

MEDGENICS, INC.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

1. PURPOSE

The purpose of the Nominating and Corporate Governance Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Medgenics, Inc. (the “**Company**”) shall be to identify qualified individuals to become members of the Board, to recommend to the Board nominees to be submitted to the stockholders for election as directors at each annual meeting and to develop and recommend to the Board corporate governance principles applicable to the Company. The Committee shall report to the Board on a regular basis and not less than once a year.

2. DUTIES The Committee shall:

- 2.1** regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board or any committee thereof compared to its current position and make recommendations to the Board with regard to any proposals for change;
- 2.2** give full consideration to succession planning for directors and other senior executives, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in the future;
- 2.3** identify, screen, and recommend to the Board director nominees for election by the stockholders or appointment by the Board, as the case may be, pursuant to the Amended and Restated Bylaws of the Company (as may be further amended, modified or replaced, the “**Bylaws**”), which selections shall be consistent with the Board's criteria for selecting new directors. Such criteria include the possession of such experience, knowledge, skills, expertise, mature judgment, acumen, character, integrity and diversity so as to enhance the Board's ability to manage and direct the affairs and business of the Company, including, when applicable, to enhance the ability of committees of the Board to fulfill their duties and/or to satisfy any independence requirements imposed by law, regulation or NYSE Amex or other applicable exchange or market listing requirements. The Committee may consider candidates proposed by management or by stockholders, but is not limited to such candidates;
- 2.4** evaluate the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, develop a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee:
 - (a) may use open advertising or the services of external advisers to facilitate the search;
 - (b) shall consider candidates from a wide range of backgrounds; and
 - (c) shall consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- 2.5** review stockholder nominations, if any, for members of the Board;
- 2.6** review the suitability for continued service as a director of each Board member when his or her term expires and when he or she has a significant change in status, including but not limited to an employment change, and recommend to the Board whether or not the

director should be re-nominated;

- 2.7** keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in its marketplace;
- 2.8** review annually the time required to be devoted by non-executive directors to the fulfillment of their duties and whether the non-executive directors are devoting sufficient time to fulfilling their duties;
- 2.9** identify Board members qualified to fill vacancies on any committee of the Board and to recommend that the Board appoint the identified member or members to the respective committee, taking into account any factors set forth in such committee's charter and any other factors the Committee deems appropriate;
- 2.10** ensure that all Board members receive a full, formal and tailored induction on joining the Board and that the Company provides the necessary resources to ensure that the Board members continually update their skills and knowledge to fulfill their role on the Board and any committee of the Board;
- 2.11** receive comments from all directors and report annually 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;
- 2.12** ensure that, as part of each regularly scheduled meeting of the Board, the independent directors shall meet in executive session prior to the conclusion of such Board (such executive sessions shall be chaired by the lead director chosen from time to time by the independent directors);
- 2.13** establish procedures requiring management to disclose to the Committee any proposed transaction between the Company or its affiliates and any of its officers or directors and or their affiliates (other than transactions consistent with the normal course of business and past practice as such has been disclosed to the Board or one of its committees from time to time) and advise the Board with respect to such transactions;
- 2.14** consider any other corporate governance issues that arise from time to time, and develop appropriate recommendations for the Board; and
- 2.15** consider such other matters as may be requested by the Board.

3. AUTHORITY

- 3.1** The Committee may form and delegate authority and responsibilities to any subcommittee or any member of the Committee for any purpose that the Committee deems appropriate.
- 3.2** The Committee is authorized by the Board to examine any activity within the scope of its duties described above and is authorized to obtain, at the Company's expense, professional advice (including independent professional advice) on any such matter.
- 3.3** The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management. With respect to consultants or search firms used to identify director candidates, this authority shall be vested solely in the Committee.

- 3.4** The Committee is authorized to seek any information it requires from any employee, director, adviser or consultant of the Company and all such employees, directors, advisers and consultants will be directed by the Company to co-operate with any request made by the Committee

4. MEMBERSHIP

- 4.1** The Committee shall consist of a minimum of three members appointed by the Board, which Committee members are also members of the Board. Members of the Committee shall serve at the discretion of the Board. The Committee shall appoint one of its members to act as the Chairman of the Committee, provided that the Chairman of the Committee shall not be the Chairman of the Board.
- 4.2** The committee will be comprised solely of “independent directors,” i.e., those directors who are neither officers or employees of the Company or its subsidiaries nor have a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, and each of whom is otherwise an “independent director,” as such term is defined in Section 803A of the NYSE Amex Company Guide.

5. MEETINGS

- 5.1** The Committee will meet in person or telephonically at least once per year at a time and place determined by the Chairman of the Committee, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or the Chairman of the Committee.
- 5.2** Other directors, officers and external advisers may be invited to attend all or part of any meeting as and when considered appropriate by the Committee.
- 5.3** Notices for meetings of the Committee shall be given in the same manner as provided in the Bylaws for notices to be given with respect to meetings of the Board.
- 5.4** At each meeting, the Committee shall appoint a member of the Committee or other invited guest to act as the secretary of the Committee. The secretary shall record the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance. Draft minutes of each meeting shall be circulated to all members of the Committee. On finalization and signature by the Chairman of the Committee, the minutes of each meeting shall be submitted to the Board as a formal record of the decisions of the Committee on behalf of the Board.
- 5.5** Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending (in person or telephonically) a meeting of the Committee. A quorum at any meeting shall be any two members of the Committee. Actions by the Committee may be taken by unanimous written consent in the same manner as provided in the Bylaws for written consents by the Board.

6. GENERAL MATTERS

- 6.1** The Chairman of the Committee shall make himself available at each Annual Meeting of Stockholders of the Company to answer questions concerning the Committee’s work during the preceding year.
- 6.2** The Committee shall, at least once a year, review its own performance,

constitution and this Charter to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

- 6.3** Any act of the Committee in accordance with this Charter with respect to any duty delegated to it hereunder shall be deemed to be an act of the Board with respect to such matter without the need for any additional action or approval by the Board, except to the extent such authority is expressly limited by the Board.
- 6.4** This Charter was adopted by the Board of Directors and is effective as of March 11, 2011 and supersedes and replaces any prior charter or committee terms relating to nominating issues.