

## COGENTIX MEDICAL, INC.

### Policy Statement Regarding Director Nominations

The Governance and Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of Cogentix Medical, Inc. (the “Company”) is responsible for identifying, reviewing, and recommending to the Board individuals for election to the Board. This Policy statement describes (i) the Committee’s general policy on considering candidates recommended by stockholders; (ii) the criteria used by the Committee in evaluating candidates for the Board; (iii) the process used by the Committee in identifying, reviewing, and recommending such candidates; and (iv) the process to be used by the Company’s stockholders in submitting candidates to the Committee for its consideration. This Policy Statement supplements the Company’s certificate of incorporation, bylaws, corporate governance policies, and the Committee’s charter.

#### General Policy on Stockholder Recommendations

It is the Committee’s policy to consider director candidates recommended by the Company’s stockholders. It is further the Committee’s policy to apply the same criteria in reviewing candidates proposed by stockholders as it employs in reviewing candidates proposed by any other source. The process for reviewing director candidates proposed by stockholders, which is set forth below, is designed to enable the Committee to review such candidates on an equal basis with the candidates that the Committee identifies from other sources.

#### Criteria for Reviewing Director Candidates

**Minimum Qualifications.** The following are the minimum qualifications that candidates for the Board must possess.

- **Age.** All directors must be at least 21 years of age at the time they commence their term.
- **Personal Qualities.** All directors must possess a demonstrated reputation for integrity, judgment, acumen, and high professional and personal ethics.
- **Experience.** All directors should be financially literate and have significant experience at the policy-making level in business, government, or non-profit sector.
- **Independence.** A majority of the Board, and, unless otherwise determined by the Board, any newly nominated non-employee candidate for the Board, must satisfy the criteria to be considered an independent director under applicable laws, the rules and regulations of the Securities and Exchange Commission,

the Company's certificate of incorporation and bylaws, other Company policies and any applicable listing standards under any stock exchange on which the Company's shares are listed.

- **Antitrust Requirements.** All directors must also satisfy the requirements of Section 8 of the Clayton Act.
- **Commitment.** All directors must have the time and ability, including ability to attend regular Board and committee meetings, to make a constructive contribution to the Board, as well as a clear commitment to fulfilling their fiduciary duties and serving the interests of all the Company's stockholders.
- **Performance.** As set forth in the Corporate Governance Guidelines, incumbent directors are expected to have regular attendance at meetings, to stay informed about the Company and its businesses, to participate in the discussions of the Board and its committees, to comply with applicable company policies, and to take an interest in the Company's business and provide advice and counsel to the Chair of the Board and Chief Executive Officer.

**Additional Qualifications.** In evaluating director candidates, the Committee assesses the Board's overall composition in light of the Company's current and expected structure and business needs, in order to assure that the Board has the appropriate combination and variety of experience, knowledge, skills, backgrounds, and viewpoints, as well as other qualifications, to carry out effectively the Board's responsibilities.

In light of those assessments, the Committee may seek candidates with certain skills, professional experience, background, and other qualities. While the specific qualifications sought by the Committee change from time to time, the Committee has identified the following additional qualifications for new members of the Board:

- **Professional Skills Background.** New candidates for the Board should have significant high-level leadership experience at a public company or other firm, in government, or at a non-profit institution. It is also desirable for candidates to have specific experience related to the Company's health care and medical device business, or such future business segments as the Company may enter.
- **Diversity.** The Committee also believes it would be desirable for new candidates to contribute to the variety of viewpoints on the Board, which may be enhanced by a mix of different professional and personal backgrounds and experiences.
- **Committee Membership Requirements.** In addition to satisfying the independence requirements that apply to directors generally, the Committee believes that it would be desirable for new candidates for the Board to satisfy

the requirements for serving on the Board's committees, as set forth in the charters for those committees and applicable regulations.

- **Corporate Directorships.** The Committee believes it would also be useful for candidates for the Board to have experience as a director of a public or private Company.

These qualifications may change significantly during the course of a year, depending on changes in the Board and the Company's business needs and environment.

### **Committee's Process for Identifying, Reviewing, and Recommending Candidates**

The following is the general process that the Committee uses in identifying, reviewing, and recommending candidates for election to the Board of Directors.

**Assessment of Needs.** As noted above, the Committee conducts periodic assessments of the overall composition of the Board in light of the Company's current and expected business needs and structure and, as a result of such assessments, the Committee may establish specific qualifications that it will seek in candidates for the Board. The Committee reports on the results of these assessments to the full Board of Directors. The Committee will periodically identify and update a roster of potential candidates who could be assessed and contacted if the need arose to add new directors or replace an existing director.

**Identifying and Reviewing New Candidates.** In light of such assessments, the Committee may seek to identify new candidates for the Board who possess (i) the specific qualifications established by the Committee and (ii) who satisfy the other requirements for Board and committee membership as set forth in the Company's certificate of incorporation and bylaws and other relevant Company policies. In identifying new director candidates, the Committee seeks advice and names of candidates from Committee members, other members of the Board, members of management, the Company's major stockholders, and other public and private sources. The Committee may also, but need not, retain a search firm in order to assist it in these efforts. As described below, the Committee may also receive nominations from stockholders.

