

## **ODYSSEY HEALTHCARE, INC.**

### **NOMINATING & GOVERNANCE COMMITTEE CHARTER**

**March 19, 2003**

The Board of Directors (the “Board”) of Odyssey HealthCare, Inc. (the “Company”) has established the Nominating & Governance Committee of the Board.

#### **Purposes**

The purposes of the Nominating & Governance Committee are:

1. To assist the Board by identifying individuals qualified to become Board members, and to select, or recommend that the Board select, the director nominees for election at the annual meetings of stockholders or for appointment to fill vacancies;
2. To recommend to the Board director nominees for each committee of the Board;
3. To advise the Board about the appropriate composition of the Board and its committees;
4. To advise the Board about and recommend to the Board appropriate corporate governance practices and to assist the Board in implementing those practices;
5. To assist the Board in its annual review of the performance of the Board and its committees;
6. To assist the Board by developing a CEO succession plan; and
7. To perform such other functions as the Board may assign to the Nominating & Governance Committee from time to time.

#### **Composition**

The Nominating & Governance Committee shall consist of at least three members, all of whom are members of the Board. One of the members shall serve as the chairperson of the Nominating & Governance Committee. Each member of the Nominating & Governance Committee shall satisfy the independence requirements of the rules of the Nasdaq Stock Market, Inc., as applicable to domestic listed companies.

The Board shall appoint the members of the Nominating & Governance Committee. The chairperson of the Nominating & Governance Committee shall be designated by the Board or, if no such designation is made, shall be selected by the affirmative vote of the majority of the Nominating & Governance Committee. The Board may remove or replace the chairperson and any other member of the Nominating & Governance Committee at any time.

## Authority and Responsibilities

The Nominating & Governance Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Nominating & Governance Committee. The Nominating & Governance Committee may form and delegate some or all of its authority to subcommittees when it deems appropriate. Without limiting the generality of the preceding statements, the Nominating & Governance Committee shall have authority, and is entrusted with the responsibility, to do the following actions:

1. The Nominating & Governance Committee shall prepare and recommend to the Board for adoption appropriate corporate governance guidelines and modifications from time to time to those guidelines.
2. The Nominating & Governance Committee shall prepare and recommend to the Board for adoption a CEO succession plan and modifications from time to time to such plan.
3. The Nominating & Governance Committee shall actively seek individuals qualified to become board members for recommendation to the Board. The Nominating & Governance Committee's assessment as to the qualifications of Board member candidates shall include, without limitation, consideration of skills, experience, and diversity in the context of the needs of the Board.
4. The Nominating & Governance Committee shall provide that the majority of the members of the Board are independent directors and that each committee of the Board contains exclusively or, if appropriate, a majority of members that are independent to the extent required by law, applicable listing standards, the Company's charter or bylaws, or the Company's corporate governance guidelines.
5. The Nominating & Governance Committee shall determine whether or not each director and each prospective director of the Company is independent, disinterested, or a non-employee director under the standards applicable to the committees on which such director is serving or may serve. The Nominating & Governance Committee may survey any and all of the directors and prospective directors to determine any matter or circumstance that would cause the person not to qualify as an independent, disinterested or non-employee director under applicable standards. The Nominating & Governance Committee shall report to the Board the existence of any such matter or circumstance.
6. Each year, the Nominating & Governance Committee shall:
  - review the advisability or need for any changes in the number and composition of the Board;
  - review the advisability or need for any changes in the number, charters or titles of committees of the Board;

- recommend to the Board the composition of each committee of the Board and the individual director to serve as chairperson of each committee;
  - ensure that the chairperson of each committee report to the Board about the committee's annual evaluation of its performance and evaluation of its charter;
  - receive comments from all directors and report to the Board with an assessment of the Board's performance, to be discussed with the full Board following the end of each fiscal year;
  - review the advisability or need for any changes to the CEO succession plan and present the CEO succession plan and proposed changes to the Board for approval; and
  - review and reassess the adequacy of the corporate governance guidelines of the Company and recommend any proposed changes to the Board for approval.
7. The Nominating & Governance Committee shall have the sole authority to retain, amend the engagement with, and terminate any search firm to be used to identify director candidates. The Nominating & Governance Committee shall have sole authority to approve the search firm's fees and other retention terms and shall have authority to cause the Company to pay the fees and expenses of the search firm. The Nominating & Governance Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors, to approve the fees and expenses of such outside advisors, and to cause the Company to pay the fees and expenses of such outside advisors.
8. The Nominating & Governance Committee shall oversee the evaluation of the Board and management.

## **Procedures**

1. **Meetings.** The Nominating & Governance Committee shall meet at the call of its chairperson, two or more members of the Nominating & Governance Committee, or the Chairman of the Board. Meetings may, at the discretion of the Nominating & Governance Committee, include members of the Company's management, independent consultants, and such other persons as the Nominating & Governance Committee or its chairperson may determine. The Nominating & Governance Committee may meet in person, by telephone conference call, or in any other manner in which the Board is permitted to meet under law or the Company's bylaws. The Nominating & Governance Committee shall keep a written record of its meetings and actions and shall file a copy of such record in the corporate minutes of the Company.

2. ***Quorum and Approval.*** A majority of the members of the Nominating & Governance Committee shall constitute a quorum. The Nominating & Governance Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Nominating & Governance Committee may also act by unanimous written consent in lieu of a meeting.
3. ***Rules.*** The Nominating & Governance Committee may determine additional rules and procedures, including designation of a chairperson pro tempore in the absence of the chairperson and designation of a secretary of the Nominating & Governance Committee, at any meeting thereof.
4. ***Reports.*** The Nominating & Governance Committee shall make regular reports to the Board, directly or through the chairperson.
5. ***Review of Charter.*** Each year the Nominating & Governance Committee shall review the need for changes in this Charter and recommend any proposed changes to the Board for approval.
6. ***Performance Review.*** Each year the Nominating & Governance Committee shall review and evaluate its own performance and shall submit itself to the review and evaluation of the Board.
7. ***Fees.*** Each member of the Nominating & Governance Committee shall be paid the fee, if any, set by the Board for his or her services as a member of, or chairperson of, the Nominating & Governance Committee.