

# REPRO MED SYSTEMS, INC.

## Governance and Nomination Committee Charter

This Governance and Nomination Committee Charter (the “Charter”) sets forth the purpose and membership requirements of the Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of REPRO MED SYSTEMS, INC., (the “Company”) and establishes the authority and responsibilities delegated to it by the Board.

- 1. Purpose.** The Committee is expected to (i) identify and recommend to the Board individuals who have suitable business experience to enable them to assist management in operating and financial matters, (ii) recommend to the Board the board member qualified to be nominated for election as Chairman of the Board, (iii) recommend to the Board the members and Chairperson for each Board committee, (iv) periodically review and assess the Company’s Code of Ethics, and changes in this Charter, (v) oversee the annual self-evaluation of the performance of the Board and the annual evaluation of the performance of management and (vi) to make recommendations to the Board relating to Board and executive officer compensation to be approved by the Board.
- 2. Committee Members.**
  - 2.1. Composition and Appointment.** The Committee shall consist of three (3) or more members of the Board. The members and Chairperson of the Committee shall be appointed by the Board. The Board shall fill vacancies on the Committee and may remove a Committee member from the membership of the Committee at any time with or without cause. Members shall serve until their successors are appointed by the Board.
  - 2.2. Qualifications.** A majority of members of the Committee shall be independent. To be “independent,” a director may not have a relationship with the Company or its management or a private interest in the Company that in any way may interfere with the exercise of such director’s independence from the Company and its management. In addition, each independent member of the Committee must meet the independence requirements of applicable federal securities law, including the rules and regulations of the SEC.
- 3. Authority.**
  - 3.1. Proposed Members of the Board.** The Committee shall assist the Board in identifying prospective members of the Board.
  - 3.2. Advisors.** The Committee may propose to the Board the retention of a director search firm and the terms of such proposed retention and all conflicts of interest between the proposed director search firm and members of the Committee shall be disclosed to the Board.
  - 3.3. Subcommittees.** The Committee shall have the authority to delegate authority and responsibilities to subcommittees as it deems proper, provided that no subcommittee shall consist of less than two members.

#### 4. Meetings.

- 4.1. **Frequency of Meetings.** The Committee shall meet at least once per fiscal quarter. The schedule for regular meetings of the Committee for each year shall be established by the Committee. The Chairperson of the Committee may call a special meeting at any time as he or she deems advisable.
- 4.2. **Minutes.** Minutes of each meeting of the Committee shall be kept to document the discharge by the Committee of its responsibilities and a copy thereof shall be sent to the members of the Board.
- 4.3. **Quorum.** A quorum shall consist of a majority of the Committee's members. The act of a majority of the Committee members of the entire Committee shall be the act of the Committee.
- 4.4. **Agenda.** The Chairperson of the Committee shall prepare an agenda for each meeting in consultation with Committee members and any appropriate member of the Company's management or staff. Appropriate members of Company management and staff shall assist the Chairperson with the preparation of any background materials necessary for any Committee meeting.
- 4.5. **Presiding Officer.** The Chairperson of the Committee shall preside at all Committee meetings. If the Chairperson is absent at a meeting, a majority of the Committee members present at a meeting shall appoint a different presiding officer for that meeting.

#### 5. Director Nominees.

- 5.1. **Identification of Board Candidates.** When the circumstances require, the Committee shall identify and recommend to the Board new persons qualified to be nominated for election as directors. The Committee shall also annually review each incumbent director's past performance and recommend to the Board whether such director should be nominated for reelection.
  - 5.2. **Nominee Criteria and Qualifications.** In recommending persons to be considered by the Board, the Committee shall take into account a persons depth of experience and availability, the balance of the business interest and experience of the incumbent or nominated directors, and the need for any required expertise on the Board or one of its committees. With respect to incumbent members of the Board, the Committee shall also consider the performance of the incumbent director. In addition, the Committee shall determine whether qualifications for membership on each committee of the Board of Directors are met. Candidates may come to the attention of the Governance and Nomination Committee from current directors, shareholders, officers or other sources, and the Committee shall review all candidates in the same manner regardless of the source of the recommendation.
  - 5.3. **Recommendation of Board Nominees.** Prior to each annual meeting of the shareholders of the Company, the Committee shall, on a timely basis, recommend to the full Board a slate of nominees for election to the Board.
6. **Recommendation of Chairman of the Board.** The Committee shall annually recommend to the Board the member to be nominated for election as Chairman of the Board.. There is no

mandated policy limiting the length of service as Chairman.

**7. Recommendation of Committee Members.** The Committee shall annually recommend to the Board the membership of each Board committee (including this Committee) and a Chairperson for each committee. There is no mandated policy limiting the length of service on any committee.

**8. Board Matters.**

**8.1. Director Orientation.** The Committee shall, in consultation with the Chief Executive Officer and appropriate members of management, periodically review and approve the Company's orientation program for new directors in accord with the Company's corporate governance principles.

**9. Executive Officer Matters.**

**9.1. Management Succession.** The Committee shall periodically consult with the CEO regarding the CEO's successor, the development of other executive talent and the executive management needs of the Company.

