

**CHARTER OF THE NOMINATING AND  
CORPORATE GOVERNANCE COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF HEALTHTRONICS, INC.**

This Charter identifies the purpose, composition, meeting requirements, committee responsibilities and annual evaluation procedures of the Nominating and Corporate Governance Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of HealthTronics, Inc., a Georgia corporation (the “*Company*”).

**I. PURPOSE**

The Committee is responsible for:

- assisting the Board in determining the desired experience, mix of skills and other qualities to assure appropriate Board composition, taking into account the current Board members and the specific needs of the Company and the Board;
- identifying highly qualified individuals meeting those criteria to serve on the Board;
- proposing to the Board a slate of nominees for election by the stockholders at the Annual Meeting of Stockholders and prospective director candidates in the event of the resignation, death, removal or retirement of directors or a change in Board composition requirements;
- reviewing candidates nominated by stockholders for election to the Board;
- developing plans regarding the size and composition of the Board and its committees;
- developing and recommending to the Board a set of corporate governance standards applicable to the Company and the Board and to review such standards as the Committee deems appropriate;
- monitoring the corporate governance policies and practices of the Board; and
- such other functions as the Board may from time to time assign to the Committee.

In performing its duties, the Committee shall seek to maintain an effective working relationship with the Board and the Company’s management.

**II. COMPOSITION**

The Committee shall be composed of at least three members (including a Chairperson), and all members shall be “independent directors,” as such term is defined in the rules and regulations of the Nasdaq Stock Market, Inc. (the “*Nasdaq*”). Notwithstanding the foregoing, the Committee may have as one of its members a director who is not “independent” if such person is not a current officer or employee of the Company or a “Family Member” (as defined in the Nasdaq rules, as in effect from time to time) of an officer or employee of the Company due to

the exceptional and limited circumstances set forth in the rules and regulations of the Nasdaq. Such non-independent director shall not serve for more than two years. The members of the Committee and the Chairperson shall be selected annually by the Board and serve at the pleasure of the Board. A Committee member (including the Chairperson) may be removed at any time, with or without cause, by the Board. The Board may designate one or more directors as alternate members of the Committee, who may replace any absent or disqualified member or members at any meetings of the Committee, so long as such alternates meet the member qualification requirements set forth herein. No person may be made a member of the Committee if his or her service on the Committee would violate any restriction on service imposed by any rule or regulation of the SEC or any securities exchange or market on which shares of the common stock of the Company are traded. The Committee shall have authority to delegate responsibilities listed herein to subcommittees of the Committee if the Committee determines such delegation would be in the best interest of the Company.

### **III. MEETING REQUIREMENTS**

The Committee shall meet as necessary, but at least once each year, to enable it to fulfill its responsibilities. The Committee shall meet at the call of its Chairperson or at the request of any of its members. The Committee shall conduct its business as set forth in the Company's Bylaws. The Committee shall keep written minutes of its meetings, which shall be recorded or filed with the books and records of the Company. Any member of the Board shall be provided with copies of such Committee minutes if requested.

The Committee may ask members of management or others whose advice and counsel are relevant to the issues then being considered by the Committee to attend any meetings and to provide such pertinent information as the Committee may request.

The Chairperson of the Committee shall be responsible for leadership of the Committee, including preparing the agenda, presiding over Committee meetings, making Committee assignments and reporting the Committee's actions to the Board from time to time (but at least once each year) as requested by the Board.

### **IV. COMMITTEE RESPONSIBILITIES**

In carrying out its oversight responsibilities, the Committee's policies and procedures should remain flexible to enable the Committee to react to changes in circumstances and conditions so as to ensure the Company remains in compliance with applicable legal and regulatory requirements. In addition to such other duties as the Board may from time to time assign, the Committee shall have the following responsibilities:

#### **A. Board Candidates and Nominees**

1. To propose to the Board a slate of nominees for election by the stockholders at the Annual Meeting of Stockholders and prospective director candidates in the event of the resignation, death, removal or retirement of directors or a change in Board composition requirements.
2. To develop criteria to be considered for the selection of directors, taking into account the criteria set forth in the Company's Corporate Governance Guidelines.

3. To review, and make recommendations to the Board regarding, potential director nominees proposed by stockholders for election by the stockholders at the Annual Meeting of Stockholders, or at a special meeting of stockholders called for the purpose of electing directors, when properly presented to the Company according to the procedures set forth in the Company's Bylaws.
4. To review with the Board the desired experience, mix of skills and other qualities to assure appropriate Board composition, taking into account the current Board members and the specific needs of the Company and the Board.
5. To conduct candidate searches, interview prospective candidates and conduct programs to introduce candidates to the Company, its management and operations, and confirm the appropriate level of interest of such candidates.
6. To recommend to the Board, with appropriate input of Company management, qualified candidates for the Board who bring the background, knowledge, experience, skill sets and expertise that would strengthen and increase the diversity of the Board and taking into consideration the Board qualification criteria set forth in the Company's Corporate Governance Guidelines.
7. To conduct appropriate inquiries into the background and qualifications of potential nominees.
8. To work with senior management to provide an orientation and continuing education program for directors.
9. To produce or review proxy statement disclosure regarding nominating committee information required by applicable rule or regulation of the Securities and Exchange Commission (the "*SEC*") or any securities exchange or market on which shares of the common stock of the Company are traded.

Notwithstanding the provisions set forth in this Section IV, if the Company is legally required by contract or otherwise to provide third parties with the ability to nominate directors (*e.g.*, preferred stock rights to elect directors upon a dividend default, shareholder agreements and management agreements), the selection and nomination of such directors need not be subject to the Committee's nominating and review process.

#### B. Board and Committees

1. To review the size of the Board and recommend to the Board changes the Committee believes to be desirable.
2. To recommend to the Board policies pertaining to the roles, responsibilities, retirement age, tenure and removal of directors the Committee believes to be desirable.
3. To review with the participation of Company management, all Board committees and recommend to the Board changes in the number, responsibilities, membership and chairs of the committees the Committee believes to be desirable.

4. To make recommendations to the Board that the Committee believes to be desirable regarding responsibilities, organization and membership of all Board committees including the selection of the chairs of the other committees.
5. To assess, and provide to the Board the Committee's assessment of, the independence status of any individual to be appointed by the Board to fill a vacancy or a newly-created directorship, or who would be a nominee who has not previously served on the Board, under the then current applicable standards.

C. Corporate Governance

1. To develop and recommend to the Board a set of corporate governance standards applicable to the Company and, as the Committee deems appropriate, to review those standards and recommend to the Board any revisions the Committee deems necessary or desirable.
2. To establish and maintain, for the Board as well as management (working particularly with management and the Audit Committee), a code of conduct, including a focus on avoiding both real and perceived conflicts of interest.

**V. CONSULTANTS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities as described herein, and may retain, at the expense of the Company, independent counsel or other consultants necessary to assist the Committee in any such investigations or studies, if authorized by the Board. The Committee shall have sole authority to retain and terminate any search firm to be used to identify and investigate director candidates, including the sole authority to negotiate and approve the fees and retention terms of such search firm.

**VI. MISCELLANEOUS**

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities. This Charter, and any amendments hereto, shall be displayed on the Company's web site and a printed copy of such shall be made available to any stockholder of the Company who requests it.

Approved by the Board of Directors on March 2, 2007.