**NRC HEALTH**

**CHARTER OF THE NOMINATING COMMITTEE**

## Statement of Purpose

The Nominating Committee (the "Committee") shall provide assistance to the Board of Directors (the "Board") of NRC Health (the "Company") in fulfilling its duties by identifying individuals qualified to become directors (consistent with criteria set forth in Appendix A hereto or otherwise established by the Committee) and recommending to the Board candidates for all directorships to be filled by the Board or by the shareholders of the Company.

## Committee Membership and Qualifications

The Committee shall be comprised of at least three members of the Board, each of whom is determined by the Board to be "independent" in accordance with the rules of the Nasdaq Stock Market, Inc. ("Nasdaq").

## Appointment and Removal of Committee Members

The members of the Committee shall be appointed by the Board annually or as necessary to fill vacancies. Each member shall serve until his or her successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

## Chairperson

The Chairperson of the Committee shall be appointed by the Board in consultation with the Chairman of the Board. The Chairperson will chair all regular sessions of the Committee and, in consultation with the Chairman of the Board, set the agendas for Committee meetings.

## Meetings

The Committee shall meet as frequently as circumstances dictate.

The Committee may invite to its meetings any officer, employee or director of the Company and such other persons as it deems appropriate in order to carry out its duties.

## Duties

In furtherance of its purpose, the Committee shall have the following duties relating to:

*Recommendations Relating to the Selection of Director Candidates to Serve on the Board of Directors*

1. The Committee shall establish and apply criteria (including the criteria set forth in Appendix A hereto) for selection of potential directors, taking into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills or financial acumen, diversity of viewpoint and industry knowledge.

2. The Committee shall identify individuals believed to be qualified as candidates to serve on the Board and recommend to the Board for its approval candidates for all directorships to be filled by the Board or by the shareholders at an annual or special meeting. In identifying candidates for membership on the Board, the Committee shall take into account the established criteria for selection and the extent to which the candidate would fill a present need on the Board. In fulfilling its duties as outlined above, the Committee shall consult from time to time, as appropriate, with the Chairman of the Board.

3. The Committee shall periodically review the qualifications and independence of existing Board members based on the general and specific criteria approved by the Board and the rules of Nasdaq and make recommendations to the full Board whether they should stand for re-election. The Committee shall recommend to the Board the removal of a director where appropriate.

4. The Committee shall consider and make recommendations to the Board on matters relating to the retirement of Board members, including term limits or age caps.

5. The Committee shall review the backgrounds and qualifications of possible candidates. In that capacity, the Committee shall have sole authority to retain and to terminate any search firm to be used to assist it in identifying candidates to serve as directors of the Company, including sole authority to approve the fees payable to such search firm and any other terms of retention.

6. The Committee shall consider questions of independence and possible conflicts of interest of members of the Board and executive officers.

7. The Committee shall review and make recommendations, as the Committee deems appropriate, regarding the composition and size of the Board in order to ensure the Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds. In fulfilling this duty, the Committee shall, as appropriate, consult with the Chairman of the Board.

8. The Committee shall periodically review the orientation process for all new directors.

*Review and Reporting*

9. The Committee shall report regularly to the Board (i) following meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its duties and (iii) with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Committee's Chairperson or any other member of the Committee designated by the Committee to make such report.

10. The Committee shall maintain minutes or other records of meetings and activities of the Committee.

**Studies and Investigations**

The Committee shall have the power and authority to conduct or authorize studies and investigations into any matter of interest or concern within the scope of its duties that the Committee deems appropriate, and shall have the sole authority to retain independent counsel, consultants or other experts to assist in the conduct of any such study or investigation, including the authority to approve fees payable to such experts and any other terms of retention.

**Annual Charter Evaluation**

The Committee shall review and reassess the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable.

## APPENDIX A

## CRITERIA FOR DIRECTOR NOMINEES

In making recommendations to the Company's Board of Directors of nominees to serve as directors, the Nominating Committee of the Board of Directors (the "Committee") will examine each director nominee on a case-by-case basis regardless of who recommended the nominee and take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills or financial acumen, diversity of viewpoint and industry knowledge. However, the Board of Directors and the Committee believe the following minimum qualifications must be met by a director nominee to be recommended by the Committee:

1. Each director must display high personal and professional ethics, integrity and values.

2. Each director must have the ability to exercise sound business judgment.

3. Each director must be accomplished in his or her respective field, with broad experience at the administrative and/or policy-making level in business, government, education, technology or public interest.

4. Each director must have relevant expertise and experience, and be able to offer advice and guidance based on that expertise and experience.

5. Each director must be independent of any particular constituency, be able to represent all shareholders of the Company and be committed to enhancing long-term shareholder value.

6. Each director must have sufficient time available to devote to activities of the Board of Directors and to enhance his or her knowledge of the Company's business.

The Board of Directors also believes the following qualities or skills are necessary for one or more directors to possess:

1. At least one independent director should have the requisite experience and expertise to be designated as an "audit committee financial expert" as defined by applicable rules of the Securities and Exchange Commission and have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the member's financial sophistication, as required by the rules of Nasdaq.

2. One or more of the directors generally should be active or former executive officers of public or private companies or leaders of major complex organizations, including commercial, scientific, government, educational and other similar institutions.

3. Directors should be selected so that the Board of Directors is a diverse body.