**9.2. CEO Succession.** The Committee shall recommend to the Board a successor to the CEO when a vacancy occurs.

**9.3. Appointment of Officers.** The Committee shall review the CEO's appointment of SEC reporting officers ("SEC reporting officers" are those officers that file Forms 3 and 4 with the SEC under Section 16 of the Securities Exchange Act of 1934) and make recommendations to the Board with respect to such persons to be elected officers by the Board and review any proposed personnel changes involving such officers.

**10. Executive Compensation.**

**10.1. Compensation Philosophy and Strategy.** The Committee shall periodically review the compensation philosophy and strategy of the Company and consult with the CEO, as needed, regarding the role of the Company's compensation strategy in achieving the Company's objectives and performance goals and the long-term interests of the Company's shareholders. In determining the long-term incentive component of the CEO's compensation, the Committee shall consider the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the Company's CEO in past years. The CEO should recuse himself for discussions regarding his own compensation.

**10.2. Comparison Analysis.** The Committee shall annually review market and industry data to assess the Company's competitive position with respect to the individual elements of total executive compensation to ensure the attraction, retention and appropriate reward of the Company's executive officers.

**10.3. Administration of Plans.** The Committee shall periodically administer the Company's incentive compensation and stock option and other equity based plans (including specific provisions) in which the CEO and other executive officers may be participants and recommend to the Board amendments to such plans or adoption of new plans. In connection with administering such plans, the Committee shall have the authority to make recommendations to the Board to (i) approve option

guidelines and general size of overall grants, (ii) make grants, (iii) interpret the plans, (iv) determine the rules and regulations relating to the plans, (v) modify or cancel existing grants and substitute new grants (with the consent of grantees), (vi) identify employees eligible to participate in the plans and (vii) impose limitations, restrictions and conditions upon any award as the Committee deems appropriate and as permitted under the applicable plan.

**10.4. Executive Compensation.** The Committee shall annually review and establish the base salary, incentive compensation, deferred compensation, stock options, performance units and other equity based awards for the CEO. The Committee shall annually review with the CEO his or her decision as to the compensation of the Company's other executive officers.

**11. CEO Performance.** The Committee shall annually evaluate the CEO's performance and take into account such performance evaluation in establishing the CEO's compensation.

**12. Special Recommendations to the Board.** The Committee shall periodically review and make recommendations to the Board regarding (i) any employment agreement, severance agreement, change in control agreement or provision, or separation agreement, or any amendment to the same, that is proposed to be entered into with the CEO or any other executive officer and (ii) any deferred compensation arrangement that is proposed to be entered into with the CEO or any other executive officer.

### **13. Director Compensation Oversight.**

**13.1. Review of Director Compensation.** The Committee shall periodically review and make recommendations to the Board regarding the compensation paid to the Company's directors. Such review shall include any fees paid for attendance at meetings of the Board and any of its committees and grants of stock options or stock.

**13.2. Compliance With Restrictions.** The Committee shall monitor the amount of compensation proposed to be paid to any director for compliance with the Company's equity compensation plans. In addition, the Committee shall monitor the effect that compensation proposed to be paid to a director will have on the director's ability to be considered "independent" under the requirements of the Nasdaq and applicable federal securities laws, including the rules and regulations of the SEC. The Committee shall advise the Board if any compensation proposed to be paid to a director would violate the Company's equity compensation plans or have an undesirable impact on the director's independence. In fulfilling its responsibilities hereunder, the Committee shall give due consideration to the different definitions of "independent" that apply to the Board and its different committees and any requirement that the Board or a Board committee contain a majority of, of, "independent" directors.

### **14. Reports and Assessments.**

**14.1. Charter Assessment.** The Committee shall periodically review and assess the adequacy of this Charter and advise the Board and the Governance Committee of its assessment and of its recommendation for any changes to the Charter.

**14.2. Committee Self-Assessment.** The Committee shall annually review and make a self-assessment of its performance and shall report the results of such self-assessment to

the Board and the Governance Committee.

- 14.3. Annual Report on Compensation.** The Committee shall annually advise the Board as to whether the Company's executive officer compensation arrangements are appropriate.
- 14.4. Proxy Statement Report.** The Committee shall review and discuss with management the Company's general description of compensation and related executive compensation information, recommend that the general description of compensation be included in the Company's proxy statement for the annual meeting of shareholders or Annual Report on Form 10-K filed with the SEC and prepare an annual report on executive compensation as required by the rules and regulations of the SEC and submit it to the Board for inclusion in the Company's proxy statement prepared in connection with its annual meeting of shareholders or Annual Report on Form 10-K filed with the SEC.
- 14.5. Board Reports.** The Chairperson of the Committee shall report from time to time to the Board on Committee actions and on the fulfillment of the Committee's responsibilities under this Charter.
- 14.6. Assessment of Board.** The Committee shall in its discretion conduct periodically an assessment of the Board's performance. The Committee shall be responsible for establishing the evaluation criteria and implementing the process for such evaluation.
- 14.7. Assessment of Chairman.** The Committee shall in its discretion conduct periodically an assessment of the Chairman's performance. The Committee shall be responsible for establishing the evaluation criteria and implementing the process for such evaluation.
- 14.8. Evaluation of Committee Charters.** The Committee shall in its discretion conduct periodically a review of all committee charters and recommend to the Board any changes it deems necessary. In connection therewith, the Committee shall review the recommendations of each Board Committee regarding the charter of its committee.