



**CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS OF
NOVABAY PHARMACEUTICALS, INC.
(As amended, Effective May 1, 2015)**

1. Purposes.

The purposes of the Nominating and Corporate Governance Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of NovaBay Pharmaceuticals, Inc. (the “*Company*”) shall be to assist the Board in (a) establishing the minimum qualifications for a director nominee, including the qualities and skills that Board members are expected to possess; (b) identifying and evaluating individuals qualified to become Board members, consistent with criteria approved by the Board and Committee; (c) selecting, or recommending that the Board select, the director nominees for election at the next Annual Meeting of Stockholders, or to fill vacancies on the Board occurring between Annual Meetings of Stockholders; and (d) developing, recommending to the Board, and assessing corporate governance policies for the Company.

2. Composition.

(a) At Least Three Members; Chairperson. The Committee shall consist of a minimum of three independent directors as defined in Section 2(b) below. The Board shall designate a Committee member as the Chairperson of the Committee, or if the Board does not do so, the Committee members shall appoint a Committee member as Chairperson by a majority vote of the authorized number of Committee members.

(b) Independence. All members of the Committee shall be “*independent*” as determined by the Board and as defined in the listing standards of the American Stock Exchange or such other national securities exchange on which the Company’s securities are then listed, as the same may be amended from time to time (the “*listing standards*”), the rules and regulations of the Securities and Exchange Commission (the “*SEC*”) and any other laws applicable to the Company.

(c) Appointment. Subject to the requirements of the listing standards and the Bylaws of the Company, the Board shall appoint the Committee members to serve on the Committee, and the Board may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee.

3. Meetings; Reports and Resources of the Committee.

(a) Meetings. The Committee shall meet as often as it determines necessary or advisable, but not less than once a year. The Chairperson of the Committee or a majority of the Committee members may call meetings of the Committee. The Committee also may hold special meetings or act by unanimous written consent as the Committee may decide. The meetings may be in person or by telephone. The Committee shall keep written minutes of its meetings and shall

deliver a copy of such minutes to the Board and to the Corporate Secretary of the Company for inclusion in the Company's minute books. The Committee may meet separately with other directors, the Chief Executive Officer and other Company employees, agents or representatives invited by the Committee.

(b) Procedures. The Committee may establish its own procedures in a manner not inconsistent with this Charter, the Company's Bylaws, applicable laws or regulations, or the listing standards. Any Committee member may call a meeting of the Committee. A majority of the authorized number of Committee members shall constitute a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at the meeting at which a quorum is present shall be the act of the Committee, unless in either case a greater number is required by this Charter, the Company's Bylaws, applicable laws or regulations, or the listing standards. The Committee may form and delegate any of its responsibilities to a subcommittee so long as such subcommittee consists solely of independent members of the Committee.

(c) Reports. The Committee shall report its actions and recommendations to the Board after each Committee meeting, and shall report to the Board the director nominees for the Annual Meeting of Stockholders at an appropriate time prior to preparation of the Company's proxy statement for the Annual Meeting of Stockholders. The Committee shall disclose to the Board information regarding the category or categories of persons or entities that recommended, and persons or entities that caused to be recommended, each director nominee (for instance, security holder, non-management director, chief executive officer, other executive officer, third-party search firm, or other, specified source), specifically noting those instances where a nominee was recommended by the Chief Executive Officer of the Company. The Committee also shall disclose to the Board whether any third parties received compensation related to identifying and evaluating candidates.

(d) Committee Access and Resources. The Committee is at all times authorized to have direct, independent and confidential access to the Company's other directors, management and personnel, as well as to the Company's books, records and facilities, to carry out the Committee's purposes. The Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain and terminate at the Company's expense any search firm to assist in identifying director candidates, and any independent counsel or other advisers selected by the Committee for matters related to the Committee's purposes. The Committee shall have sole authority to approve related fees and retention terms.

4. Authority and Responsibilities.

In furtherance of its purposes, the Committee shall have the following authority and responsibilities:

(a) To assist the Board in establishing the minimum qualifications for a director nominee, including the qualities and skills that Board members are expected to possess; to lead the search for and identify individuals qualified to become Board members, consistent with criteria approved by the Board; and to select, or to recommend that the Board select, the director nominees to be presented for stockholder approval at the next Annual Meeting of Stockholders, and one or more director nominees for each vacancy on the Board that occurs between Annual Meetings of Stockholders, subject to legal rights, if any, of third parties to nominate or appoint directors. The Committee shall select or recommend individuals as director nominees who meet the minimum qualifications approved by the Board and who shall have high personal and

professional integrity, who shall have financial literacy or other professional or business experience relevant to an understanding of the Company and its business, who shall have demonstrated an ability to think and act independently and with sound judgment and who shall be effective, in conjunction with the other nominees to the Board, in collectively serving the long-term interests of the Company and its stockholders.

