or programs of the Company (whether existing or proposed), including (without limitation) its bonus plans or programs and equity-related and other long-term incentive compensation plans or programs and all plans or programs in which any of the directors of the Company or the Officers may participate. Except as otherwise delegated by the Board (in accordance with applicable law and rules and regulations of the Nasdaq Stock Market), the Committee will administer, or oversee or supervise the administration of, the Company's equity-related and other incentive compensation plans or programs and, as such, will fulfill or cause to be fulfilled all responsibilities imposed on the Board or the administrator under those plans or programs, including (without limitation) making and authorizing equity-related grants or awards, in accordance with the terms of those plans or programs. The Committee may delegate the day-to-day administration of compensation plans or programs, including (without limitation) preparing and filing governmental reports and preparing and delivering required employee materials and communications, to employees of the Company.

5.2 Compensation Arrangements for Directors and Officers. The Committee shall be responsible for determining or, in the Committee's discretion consistent with the applicable requirements of law and the Nasdaq Stock Market, recommending to the Board or its independent members for determination (i) the compensation structure and arrangements (which may include, without limitation, equity grants or awards and amounts for committee service) for the Company's directors in a manner the Committee may determine to align the interests of the directors with the interests of the Company's stockholders, and (ii) the annual and long-term compensation arrangements (which may include, without limitation, salaries, bonuses, equity grants or awards, and other benefits) for the Company's Chief Executive Officer ("CEO") and its other Officers. Notwithstanding the Committee's authority to invite members of Company management to attend Committee meetings, the CEO may not be present during the Committee's deliberations concerning his or her compensation arrangements.

5.3 Performance of Officers. The Committee shall be responsible for evaluating or overseeing the evaluation of, and making recommendations to the Board regarding, the performance of the CEO and other Officers, as well as reviewing and discussing matters related to succession planning for Officers. In particular, the Committee shall recommend for review by the Board the annual and long-term performance goals for the CEO and shall evaluate the CEO's performance against such goals and other relevant factors as the Committee deems appropriate.

5.4 Compensation Trends and Markets. The Committee shall be responsible for reviewing trends in management and director compensation and reviewing the competitiveness of the Company's compensation plans or programs to ensure the Company's ability to attract and retain directors and Officers and the motivation of directors and Officers to achieve the Company's business objectives.

5.5 Compensation Structure. The Committee shall be responsible for annually reviewing the Company's compensation structure and strategies to ensure that Officers and other key employees of the Company are rewarded appropriately for their contributions to the Company's performance of its business objectives.

5.6 New and Departing Officers. The Committee shall determine, or review and approve, compensation for new Officers and separation or severance compensation for departing Officers.

5.7 Annual Performance Evaluation. The Committee shall complete an annual performance evaluation of itself and its members consistent with practices established by the Board.

5.8 Additional Responsibilities. The Committee shall have such other responsibilities as may be delegated to it from time to time by the Board.

Reporting

The Committee's responsibilities will include reporting to the Board about Committee activities, issues, and related recommendations, preparing written minutes of Committee meetings, and preparing the report to be included in the Company's proxy statement relating to its annual meeting of stockholders that describes the Committee and its activities, as required by the rules of the Securities and Exchange Commission.

Committee Charter

The Committee shall also perform other activities related to this Charter as requested by the Board, including (without limitation) reviewing and assessing the adequacy of this Charter annually and recommending any proposed changes to it to the Board for approval.