The Committee reviews the potential new director candidates identified through this process. This involves reviewing the candidates' qualifications as compared to the specific criteria established by the Committee and the more general criteria as may be established by the Company's certificate of incorporation or bylaws and other relevant Company policies (including a legal analysis of the individuals' ability to serve on the Board and its committees and the results of a background check). The Committee may also select certain candidates to be interviewed by one or more Committee members. All candidates will also be expected to complete and sign a questionnaire regarding their qualifications and background.

**Reviewing Incumbent Candidates.** On an annual basis, the Committee reviews incumbent candidates for re-nomination to the Board. This review involves an analysis of whether the directors satisfy applicable regulatory requirements for service on the Board and its committees (including qualifying as independent), evaluating the past performance of directors in light of the criteria set forth in the Company's expectations for directors, the input of other directors regarding the performance of the directors seeking re-nomination and considering the overall composition of the Board in light of the Company's current and expected future business needs and structure. In reviewing incumbent director performance, the Committee will also consider whether the director has maintained the positions and skills which contributed to the director's being selected for his or her initial nomination.

**Recommending Candidates.** On an annual basis, the Committee recommends a slate of candidates to be considered by the Board and to be submitted for approval to the Company's stockholders at the Company's annual stockholders meeting. This slate of candidates may include both incumbent and new directors. In addition, apart from this annual process, the Committee may, in accordance with the Company's certificate of incorporation and/or bylaws, recommend that the Board elect new members of the Board who will serve until the next annual stockholders meeting.

### **Committee's Process for Stockholder-Submitted Candidates**

Stockholders may submit nominations for director candidates to be elected at the annual stockholders meetings pursuant to the process outlined herein or as may be further contained in the Company's certificate of incorporation and/or bylaws. Further, stockholders may submit recommendations to the Committee for its consideration in accordance with the following process:

**Timing.** A stockholder (or group of stockholders) wishing to submit a nominating recommendation for an annual meeting of stockholders must ensure that it is received by the Company not later than 120 calendar days prior to the first anniversary of the date of the proxy statement for the prior annual meeting of stockholders. In the event that the date of the annual meeting of stockholders for the current year is more than 30 days following the first anniversary date of the annual meeting of stockholders for the prior year, the submission of a recommendation will be considered timely if it is submitted a reasonable time in advance of the mailing of the Company's proxy statement for the annual meeting of stockholders for the current year.

**Information.** In notifying the Committee, the nominating stockholder should provide the following information to the Committee:

- The name and the address of the stockholder making the submission and the name, address, and telephone number of the candidate to be considered.
- The class and number of shares of the Company that are beneficially owned by the stockholder making the submission, the amount of time such shares

have been held, and a statement from the stockholder as to whether the stockholder has a good faith intention to continue to hold the reported shares through the date of the Company's next annual meeting of stockholders.

- The information required by Items 401, 403 and 404 of SEC Regulation S-K which generally provides for disclosure (i) of the name, address, any arrangements or understanding regarding the proposed candidate and five year business experience of the proposed candidate, as well as information regarding certain types of legal proceedings within the past five years involving the proposed candidate, (ii) regarding the proposed candidate's ownership of securities of the Company, and (iii) of transactions between the Company and the proposed candidate valued in excess of \$60,000 and certain other types of business relationships with the Company.
- A description of all arrangements or understandings between the nominating stockholder and the proposed candidate regarding the nomination.
- A description of all relationships between the candidate and any of the Company's competitors, customers, suppliers, labor unions or other persons with special interests regarding the Company.
- A statement supporting its view that the candidate possesses the minimum qualifications prescribed by the Committee for nominees, and briefly describing the contributions that the candidate would be expected to make to the Board and to the governance of the Company.
- A statement as to whether, in the view of the nominating stockholder, the candidate, if elected, would represent all stockholders and not serve for the purpose of advancing or favoring any particular stockholder or other constituency of the Company.
- A consent of the candidate to be interviewed by the Committee, if the Committee chooses to do so in its discretion, and, if nominated and elected, to serve as a director of the Company.
- A copy of the candidate's resume and references.
- An analysis of the candidate's qualifications to serve on the Board and on each of the Board's committees in light of the criteria set forth in the Company's certificate of incorporation, bylaws, or other applicable Company policies, and this Policy Statement (including all regulatory requirements incorporated by references therein).
- Any other information required by federal securities laws or the exchange upon which the Company's stock is traded.

**Address.** The information should be submitted to the Committee in care of the Corporate Secretary of the Company, at the address of the Company's headquarters.

**Further Contact.** The Corporate Secretary shall also inform the stockholder and candidate: if the Committee wishes to receive further information, if the Committee wishes to meet with the candidate, and of the outcome of the Committee's decision.

**Review and Recommendation.** As noted above, the Committee shall review candidates submitted by the stockholders using the same criteria that the Committee applies in evaluating candidates submitted from other sources.

Adopted by the Governance and Nominating Committee on: April 24, 2015

Adopted by the Board of Directors on: May 6, 2015