

VerifyMe, 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 VerifyMe, Inc. (the “Company”) is to assist the Board in:

1. identifying individuals qualified to become members of the Company, consistent with criteria approved by the Board;
2. recommending to the Board the director nominees for election to the Board;
3. recommending to the Board candidates to fill any vacancies on the Board;
4. reviewing, developing and recommending to the Board the Company’s corporate governance guidelines, including any revisions to the guidelines;
5. overseeing the evaluation of the Board; and
6. performing such other duties and responsibilities enumerated in and consistent with this Charter.

2. Organization

The Committee shall be a standing committee of the Board and shall consist of at least two members, each of whom is to be free of any relationship that, in the opinion of the Board, would interfere with his or her exercise of independent judgment. Applicable laws and regulations will be followed in evaluating a member’s independence.

3. Responsibilities

In carrying out its responsibilities hereunder, the Committee’s policies and procedures should remain flexible, in order to best react to changing conditions and to ensure to the directors and shareholders that the director nominating and corporate governance practices of the Company are in accordance with all current requirements and are of the highest quality.

In carrying out these responsibilities, the Committee shall:

1. *Director Identification.* Identify individuals qualified to become Board members, consistent with criteria approved by the Board.
2. *Director Recommendation.* Recommend the director nominees for election to the Board.
3. *Director Recruitment.* Consider and recruit candidates to fill positions on the Board, including as a result of the removal, resignation or retirement of any director, an increase in the size of the Board or otherwise. The Committee shall be responsible for conducting, subject to applicable law, any and all inquiries into the background and qualifications of any candidate for the Board and such candidate’s compliance with applicable independence and other qualification requirements.

4. *Committee Appointments.* Recommend candidates to fill positions on committees of the Board, including as a result of the removal, resignation or retirement of any director on any committee of the Board, or otherwise.
5. *Director Selection Criteria.* Recommend directors, who shall reflect at a minimum any requirements of applicable law or listing standards and which selection shall be in compliance with any applicable existing criteria set forth in the Company's constituent documents. In selecting and recommending candidates for election to the Board or appointment to any committee of the Board, the Committee does not believe that it is appropriate to select nominees through mechanical application of specified criteria. Rather, the Committee shall consider such factors as it deems appropriate, including, without limitation, the following:
 - a. personal and professional integrity, ethics and values;
 - b. experience in corporate management, such as serving as an officer or former officer of a publicly-held company;
 - c. experience in the Company's industry;
 - d. experience as a board member of another publicly-held company;
 - e. diversity of expertise and experience in substantive matters pertaining to the Company's business relative to other directors of the Company;
 - f. practical and mature business judgment; and
 - g. composition of the Board, including its size and structure. *Evaluation.* Oversee the evaluation of the Board.
6. *Corporate Governance Guidelines.* Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company, which the Committee shall periodically review and revise as appropriate.
7. *Performance Evaluation.* Perform an annual performance evaluation of the Committee.
8. *Charter Review.* The Committee shall review this Charter on a periodic basis to assess its adequacy and make recommendations to the Board accordingly.
9. *Other Duties.* In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities that may be delegated to the Committee by the Board from time to time, consistent with the Company's bylaws and applicable laws.

4. Meetings

The Committee shall meet at least once a year. Meetings of the Committee shall be held at such times and places as the Committee shall determine, including by written consent. The Chair of the Committee (or in the absence of the Chair, a member designated by the Chair) shall preside at each meeting of the Committee, set the agendas for Committee meetings and report on activities of the Committee to the full Board.

The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings, so long as they are consistent with the provisions of the Company's bylaws that are applicable to a committee of the Board.

5. Resources and Authority; Consultants and Other Advisors

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the sole authority to engage outside consultants, legal counsel and other advisors, as it determines necessary to carry out its duties. In furtherance of this responsibility:

1. The Committee shall have the sole authority to engage, terminate and determine the compensation and terms of engagement of any search firm to be used to identify director candidates, experts, outside consultants, external legal, accounting or other advisors to the Committee. The Committee may also request that any officer or other employee of the Company, the Company's outside counsel or any other person meet with any members of, or consultants to, the Committee.
2. The Company will provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a consultant, legal counsel or any other adviser retained by the Committee.

Approved: Board of Directors

Date: December 16, 2020