

**WINMARK CORPORATION  
NOMINATING COMMITTEE CHARTER**

**as Approved by the Board of Directors  
December 2011**

**1. Purpose**

The purpose of the Nominating Committee (the “Committee”) is to advise the Winmark Corporation Board of Directors (the “Board”) and provide oversight on matters relating to (a) the selection and nomination of Board members, and (b) the appointment of Board committee members.

**2. Membership**

The Committee shall be composed of at least three directors, each of whom meet the definition of an “independent director” as defined in the NASDAQ and SEC Rules. The members of the Committee shall be appointed by the Board.

**3. Board of Directors**

The Committee shall:

- Review periodically and recommend for Board approval the appropriate size, structure and functions of the Board. In addition, the Committee shall establish general guidelines concerning the conduct and format of Board meetings, including assessment of the nature and sufficiency of information provided by management to the Board for review and the timing of such submissions.
- Establish criteria for Board membership and selection of new directors. In selecting new directors, the Committee shall consider any requirements of applicable law or listing standards, a candidate’s strength of character, judgment, business experience and specific area of expertise, factors relating to composition of the board, principles of diversity and such other factors as the Committee shall deem important.
- Engage consultants as the Committee deems appropriate to assist in a search for new director candidates. The Committee shall have the sole authority to retain and terminate the engagement of search firms for purposes of identifying qualified Board candidates, including the sole authority to approve the fees and other terms governing the engagement of such search firms.
- Recruit, evaluate and nominate new director nominees for election by the Board and the Company’s shareowners in case of vacancies or an increase in board size.

- 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 of Directors and such candidate's compliance with the independence and other qualification requirements established by the Committee or imposed by applicable law or listing standards.
- Evaluate the performance of directors eligible for reelection at the annual shareholders' meeting and make nominations for approval by the Board and the Company's shareholders.
- Recommend a new director orientation program to the Board of Directors and periodically review such program and recommend appropriate modifications to the Board.
- Review and recommend appropriate changes relating to the Board resignation, retention, removal and retirement practices of the Company. The Committee shall review the desirability of term and age limits for Directors and recommend to the Board of Directors policies in this regard from time to time.
- Review periodically Board and Committee Independence requirements.
- Facilitate an annual evaluation of the Board's effectiveness.

#### **4. Independent Advisors; Support of Committee**

The Committee is authorized to retain independent attorneys, consultants or other independent persons to advise and assist the Committee, as it deems appropriate. Management of the Company will also assist the Committee with its functions by providing information, recommendations or other supports as needed or requested.

#### **5. Meetings**

- The Committee shall meet at least one time per year. The Committee Chair shall determine whether additional meetings are necessary or desirable in response to the needs of the Company or any issues that may arise.
- At the request of the Committee, the Company's Chief Executive Officer and other selected executives shall meet regularly with the Committee to provide information to and to support the activities of the Committee as requested.
- The Committee shall meet in executive session on a periodic basis to provide an opportunity for private discussion of matters independent of management. The Committee may invite outside advisors to such executive sessions, as it deems appropriate.

- A quorum of any Committee meeting shall be a majority of members. All determinations of the Committee shall be made by a majority of its members present at a meeting duly called and held, except as specifically provided herein. A decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be fully as effective as if it had been made at a meeting duly called and held.
- The Chairperson of the Committee shall be responsible for establishing agendas for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The minutes shall be circulated in draft form to all Committee members to ensure an accurate final record, and shall be approved at a subsequent meeting of the Committee and shall be distributed periodically to the full Board of Directors.

## **6. General**

- The Committee shall report all significant Committee activities and findings to the Board with recommendations for action when appropriate.
- The Committee shall perform such other functions that may be delegated by the Board from time to time.
- The Committee shall evaluate its performance on an annual basis.
- The Committee shall review and reassess this charter at least annually, and shall submit any proposed changes to the Board of Directors for approval.