

PolyMedix, Inc.
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
PRINCIPLES AND POLICIES

I. PURPOSE

The Nominating and Corporate Governance Committee (the “Committee”) of the Company is appointed by, and generally acts on behalf of, the Board of Directors (the “Board”) of PolyMedix, Inc. (the “Company”). The Board has determined to establish the governing principles of the Committee through the adoption of these Principles and Policies. The Committee’s principal purposes shall be:

- (i) to establish criteria for the selection of directors, to consider qualified Board candidates recommended by stockholders, and to recommend to the Board the nominees for director in connection with the Company’s annual meeting of stockholders;
- (ii) to take a leadership role in shaping the Company’s corporate governance policies and to develop and recommend to the Board the Company’s Statement on Corporate Governance and the Company’s Code of Professional Ethics;
- (iii) to conduct annual evaluations of the Board, its committees and its members; and
- (iv) to discharge such duties and responsibilities as may be required of the Committee by the provisions of applicable law or rule or regulation of the American Stock Exchange (the “Amex”).

II. RESPONSIBILITIES AND DUTIES

A. Nomination of Directors

The Committee has the following responsibilities:

- (i) to consider and make recommendations to the Board concerning the appropriate size and overall characteristics of the Board, including desired competencies, skills and attributes and the desired ratio of independent and non-independent directors;
- (ii) to establish criteria for persons to be nominated for election to the Board and its committees, taking into account the composition of the Board as a whole. At a minimum, the criteria should include (i) a candidate’s qualification as “independent” under the various standards applicable to the Board and each of its committees; (ii) depth and breadth of experience within the Company’s industry and otherwise; (iii) outside time commitments; (iv) business judgment; (vii) leadership ability; (viii) knowledge of international markets; (ix) experience in developing and assessing business strategies; (x) corporate governance expertise; (xi) risk management skills; and (xii) for incumbent members of the Board, the past performance of the incumbent director. The Committee will consider all criteria when assessing the qualifications of candidates, including the candidacies of incumbent directors who are being considered for re-nomination;
- (iii) to conduct searches for prospective directors based on the foregoing criteria, review candidates recommended by stockholders, and evaluate and recommend candidates for election to the Board by the stockholders or to fill vacancies. In making its recommendation, the Committee shall be sensitive to outstanding talent among minority groups and women, and shall give consideration to the staffing needs of each of the committees of the Board;
- (iv) to review on an annual basis and recommend to the Board one member of the Board to serve as Chair;

- (v) to establish policies for reviewing the continued appropriateness of Board membership when an individual director changes the position he or she held when elected or appointed to the Board;
- (vi) evaluate and make recommendations to the Board concerning the appointment of directors to Board committees and the selection of committee chairs; recommendations shall consider suggestions from the Chair of the Board, desired characteristics of committee members, specific legal and regulatory requirements, whether there should be a policy of periodic rotation of directors among the committees, the number of boards and other committees on which the directors serve, and whether there should be any limitations on the number of consecutive years a director should serve on any one committee; and
- (vii) to annually review the independence of each director.

B. Corporate Governance Oversight

The Committee has the following responsibilities:

- (i) to annually review and assess the adequacy of the Company's corporate governance principles and recommend any changes to the Board for its approval and adoption;
- (ii) to evaluate and recommend to the Board the responsibilities of the Board committees, including the structure, operations and the authority to delegate to subcommittees;
- (iii) to assist the Board in its allocation of workload among the various committees of the Board;
- (iv) to review and reassess the adequacy of the charters of the various committees of the Board annually and recommend any proposed changes to the Board for its approval;
- (v) to assist the Board with development of responsibilities of directors, including basic duties and responsibilities with respect to attendance at board meetings and advance review of meeting materials;
- (vi) to review and approve all transactions between the Company (and its subsidiaries) and its directors and executive officers;
- (vii) to approve all service by senior executive officers on outside boards of directors; and
- (viii) to review and recommend adoption of all director and officer insurance policy requirements.

C. Board Evaluation and Development

The Committee has the following responsibilities:

- (i) to conduct an annual evaluation of the full Board, the various Board committees and individual Board members, which evaluations shall be reported to the whole Board; and
- (ii) to establish and maintain an orientation program for new directors.

III. OTHER POWERS AND RESPONSIBILITIES

A. Evaluations

The Committee shall annually review and assess its own performance and the performance of each Committee member and deliver a report to the Board setting forth the results of its evaluation. In conducting this review, the Committee shall address matters that it considers relevant to its performance, including at a minimum, the adequacy, appropriateness and quality

of the information and recommendations presented to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

B. Reports

The Committee shall make regular reports to the Board, providing an overview of its activities, summarizing Committee actions and commenting on the fulfillment of the Committee's duties under these Principles and Policies. The Committee shall also present resolutions to the Board that the Committee has recommended be adopted at the Board level.

C. Retention of Professional Advisors

The Committee shall have the authority to retain consultants and other third-party advisors of its selection as it deems necessary to provide it with advice and counsel, including a search firm to fulfill its responsibilities of identifying candidates for Board membership. The Company shall provide appropriate funding for the Committee to retain such advisors without requiring the Committee to seek Board approval.

D. Revision of Principles and Policies

The Committee shall review and reassess the adequacy of these Principles and Policies annually and recommend any proposed changes to the Board for its approval.

E. Miscellaneous

The Committee shall perform any other activities consistent with these Principles and Policies, the Company's Articles of Incorporation, Bylaws, and governing law, as the Committee or the Board deems necessary or appropriate.

IV. MEMBERSHIP AND ORGANIZATION OF COMMITTEE**A. Size of Committee**

The Committee shall consist of at least three independent directors.

B. Member Qualifications

The members of the Committee shall meet the independence and experience requirements of the Amex.

C. Appointment

The members of the Committee shall be appointed by the Board. The Board shall designate one member of the Committee to serve as Chair. If the Chair is absent from a meeting, another member of the Committee may act as Chair.

D. Term

Members of the Committee will be appointed for one-year terms and shall serve until their resignation, retirement, or removal by the Board or until their successors shall be appointed. The Board may fill vacancies on the Committee and remove a member of the Committee at any

time with or without cause. No member of the Committee shall be removed except by majority vote of the independent directors of the Board then in office.

V. CONDUCT OF MEETINGS**A. Frequency**

The Committee shall meet when, where and as often as it may deem necessary and appropriate in its judgment, but in no event less than two (2) times per year, either in person or telephonically. A majority of the members of the Committee shall constitute a quorum. The Chair of the Board, the Chair of the Committee, or the Company's Chief Executive Officer shall have the right to call a special meeting of the Committee.

B. Non-Committee Member Attendees

The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting to provide such information as the Committee requests.

C. Conduct of Meetings

The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and these Principles and Policies.

D. Minutes

A member of the Committee or the Corporate Secretary shall keep written minutes of Committee meetings, which minutes shall be maintained with the books and records of the Company.

E. Delegation of Authority

The Committee may delegate authority to one or more members of the Committee when appropriate, but no such delegation shall be permitted if the authority is required by law, regulation or listing standard to be exercised by the Committee as a whole.