

**TRANSACT TECHNOLOGIES INCORPORATED**  
**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**  
**CHARTER**

**INTRODUCTION**

The Board of Directors (the “Board”) of TransAct Technologies Incorporated (the “Company”) has adopted this charter for its Nominating and Corporate Governance Committee (the “Committee”). The Committee shall conduct its business in accordance with this charter, the Company’s Certificate of Incorporation and By-Laws and any direction by the Board.

**COMMITTEE COMPOSITION**

***Number and Qualifications***

The Committee shall be comprised of three or more directors. Each member of the Committee must be affirmatively determined by the Board to be independent in accordance with the rules of The Nasdaq Stock Market and the Company’s By-Laws and Corporate Governance Principles, except as may be permitted by the rules of The Nasdaq Stock Market under exceptional and limited circumstances.

***Appointment and Removal***

The members of the Committee shall be appointed by the Board annually upon the recommendation of the Committee, and shall serve until the earlier to occur of (i) such member’s resignation, removal or death, or (ii) the election and qualification of such member’s successor. A majority of the Board may remove any member of the Committee at any time with or without cause, provided that the Board must, at all times, assure that the Committee will have a Chair and sufficient members to satisfy the requirements set forth above relating to the number and qualifications of Committee members. Vacancies on the Committee shall be filled by the Board upon the recommendation of the Committee.

***Committee Chair***

Unless a Chair of the Committee is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership. A Chair elected by the Committee may be removed and replaced as Chair by the Committee or the full Board. To assure familiarity with the issues facing the Committee, a member of the Committee generally should have served at least one year on the Committee prior to becoming its Chair. The Committee Chair may be rotated periodically if and at such time as determined by the Board or the Committee.

## PURPOSE AND RESPONSIBILITIES

The purpose of the Committee is to carry out the responsibilities delegated by the Board relating to the Company's director nominations process and procedures, governance practices, matters relating to the composition and evaluation of the Board and any related matters required by the federal securities laws. The Committee, in fulfilling this purpose, shall have the following authority and responsibilities:

### *Director Nominations and Education*

- **Director Candidates.** The Committee is responsible for identifying, reviewing and recommending to the Board individuals qualified for election to the Board. The Committee shall develop procedures for the Committee's consideration of director candidates recommended by the Company's stockholders pursuant to the procedures described in the Company's By-Laws and proxy statement and shall be responsible for overseeing the nomination process. The Committee shall also consider any nominations of director candidates validly made by stockholders in accordance with applicable laws, rules and regulations and the provisions of the Company's By-Laws.
- **Criteria.** In recommending candidates for election to the Board, the Committee shall take into consideration criteria established by the Board as set forth in the Company's By-Laws and Corporate Governance Principles, or as otherwise may be established by the Board from time to time. Pursuant to the Company's By-Laws, to be eligible for election or re-election, a candidate must deliver in writing, not by electronic transmission, to the Secretary of the Company, all completed and signed questionnaires requested by the Company, among other requirements. In evaluating director candidates for recommendation to the Board, the Committee shall review and consider the completed and signed questionnaires and all other information it may seek to obtain about a director candidate (including the results of a background check, which it may require in its discretion), and may consult with advisors regarding such information. The Committee may determine and recommend to the Board for approval such further criteria as it considers appropriate.
- **Proxy Statement Disclosures.** In connection with the preparation of the Company's annual proxy statement, the Committee shall approve descriptions of (i) the Committee's process for identifying and evaluating the candidates that it recommends to the Board for nomination as directors, including candidates recommended by stockholders (and any differences in the manner in which the Committee evaluates candidates based on whether the candidates are recommended by stockholders), (ii) the procedures to be followed by stockholders in recommending candidates, and (iii) any specific, minimum qualifications that the Committee believes must be met by nominees for election to the Board and any specific qualities or skills that the Committee believes must be possessed by one or more of the Company's directors.
- **Director Education.** The Committee is responsible for developing and overseeing a Company orientation program for new directors and a continuing education program for

current directors. The Committee shall periodically review these programs and update them, as necessary or appropriate.

### ***Governance***

- **Governance Oversight.** The Committee shall be responsible for overseeing the Company's corporate governance practices and profile. This includes the responsibility to oversee the Company's response to regulatory developments affecting governance, and requires the Committee to identify best practices and to review and recommend to the Board for approval any changes to the governance documents, policies and procedures in the Company's corporate governance framework, including its Certificate of Incorporation, By-Laws, Committee charters, Corporate Governance Principles and the standards of conduct for non-employee directors.
- **Corporate Governance Principles.** The Committee is responsible for developing, and recommending to the Board, written Corporate Governance Principles, applicable to the Company, reviewing such Corporate Governance Principles at least once a year, and recommending appropriate amendments to the Board, if any.
- **Governance Disclosure.** The Committee shall review and discuss with management disclosure of the Company's corporate governance practices, including information regarding the operations of the Committee and other Board committees, and recommend that this disclosure be included in the Company's proxy statement or annual report on Form 10-K, as applicable.

