

Impax Laboratories, Inc.
Nominating Committee Charter

This Nominating Committee Charter (the “Charter”) has been adopted by the Board of Directors (the “Board”) of Impax Laboratories, Inc. (the “Company”).

Purpose

The Nominating Committee (the “Committee”) of the Board is responsible for developing and recommending to the Board certain corporate governance policies for the Company, establishing criteria for selecting new directors, and identifying, screening and recruiting new directors. The Committee is also responsible for selecting and recommending nominees for directors to the Board and recommending directors for committee membership to the Board.

Composition

The Committee shall be comprised of three or more members, all of whom must qualify as independent directors (“Independent Directors”) under the listing standards of the Nasdaq Stock Market, Inc. (“NASDAQ”).

Notwithstanding this independence requirement, if the Committee is comprised of at least three members, one director, who is not independent as defined in Rule 4200 of the NASDAQ Marketplace Rules (“Rule 4200”), and is not a current officer or employee or a Family Member (as defined by Rule 4200) of such person, may be appointed to the Committee if the Board, under exceptional and limited circumstances, determines that such individual’s membership on the committee is required by the best interests of the Company and its shareholders, and the Board discloses, in the next annual meeting Proxy Statement subsequent to such determination, the nature of the relationship and the reasons for the determination. A member appointed under this exception may not serve longer than two years.

Notwithstanding the above paragraph, if the Committee is comprised of at least three members, and if the exception described in the above paragraph is not relied upon, one director who owns twenty percent (20%) or more of the Company’s common stock or voting power outstanding, and is not independent as defined in Rule 4200 because that director is also an officer, may be appointed to the Committee if the Board determines that such individual’s membership on the Committee is required by the best interests of the Company and its shareholders, and the Board discloses, in the next annual meeting Proxy Statement subsequent to such determination, the nature of the relationship, and the reasons for the determination. A member appointed under this exception may not serve longer than two years.

A member shall promptly notify the Committee and the Board if the member is no longer an Independent Director and such member shall be removed from the Committee unless the Board determines that an exception to the Independent Director requirement is

available under the NASDAQ rules with respect to such member's continued membership on the Committee.

The requirements of Rule 4350(c) of the NASDAQ Marketplace Rules ("Rule 4350(c)") provide that a majority of the Board must be comprised of Independent Directors as defined in Rule 4200. If the Company fails to comply with the requirement of Rule 4350(c) due to one vacancy or because a director ceases to be independent, the Company shall regain compliance with Rule 4350(c) by the earlier of its next annual shareholders meeting or one year from the occurrence of the event that caused the failure to comply. The Committee and Board shall immediately provide notice to NASDAQ upon learning that a member is no longer an Independent Director.

Meetings and Procedures

Consistent with the Company's Restated Certificate of Incorporation, as amended, By-laws and applicable state law, the Committee shall meet at least twice a year and more frequently as circumstances require.

Responsibilities and Duties of the Nominating Committee

The Nominating Committee has the following duties and responsibilities:

Selection of Director Nominees and Committee Membership

- Establish the process for identifying and evaluating nominees for director, including but not limited to establishing criteria for selecting new director nominees.
- Determine the minimum qualifications that must be met by Nominating Committee recommended candidates.
- Select the slate of director nominees to be proposed for election by the stockholders and recommend to the Board individuals to be considered by the Board to fill vacancies.
- Recommend to the Board those directors to be selected for membership on the various Board committees. Recommendations should consider the qualifications for membership on each committee.
- Establish policies regarding the consideration of potential director nominees recommended by security holders.
- Establish procedures to be followed by security holders in submitting recommendations for potential director nominees.
- Recommend to the Board a process for security holders to communicate with the Board.

- Recommend to the Board a policy with respect to Board member attendance at annual meetings.

Investigations and Studies; Outside Advisors

The Committee may conduct or authorize investigations into or studies of matters within the scope of the Committee's duties and responsibilities, and may retain, at the Company's expense, such experts and other professionals as it deems necessary. The Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms, such fees to be borne by the Company.