

POLYMEDICA CORPORATION

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

Adopted January 17, 2003
Amended and Restated March 12, 2004
Amended May 16, 2005

A. Purpose

The purpose of the Nominating and Corporate Governance Committee is to:

- recommend to the Board the persons to be nominated for election as directors at any meeting of stockholders or to fill the Board vacancies;
- develop and recommend to the Board a set of corporate governance principles applicable to the Company;
- oversee the evaluation of the Board; and
- review on a regular basis, the overall corporate governance of the Company and recommend improvements if necessary.

Except as otherwise required by applicable laws, regulations or listing standards, all major decisions are considered by the Board of Directors as a whole.

B. Structure and Membership

1. Number. The Nominating and Corporate Governance Committee shall consist of such number of directors as the Board shall from time to time determine, but in no event shall there be fewer than three members on the Nominative and Corporate Governance Committee.
2. Independence. Except as otherwise permitted by the applicable rules of NASDAQ, each member of the Nominating and Corporate Governance Committee shall be an “independent director” as defined by such rules.
3. Chair. Unless the Board elects a Chair of the Nominating and Corporate Governance Committee, the Committee shall elect a Chair by majority vote.

4. Compensation. The compensation of Nominating and Corporate Governance Committee members shall be determined by the Compensation Committee and approved by the Board of Directors.
5. Selection and Removal. Members of the Nominating and Corporate Governance Committee shall be appointed by the Board, upon the recommendation of the Committee. The Board may remove members of the Nominating and Corporate Governance Committee from such Committee, with or without cause.

C. **Authority and Responsibilities**

General

The Nominating and Corporate Governance Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management, in accordance with its business judgment. The Committee shall be responsible for reviewing the appropriate size, function and needs of the Board, developing the Board's policy involving tenure and retirement of directors.

Board and Committee Membership

1. Selection of Director Nominees. Except where the Company is legally required by contract, bylaw or otherwise to provide third parties with the right to nominate directors, the Nominating and Corporate Governance Committee shall be responsible for recommending to the Board the nominees for election as directors at any meeting of stockholders and the persons to be elected by the Board to fill any vacancies on the Board. In making such recommendations, the Committee shall consider candidates proposed by stockholders. The Committee shall review and evaluate information available to it regarding candidates proposed by stockholders and shall apply the same criteria, and shall follow substantially the same process in considering them, as it does in considering other candidates.
2. Criteria for Selecting Directors. The Board's criteria for selecting directors are as set forth in the Board's Guidelines on Significant Corporate Governance Issues, adopted January 17, 2003 and as it may be amended from time to time (the "Governance Guidelines"). The Nominating and Corporate Governance Committee shall use such criteria and the principles set forth in the Governance Guidelines to guide its director selection process. The Committee shall be responsible for reviewing with the Board, on an annual basis, the requisite skills and criteria for new Board members as well as the composition of the Board as a whole. The Committee may adopt, and periodically review and revise as it deems appropriate, procedures regarding director candidates proposed by stockholders.
3. Search Firms. The Nominating and Corporate Governance Committee shall have the sole authority to retain and terminate any search firm to be used to identify director nominees, including sole authority to approve the search firm's fees and other retention terms. The Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of any search firm

engaged by the Committee. The Committee shall keep the Chief Executive Officer advised as to the general range of anticipated expenses.

4. Selection of Committee Members. The Nominating and Corporate Governance Committee shall be responsible for recommending to the Board the directors to be appointed to each committee of the Board.

Corporate Governance

5. Governance Guidelines. The Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of the Governance Guidelines and recommend any proposed changes to the Board for approval. In addition the Committee shall:
 - a. Monitor and make recommendations to the Board on other matters or Board policies and practices relating to corporate governance; and
 - b. Review and make recommendations to the Board regarding proposals of shareholders that relate to corporate governance.

Evaluation of the Board and Management; Succession Planning

6. Evaluation of the Board. The Nominating and Corporate Governance Committee shall be responsible for overseeing an annual self-evaluation of the Board to determine whether it and its committees are functioning effectively. The Committee shall determine the nature of the evaluation, supervise the conduct of the evaluation and prepare an assessment of the Board's performance, to be discussed with the Board.
7. Recommendation of Chairman or Lead Director. The Nominating and Corporate Governance Committee shall make a recommendation to the Board as to which individual member of the Board should in its determination be Chairman of the Board, in the case in which the Chief Executive Officer of the Company is not the Chairman of the Board, or which individual member of the Board should in its determination be Lead Director of the Board, in the case in which the Chairman of the Board is the Chief Executive Officer.
8. Director Independence. A director shall not be deemed independent if the Nominating and Corporate Governance Committee determines that he or she has a material direct or indirect relationship with the Company or with the management of the Company. The Nominating and Corporate Governance Committee shall determine whether a director meets the applicable definition of independence under Securities and Exchange Commission or NASDAQ rules or regulations.
9. Succession of Senior Executives. The Nominating and Corporate Governance Committee shall present an annual report to the Board on succession planning, such annual report to include transitional Board leadership in the event of an unplanned vacancy. In preparing such report, the Nominating and Corporate

Governance Committee shall consider recommendations from the Company's executive management and other Committees of the Board as deemed appropriate by the Nominating and Corporate Governance Committee.

10. Director Orientation and Continuing Education. The general counsel shall be responsible for providing an orientation for new directors, and for periodically providing materials or briefing sessions for all directors on subjects that would assist them in discharging their duties. Each new director shall, within six months of election to the Board, receive a personal briefing by senior management at the Company's offices on the Company's strategic plans, financial statements, and key policies and practices. Directors are encouraged to attend director continuing education institutes and programs offered by certain national associations, universities and other third parties, and the Company has established an annual allowance to pay reasonable expenses and fees incurred for attendance at these programs.
11. Related Party Transactions and Conflicts of Interest. A director's business or family relationship may occasionally give rise to that director's material personal or financial interest on a particular transaction or issue. Each director is responsible for disclosing to the Committee situations that he or she reasonably believes give rise to a potential related party transaction or conflict of interest. In addition, the Committee shall ask directors about potential related party transactions and potential conflicts of interest at least annually. The Board, upon recommendation of the Committee and after consultation with the Committee's outside counsel, shall determine on a case-by-case basis whether a conflict of interest exists.
12. Additional Powers. The Nominating and Corporate Governance Committee shall have such other duties as may be delegated from time to time by the Board of Directors.

D. Procedures and Administration

1. Meetings. The Nominating and Corporate Governance Committee shall meet as often as it deems necessary in order to perform its responsibilities but in no event shall the Committee meet less than twice per year. The Committee shall keep such records of its meetings as it shall deem appropriate and shall insert such records into the corporate minute books of the Company.
2. Subcommittees. The Nominating and Corporate Governance Committee may form and delegate authority to one or more subcommittees (including a subcommittee consisting of a single member), as it deems appropriate from time to time under the circumstances.
3. Reports to the Board. The Nominating and Corporate Governance Committee shall make regular reports to the Board that include a complete breakdown of expenses incurred by the Committee in the performance of its duties.

4. Charter. The Nominating and Corporate Governance Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
5. Independent Advisors. The Nominating and Corporate Governance Committee shall have the authority to engage such independent legal and other advisors as it deems necessary or appropriate to carry out its responsibilities. Such independent advisors may be the regular advisors to the Company. The Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of such advisors as established by the Committee.
6. Investigations. The Nominating and Corporate Governance Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Committee or any advisors engaged by the Committee.
7. Annual Self-Evaluation. At least annually, the Nominating and Corporate Governance Committee shall evaluate its own performance and report its results to the Board.