### ***Board and Committee Structure and Composition***

- **Board Structure.** The Committee is responsible for periodically reviewing and making recommendations to the Board regarding the size and leadership structure of the Board.
- **Board Independence.** The Committee shall assess on a regular basis, and at least annually, the independence of each director and each candidate for election to the Board under the listing standards of The Nasdaq Stock Market, the rules and regulations of the Securities and Exchange Commission and Internal Revenue Service, other applicable laws and regulations and the Corporate Governance Principles. The Committee is responsible for making recommendations regarding the independence of each director and director candidate to the Board, which, in turn, shall make the final determination of each individual's independence.
- **Committee Structure and Appointments.** The Committee is responsible for periodically reviewing the Board's committee structure and composition and for annually recommending to the Board directors to serve as members and the Chair of each Board committee.
- **Committee Independence.** The Committee shall assess on a regular basis, and at least annually, the independence of each committee member under the listing standards of The Nasdaq Stock Market, the rules and regulations of the Securities and Exchange

Commission and Internal Revenue Service, other applicable laws and regulations and the Corporate Governance Principles. The Committee is responsible for making recommendations regarding the independence of each committee member to the Board, which, in turn, shall make the final determination of each committee member's independence.

### *Performance Evaluations*

- **Board Evaluation.** The Committee is responsible for developing, subject to approval by the Board, a process for an annual evaluations of the Board and its committees, and for overseeing the conduct of the annual evaluations.
- **Nominating and Corporate Governance Committee Evaluation.** The Committee shall conduct an annual evaluation of the performance of its duties under this charter and shall present the results of the evaluation to the Board. The evaluation shall address subjects including the Committee's composition, responsibilities, structure, processes and effectiveness. The Committee shall conduct this evaluation in such a manner as it deems appropriate. As part of this evaluation, the Committee shall review this charter and recommend any proposed changes to the Board for approval.
- **Other Committee Evaluations.** Although each of the other committees of the Board is primarily responsible for conducting an annual evaluation of its performance in accordance with its respective charter, the Committee shall be responsible for developing the overall framework for such committee evaluations and for monitoring this evaluation process.

### *Other Responsibilities*

- **Corporate Responsibility.** The Committee shall monitor the Company's environmental, social and governance strategy and practices, and, if appropriate, make recommendations to the Board concerning the same.
- **Stockholder Proposals.** The Committee is responsible for reviewing and making recommendations to the Board regarding the Company's response to stockholder proposals.
- **Stockholder Communications.** The Committee shall recommend, for approval by both the full Board and the independent directors, a process by which the Company's stockholders may send communications to directors and, if the Committee determines that it would be a burden on the directors to receive all such communications, the process for determining which communications will be relayed to directors. The process by which stockholders may communicate with directors shall be disclosed in the Company's annual proxy statement.

### ***Vacancies***

If vacancies on the Board and/or any Board committee occur, the Committee is responsible for identifying and recommending to the Board the selection and approval of candidates to fill such vacancies.

## **COMMITTEE OPERATIONS**

### ***Structure and Operations***

The Committee shall meet at least once a year at such time(s) and on such date(s) as it deems necessary or appropriate. The Committee may hold additional meetings at the direction of the Chair of the Board or at the request of any Committee member. The Committee shall be governed by the same rules regarding meetings (including meetings in person or by conference telephone or other similar communications equipment), action without meetings (including action by written consent), notice, waiver of notice and quorum and voting requirements as are applicable to the Board.

### ***Agenda and Materials***

The Committee Chair shall approve the agenda for the meetings and any member may suggest items for the Committee's consideration. Briefing materials shall be provided to the Committee as far in advance of a meeting as reasonably practicable.

### ***Participation in Meetings***

The Committee, in the discretion of its Chair, may invite members of management to attend the Committee's meetings. All independent directors who are not Committee members shall be invited to attend Committee meetings, provided that (i) the Committee shall meet without such other directors during executive sessions, (ii) the Committee Chair may ask non-Committee members to leave the meeting at any time, and (iii) such non-Committee members may not vote on any actions considered by the Committee. However, the Committee shall meet regularly without members of management.

### ***Executive Sessions***

The Committee, at its determination, may hold an executive session at each regularly scheduled meeting. During at least some portion of each executive session, no member of management shall be present. The Committee, at its determination, may exclude any or all non-Committee members from all or any portion of an executive session.

### ***Delegation***

Except as otherwise prohibited by law, regulation, the rules of the Nasdaq Stock Market, or the Company's Certificate of Incorporation or By-Laws, the Committee may delegate its responsibilities to one or more subcommittee as the Committee may deem appropriate in its sole discretion.

### ***Reporting to the Board***

At the Board meeting following each Committee meeting, the Committee Chair (or the Chair's designee) shall report to the full Board regarding its actions and make recommendations to the Board if, and to the extent, appropriate.

### **COMMITTEE RESOURCES**

To assist the Committee in fulfilling its responsibilities, (i) each Committee member shall have full access to any member of management, and (ii) the Committee may retain independent consultants, counsel, search firms and other advisors. The Committee will bear the expense and have sole authority and responsibility for hiring, approving the fees and other retention terms for, and terminating all such advisors.