

SPAN-AMERICA MEDICAL SYSTEMS, INC.
NOMINATING COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER
Adopted February 11, 2004

I. PURPOSE

The primary function of the Nominating Committee (the “Committee”) of Span-America Medical Systems, Inc. (the “Company”) is to assist the Board in fulfilling its responsibilities with respect to Board and committee membership and shareholder proposals.

The Committee’s primary duties and responsibilities are to:

- Establish criteria for Board and committee membership and recommend to the Board proposed nominees for election to the Board; and
- Make recommendations regarding proposals and nominees for director submitted by shareholders of the Company.

The Committee shall fulfill these responsibilities by carrying out the activities set forth in Section IV of this Charter.

II. COMPOSITION

The Committee shall be comprised of three or more directors as determined by the Board, each of whom the Board has determined to be independent, as defined by Rule 4200(a)(15) of The NASDAQ Stock Market, Inc. Marketplace Rules. Each member of the Committee shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

The members of the Committee shall be elected by the Board at its first meeting after each annual meeting of the Company’s shareholders and shall serve until their successors shall be duly elected and qualified. Unless the Board elects a Chairperson, the members of the Committee may designate a Chairperson by a majority vote of the full Committee membership. Vacancies occurring for any reason in the membership of the Nominating Committee shall be filled by the Board of Directors.

III. MEETINGS

The Committee shall meet as frequently as circumstances dictate. The Committee may request that any officer or employee of the Company attend a meeting of the Committee or meet with any members of, or consultants or advisors to, the Committee. At its sole discretion the Committee may meet separately with members of management or with outside advisors to

discuss any matters that the Committee believes are appropriate. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Committee shall, to the extent it deems necessary or appropriate:

Board Selection, Composition, and Evaluation

1. Establish criteria for Board membership, including, without limitation, experience levels, career specialization, leadership qualities, strength of character, diversity, and the extent to which a candidate would fill a present need on the Board of Directors.
2. Determine and oversee the search process for candidates for Board membership, review shareholder recommendations for proposed nominees for election to the Board, identify candidates qualified to become Board members, evaluate candidates, and recommend nominees for election as members to the full Board of Directors (including both director nominees to be presented for shareholder approval at the annual meeting of shareholders and director nominees to be elected by the Board to fill vacancies).
3. Review and evaluate the performance of incumbent directors and make recommendations to the full Board regarding whether to nominate incumbent directors for reelection.
4. Consider questions of independence and possible conflicts of interest of candidates and members of the Board of Directors pursuant to NASDAQ listing standards and make recommendations to the full Board regarding such issues.
5. Review and approve recommendations to the Board regarding proposals submitted by shareholders of the Company.
6. Develop and oversee the operation of an orientation program for new directors and determine whether and what form of continuing education is appropriate for incumbent directors.
7. Consider and recommend changes in the size and composition of the Board.
8. Review and evaluate, at least annually, the performance of the Board as a whole.
9. Perform any other activity consistent with this Charter, the Company's Bylaws, and governing law as the Committee or the Board deems necessary or appropriate.

Reports

10. Report regularly to the Board of Directors.
11. Review and reassess, at least annually, the adequacy of this Charter and recommend to the Board of Directors any improvements to this Charter that the Committee deems necessary or valuable.
12. Maintain minutes or other records of meetings and activities of the Committee.

V. POWERS

1. In discharging its duties, the Committee is empowered to investigate any matter within the scope of its responsibilities.
2. The Committee shall have the authority, without seeking Board approval, to consult with the Company's management and corporate staff, incur administrative expenses, and obtain such data and other materials as it determines are necessary or desirable to carry out its duties. However, if the Committee deems it necessary or desirable to engage a search firm or other consultant to assist it in carrying out its duties, the Committee shall recommend to the full Board that such search firm or other consultant be retained, and the Board shall have the sole authority to approve or disapprove such engagement, including the fees payable to such search firm or consultant and any other terms of retention.
3. Where legally permissible, the Committee shall have the authority to delegate such of its responsibilities as the Committee may deem necessary or appropriate in its sole discretion.