

EXCEL TECHNOLOGY, INC.

NOMINATING COMMITTEE CHARTER

Purpose

The purpose of the Nominating Committee is to (1) review suggestions of candidates for director made by directors and others; (2) identify qualified individuals to become members of the Corporation's Board of Directors, and (3) recommend to the Board the director nominees to be presented for election at each annual meeting of stockholders.

Committee Membership and Organization

The Committee shall be composed of at least three directors, all of whom satisfy the definition of "independent" under the listing standards of The Nasdaq Stock Market ("Nasdaq") and applicable law. The Committee members shall be appointed by the Board and may be removed by the Board in its discretion. The Chairman of the Committee shall be designated by the Board.

Meetings

The Committee shall meet as often as its members deem necessary to perform the Committee's responsibilities.

Committee Responsibilities and Authority

The Committee shall have the following authority and responsibilities:

- Prior to each annual meeting of stockholders, following determination by the Board of the number of directors to be elected at such meeting, the Committee shall identify nominees by first evaluating the current members of the Board of Directors willing to continue in service. The Committee shall consider for renomination current members of the Board with skills and experience that are relevant to the Company's business and who are willing to continue in service, balancing the value of continuity of service by existing members of the Board with that of obtaining a new perspective. If any member of the Board does not wish to continue in service or if the Committee decides not to re-nominate a member for re-election, the Committee shall seek to identify nominees that are of the highest ethical character, share the values of the Company, have reputations, both personal and professional, consistent with the image and reputation of the Company, are highly accomplished in their respective field, and possess the relevant expertise and experience necessary to assist the Board and the Company to increase stockholder value. The Committee shall poll current members of the Board of Directors for suggestions, and shall evaluate nominees for election to the Board submitted by stockholders in accordance with procedures adopted by the Committee, the By-Laws of the Company, and applicable law.

- In the event of a vacancy on the Board, following determination by the Board that such vacancy shall be filled, the Committee shall identify individuals qualified to fill such vacancy, consistent with the characteristics outlined above.
- Before selecting any nominee for director, the Committee shall review the candidate's availability and willingness to serve.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain any search firm to assist in identifying and evaluating director candidates and to retain independent legal counsel and any other advisors. The Company shall provide adequate funding, as determined by the Committee, for payment of compensation for any advisors retained by the Committee.

In evaluating director nominees, the Committee may consider the following factors:

- the appropriate size and the diversity of the Company's Board of Directors;
- the needs of the Company with respect to the particular talents and experience of its directors;
- the knowledge, skills, and experience of nominees, including experience in technology, business, or finance, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board;
- familiarity with national and international business matters;
- experience with accounting rules and practices;
- the need to satisfy governance and other standards set by the SEC and NASDAQ; and
- such other factors as it may deem to be in the best interests of the Company and its stockholders.

The Committee shall make regular reports to the Board and will propose any necessary action to the Board.

The Committee shall review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board.

The Committee shall annually evaluate the Committee's own performance and provide a report on such evaluation to the Board.