(b) To review and recommend to the Board a determination with respect to each director's "independence" under the listing standards, the rules and regulations of the SEC and any other laws applicable to the Company.

(c) To receive, review and respond to director nominations submitted in writing by the Company's stockholders.

(d) To review and evaluate the Board's committee structure. To recommend to the Board for its approval qualified directors to serve as members of each committee, giving consideration to the criteria for service on each committee as set forth in the charter for such committee. The Committee shall review and recommend committee slates annually and shall recommend additional committee members to fill vacancies as needed.

(e) To consider and recommend changes in the size or composition of the Board and matters relating to the retirement of Board members.

(f) To determine the reasons for the resignation of any director.

(g) To annually evaluate its own performance as a committee, including its effectiveness and compliance with its Charter, and report to the Board the results of such evaluation and any recommended changes. To review and reassess, at least annually, the adequacy of this Charter and submit any recommended changes to the Board for its consideration.

(h) To perform any other activities, consistent with this Charter, the Company's Bylaws and applicable listing standards and laws, as the Committee or the Board deems necessary or appropriate.

(i) To develop, assess annually, and make recommendations to the Board concerning, appropriate corporate governance policies, including the Company's Code of Ethics and Business Conduct. To regularly review issues and developments related to matters of corporate governance. To monitor compliance with the Company's Code of Ethics and Business Conduct and other corporate governance policies.

(j) To oversee an annual review of the performance of the full Board and management, and to oversee the annual self-evaluation process of each Board committee.

(k) To review and assist the Board in developing succession plans for the Chief Executive Officer, and ensure that a qualified successor to the Company's Chief Executive Officer is at all times identified, in the event of an emergency or the retirement of the Chief Executive Officer.

(l) To perform any other functions required by applicable law, rules or regulations, including the rules of the SEC and the rules of any exchange or market on which the Company's securities are traded. The Committee shall also perform such other functions as are delegated to it by the Board from time to time.

5. Procedures Regarding Director Nominations by Stockholders.

The Committee will consider nominees for the Board recommended by stockholders who meet the eligibility requirements for submitting stockholder proposals for inclusion in the Company's next proxy statement as described in the Company's Bylaws. If an eligible stockholder wishes to recommend a nominee, he or she should submit such recommendation in writing to the Corporate Secretary of the Company, by the deadline for stockholder proposals set forth in the Company's last proxy statement, specifying the following information: (1) the name, age, business address and residence address of such nominee, (2) the principal occupation or employment of such nominee, (3) the class and number of shares of each class of capital stock of the corporation which are owned of record and beneficially by such nominee, (4) the date or dates on which such shares were acquired and the investment intent of such acquisition, (5) a statement whether such nominee, if elected, intends to tender, promptly following such person's failure to receive the required vote for election or re-election at the next meeting at which such person would face election or re-election, and (6) such other information concerning such nominee as would be required to be disclosed in a proxy statement soliciting proxies for the election of such nominee as a director in an election contest (even if an election contest is not involved), or that is otherwise required to be disclosed pursuant to Section 14 of the 1934 Act and the rules and regulations promulgated thereunder (including such person's written consent to being named as a nominee and to serving as a director if elected).

Additionally as of the date of the notice and as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (each, a "Proponent" and collectively, the "Proponents"): (1) the name and address of each Proponent, as they appear on the corporation's books; (2) the class, series and number of shares of the corporation that are owned beneficially and of record by each Proponent; (3) a description of any agreement, arrangement or understanding (whether oral or in writing) with respect to such nomination or proposal between or among any Proponent and any of its affiliates or associates, and any others (including their names) acting in concert, or otherwise under the agreement, arrangement or understanding, with any of the foregoing; (4) a representation that the Proponents are holders of record or beneficial owners, as the case may be, of shares of the corporation entitled to vote at the meeting and intend to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (5) a representation as to whether the Proponents intend to deliver a proxy statement and form of proxy to holders of a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees; (6) to the extent known by any Proponent, the name and address of any other stockholder supporting the proposal on the date of such stockholder's notice; and (7) a description of all Derivative Transactions (any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proponent or any of its affiliates or associates, whether record or beneficial) by each Proponent during the previous twelve (12) month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions.

All such recommendations will be brought to the attention of the Committee, and the Committee shall evaluate such director nominees in accordance with the same criteria, set forth in this Charter or otherwise approved by the Committee or the Board, applicable to the evaluation of all director nominees.