

ALLION HEALTHCARE, INC.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

I. PURPOSE

The purpose of the Nominating and Corporate Governance Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Allion Healthcare, Inc. (the “*Company*”) is to:

- To establish criteria for selecting new directors, identify individuals qualified to become Board members based on these criteria and recommend to the Board for its consideration such individuals as nominees to the Board;
- To screen and recommend to the Board individuals qualified to become the Chief Executive Officer of the Company or become a senior executive officer of the Company;
- To oversee evaluations, individual Board members, Board Committees and the Board; and
- To develop, evaluate and make recommendations to the Board with respect to the Company’s corporate governance policies and procedures, the Company’s Code of Ethics.

II. COMPOSITION

The Committee shall consist of at least three members of the Board, all of whom shall be “independent” (as defined in the applicable rules of the Nasdaq National Market. No member of the Committee may receive any compensation from the Company other than (i) director’s fees, which may be received in cash, common stock, equity-based awards or other-in-kind consideration ordinarily available to directors, (ii) a pension or other deferred compensation for prior service that is not contingent on future service and (iii) any other standard benefits that directors receive.

Committee members shall be appointed annually by a majority vote of the Board. Committee members shall hold their offices until his or her successor is duly elected and qualified, or until such member’s earlier resignation or removal. Unless a Chair is elected by the full Board, the members of the committee may designate a Chair by majority vote of the full committee membership. Members may be removed, with or without cause, by a majority vote of the Board. All vacancies on the Committee shall be filled by majority vote of the Board.

Formal action to be taken by the Committee shall be by unanimous written consent or by the affirmative vote of a majority of the Committee members present (in person or by conference telephone) at a meeting at which a quorum is present. A quorum shall consist of at least one-half of the members of the Committee.

The Committee may invite such members of management and other persons to its meetings as it may deem desirable or appropriate. The Committee shall maintain a separate book

of minutes of its proceedings and actions and report regularly to the Board summarizing the Committee's actions and any significant issues considered by the Committee. The Committee may, in its discretion, delegate authority to subcommittees, whether or not such delegation is specifically contemplated under any plan or program when and as it deems appropriate.

III. MEETINGS

The Committee shall hold meetings are deemed necessary or desirable by the chair of the Committee. All Committee members are expected to attend each meeting. As part of its responsibility to foster open communication, the Committee should meet periodically with management in separate sessions to discuss any matters that the Committee believes should be discussed privately. When deemed appropriate, Committee meetings may be held in person or by telephone. Meeting agendas shall be prepared and provided in advance to members, along with appropriate background materials. Minutes or other records of meetings and activities of the Committee shall be maintained and reported to the full Board.

IV. RESPONSIBILITIES AND DUTIES

The Committee has the responsibility and authority to supervise and review the affairs of the Company as they relate to nominations of directors and corporate governance. The Committee, in discharging its responsibilities, is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate and shall have the authority to retain a search firm to assist in identifying potential director candidates, outside counsel or other experts for this purpose, including the authority to approve the fees payable to such search firm, counsel or other experts and all other terms of retention.

To fulfill its responsibilities and duties, the Committee shall perform the following functions:

Board of Directors

(1) The Committee shall screen and recommend to the Board nominees for election to the Board, including nominees recommended by the Company's stockholders, and consider the performance of incumbent directors in determining whether to nominate them to stand for reelection at the next annual meeting of the stockholders.

(2) The Committee shall establish criteria for selecting nominees for director, which shall include:

Experience:

- High-level leadership experience in business or administrative activities;
- Breadth of knowledge about issues affecting the Company; and
- Ability and willingness to contribute special competencies to Board activities.

Personal attributes:

- Unquestioned personal integrity;
- Loyalty to the Company and concern for its success and welfare – courage to criticize and to apply sound business ethics – sound and independent judgment;
- Awareness of a directors’ vital part in the Company’s good corporate citizenship and corporate image;
- Time available for meetings and consultation on Company matters;
- Wide contacts with business and political leaders; and
- Willingness to assume broad, fiduciary responsibility on behalf of all shareholders for the management of the enterprise.

The Committee shall have sole authority to retain search firms to identify director candidates, and such firms’ fees shall be paid by the Company.

(3) The Committee shall review and recommend the size and composition of the Board.

(4) The Committee shall establish and annually review the compensation for both employee and non-employee directors, including grants of stock options and restricted stock.

(5) The Committee shall periodically review the composition of the audit committee, compensation committee and the Committee and recommend, as appropriate, changes in the number, function or membership of each committee.

(6) The Committee Shall periodically review the Company’s Charter and By-Laws and each committee Charter and recommend to the Board, as appropriate, changes to any of the foregoing, creation of additional committees or elimination of existing committees.

(7) If the Company pays a fee any third party to identify or evaluate or assist in identifying or evaluating, potential nominees, the Committee shall monitor and evaluate the performance of such the third party.

Senior Executives

(8) The Committee shall periodically review succession plans for the Chief Executive Officer and President of the Company, and screen and recommend to the Board, candidate(s) for Chief Executive Officer, and other senior executive officers of the Company as may be determined by the Committee.

Corporate Guidelines

(9) The Committee shall develop and recommend to the Board corporate governance Guidelines, including the Company’s insider trading policy. The Committee shall monitor

compliance with the guidelines and make recommendations to the Board for modifications as appropriate.

(10) The Committee shall develop and recommend to the Board a Code of Ethics for directors, officers (including senior financial officers) and employees, and based on a periodic review, make recommendations for modifications as deemed appropriate.

Communications with Stockholder

(11) The Committee shall review the Company's policies for communications with stockholders. The Committee shall assist the Chairman of the Board and the Chief Executive Officer, as necessary, and address and respond to stockholder questions and concerns.

V. RESOURCES AND AUTHORITY

The Committee shall have resources, authority and funding appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management. The Committee shall have sole authority over the retention and termination of search firms and other employment consultants used to locate potential candidates for the Board or other executive officers.