

Point.360

NOMINATING AND GOVERNANCE COMMITTEE CHARTER

A. Purpose of the Committee

The Nominating and Governance Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of Point.360 (the “Company”). The purpose of the Committee is to (1) carry out the responsibilities delegated by the Board relating to the Company's director nominations process any related matters required under the federal securities laws, and (2) perform such other actions within the scope of this Charter as the Committee deems necessary or advisable.

B. Committee Membership

The Board shall determine the size of the Committee, provided that the Committee shall consist of at least two members. The Board shall select the members of the Committee, and the Board shall have the right and power to remove and replace Committee members at any time and from time to time. Unless the Board selects a Chairperson, the members of the Committee may designate a Chairperson by majority vote.

Each member of the Committee shall be a director of the Company who satisfies any and all applicable independence requirements of the rules and regulations of the NASDAQ or other applicable securities exchange and of the Securities and Exchange Commission.

C. Meetings of the Committee

The Committee shall meet as often as it determines is necessary or appropriate. The provisions of the Company's Bylaws that govern the conduct of Board committees shall govern the Committee. The Committee may adopt other procedural rules that are not inconsistent with the Bylaws.

D. Authority and Responsibilities of the Committee

The Committee shall:

1. Evaluate the size and composition of the Board, review criteria for Board membership, and evaluate with the Board the independence of existing and prospective directors.
2. Seek and evaluate qualified individuals to become new directors as needed, consider any director candidates recommended by the Company's shareholders pursuant to the procedures described in the Company's proxy statement, and evaluate whether current Board members should be nominated for re-election.
3. Select, or recommend for the Board's selection, the director nominees for each annual meeting of shareholders and director nominees to fill vacancies on the Board.

4. Make recommendations to the Board, to the extent the Committee deems necessary or appropriate, as to the qualifications of members of the Board's committees, committee member appointment and removal, and committees reporting to the Board.
5. Take such actions as the Committee deems necessary or appropriate with respect to oversight of the periodic evaluation of the Board and management.
6. Annually review the adequacy of this Charter, and recommend any proposed changes to the Board for approval.
7. Have the authority, to the extent the Committee deems necessary or appropriate, (a) to retain at the Company's expense independent advisers to the Committee, and (b) to conduct investigations into any matters that are within the scope of the Committee's responsibilities.
8. Have the authority, in the Committee's discretion, to decide whether to retain at the Company's expense a search firm to assist the Committee in identifying, screening and attracting director candidates.
9. Discuss with the Company's counsel legal matters that may have a material impact on the Committee's responsibilities described in this Charter. Have unrestricted access to the Company's independent accountants, counsel, officers and employees for purposes related to the Committee's activities under this Charter.
10. Perform such other activities that are consistent with this Charter, the Company's Bylaws, applicable law and Board directives as the Committee determines are required or appropriate in order to carry out its responsibilities.