

**CHARTER OF THE GOVERNANCE AND NOMINATING COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF PROUROCARE MEDICAL INC.**

**A. Name**

There shall be a committee of the Board of Directors (the “Board”) of ProUroCare Medical Inc. (the “Company”) called the Governance and Nominating and Committee (the “Committee”).

**B. Purpose of Committee**

The purpose of the Committee is to provide oversight in relation to the corporate governance of the Company, including to:

1. Assist the Board with the drafting, compliance and oversight of the Company’s corporate governance policies.
2. Review and resolve conflicts of interest situations.
3. Consider, and if necessary or appropriate, grant waivers of the Company’s governance policies.
4. Review and consider developments in corporate governance processes.
5. Recommend to the Board a set of corporate governance principles applicable to the Company.
6. Identify individuals qualified to become Board members.
7. Recommend director nominees to the Board.
8. Provide oversight in respect to other relevant matters relating to the composition and operation of the Board.
9. Perform such other duties as assigned to it from time to time by the Board.

**C. Committee Membership**

The Committee members shall be appointed by the Board, shall serve at the pleasure of the Board and for such term or terms as the Board may determine, and the Board shall have the right to make changes to membership composition at any time with or without cause. The Committee shall be composed of at least two directors, except as otherwise necessary to comply with the applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the Securities and Exchange Commission (the “SEC”) and The Nasdaq Capital Market. Each Committee member shall be independent, non-officer directors, and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. In addition, each member shall be a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 and qualify as an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code. The Board shall make determinations as to whether a particular director satisfies the requirements for membership on the Committee.

## **D. Committee Structure and Operations**

The Board shall designate one member of the Committee as its chairperson (the “Chair”). The Committee shall meet at least one time each year, with further meetings to occur when deemed necessary or desirable by the Committee or its Chair. The Committee may meet in person or by telephone or videoconference and may take action by written consent. The Committee may invite such members of management, its external audit firm or consultants to the Company to its meetings as it may deem desirable or appropriate, consistent with the maintenance of the confidentiality of the issues under discussion. A simple majority of members in attendance in person or by teleconference will constitute a quorum for each meeting.

## **E. Committee Duties and Responsibilities**

### **1. Corporate Governance**

The Committee shall:

- a. Review and reassess the adequacy of the Company’s governance policies and this Charter at least annually, and more frequently as conditions dictate, and propose to the Board any amendments thereto as the Committee deems necessary or appropriate. The governance policies to be so reviewed include, but are not limited to, the Company’s:
  - i. Ethics Policy and Code of Conduct (the “Code”);
  - ii. Financial Management Code of Conduct; and
  - iii. Insider Trading Policy.
- b. As assigned to it by the Board, investigate any potential conflict of interest between a director, executive officer or employee of the Company and the Company.
- c. Consider, and if appropriate and permitted, grant any requested waivers of the Company’s governance policies, and in the case of waivers of the governance policies that may be granted only by the Board, make recommendations to the Board regarding such waivers.
- d. Monitor the development of best practices regarding corporate governance and take a leadership role in shaping the corporate governance of the Company.
- e. Establish, at the request of the Board, the Company’s policy on Board diversity.
- f. Provide risk oversight, in conjunction and consultation with the Audit Committee.
- g. Review and recommend to the Board with regard to the Corporation’s governing documents, including but not limited to certificate of incorporation, bylaws or stockholder rights plan issues.

### **2. Nominating**

The Committee shall:

- a. Recommend to the Board a Board size and composition that the Committee determines is best suited to fulfilling the Board’s responsibilities.

- b. Identify and recommend individuals (including, without limitation, existing Board members) believed by the Committee to be qualified to stand for election as director of the Company in accordance with the Nominating Criteria set forth below, at the annual meeting of stockholders or, if applicable, at a special meeting of stockholders. In the case of a vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Committee shall recommend to the Board an individual to fill such vacancy either through appointment by the Board or through election by stockholders.
- c. In the case of a director nominee to fill a Board vacancy created by an increase in the size of the Board, make a recommendation to the Board as to the class of directors in which the individual should serve, consistent with the Company's articles of incorporation and bylaws.
- d. Prepare a description of qualifications that must be met by a Committee recommended nominee to the Board and any of the Company's committees, including qualities or skills that are necessary or desirable for one or more of the Company's directors and committee members to possess, and to periodically review and reassess the description of qualifications and make any amendments as the Committee deems necessary or appropriate.
- e. Evaluate nominees for director, including nominees appropriately recommended by stockholders, and determine whether there are any differences in the manner in which the Committee evaluates appropriate nominees from stockholders as compared to nominees identified and recommended by the Committee.
- f. After a review of nominees for director and after considering the advice of any individuals the Committee deems appropriate, designate which, if any, candidates are to be interviewed and by whom they are to be interviewed. Generally, candidates should be interviewed by the chairperson of the Committee and the chairperson of the Board, but also may be interviewed by other directors of the Company as the Committee deems appropriate.
- g. After any interviews, recommend for Board approval any new directors to be nominated.
- h. Identify and recommend individuals (including, without limitation, existing Committee members) believed by the Committee to be qualified to become members of any of the Company's committees, including the Committee, and Chairpersons for any of the Company's committees, or to fill vacancies on any of the Company's committees.
- i. Lead the Board in conducting its annual review of the Board's performance.
- j. As requested by the Board, assist the Board in determining director independence under applicable laws, rules and regulations.
- k. Perform such other duties and responsibilities, consistent with this Charter and governing laws, as may be delegated to the Committee from time to time by the Board.

### **3. Reports and Records**

The Committee Chair shall, as needed,:

- a. Prepare an agenda for each meeting and provide materials for review at the meetings.
- b. Report to the Board on a regular basis with respect to the activities of the Committee; apprise the Board, through minutes, special presentations or otherwise as necessary, of any significant developments relating to the responsibilities of the Committee; and make such recommendations with respect to any of the above matters as the Committee deems necessary or appropriate.

### **F. 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 retain counsel and other experts or consultants upon unanimous vote by the members of the Committee as to the selection of the advisors, including independent or outside counsel, and the specific duties and responsibilities requested of the advisors. The Committee shall have the sole authority to select and retain a consultant or search firm, including those used to identify individuals qualified to service on the Board upon unanimous vote by members of the Committee as to the selection of the search firm, and the specific duties and responsibilities requested of the search firm, to terminate any consultant or search firm retained by it, and to approve the consultant or search firm's fees and other retention terms. All related fees and costs of such advisors shall be paid promptly by the Company in accordance with its normal business practices.

### **G. Amendment**

The Board shall have the authority to amend or modify any provision of this Charter at any time; provided, however, that the Board may make no such amendment or modification that is inconsistent with the applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC and the Nasdaq.