

INNOVATE BIOPHARMACEUTICALS, INC.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

I. PURPOSE

The primary purposes of the Nominating and Corporate Governance Committee (the “**Nominating Committee**”) are to assist the Board of Directors (the “**Board**”) of Innovate Biopharmaceuticals, Inc. (the “**Company**”) in fulfilling its oversight responsibilities with respect to (i) the Company’s director nomination process, (ii) the Company’s corporate governance policies and practices and (iii) related matters. The Nominating Committee shall primarily fulfill these purposes by carrying out the activities enumerated in Section IV of this Charter.

II. COMPOSITION

Except as otherwise permitted by applicable rules of the Nasdaq Stock Market (“**Nasdaq**”), the Nominating Committee shall consist of two or more directors, each of whom is an “independent director” as defined in the Nasdaq rules. Members of the Nominating Committee shall be appointed by the Board. The Board may remove members of the Nominating Committee with or without cause.

III. STRUCTURE AND OPERATIONS

The Board shall designate a member of the Nominating Committee as the chairperson. The Nominating Committee shall meet as often as it deems necessary in order to perform its responsibilities. The Nominating Committee may also act by unanimous written consent in lieu of a meeting. The Nominating Committee shall be governed by the same rules regarding meetings (including meetings in person or by telephone or similar method of communication), action without meetings, notice, waiver of notice, quorum and voting as may be applicable to the Board. The Nominating Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Nominating Committee may deem appropriate in its sole discretion.

IV. RESPONSIBILITIES AND DUTIES

The Nominating Committee shall have the following responsibilities:

A. To identify and screen individuals qualified to become members of the Board, consistent with the criteria approved by the Board. The Nominating 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 charter documents in the same manner as it considers individuals otherwise identified and screened to become members of the Board.

B. To recommend the number of members that shall serve on the Board.

C. To evaluate and review the qualifications and independence of existing and prospective directors.

D. To select and approve the director nominees to be submitted to a stockholder vote at the annual meeting of stockholders, including, if applicable, the class of directors in which the director nominee should serve.

E. To develop and recommend to the Board corporate governance guidelines. The Nominating Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of such corporate governance guidelines and recommend any proposed changes to the Board for approval.

F. To periodically review the Board's leadership structure to assess whether it is appropriate given the specific characteristics and circumstances of the Company.

G. To oversee the review by the Board, from time to time, of succession planning for senior executives, which shall include transitional leadership in the event of an unplanned vacancy.

H. To oversee the evaluation of the Board and its committees.

I. To perform a review and evaluation, at least annually, of the performance of the Nominating Committee, including a review of the compliance by the Nominating Committee with this Charter.

J. To perform any other activities consistent with this Charter, the Company's Amended and Restated Bylaws and governing law, as the Nominating Committee or the Board deems necessary or appropriate.

K. To review this Charter at least annually and recommend any changes to the Board.

V. RESOURCES AND AUTHORITY

The Nominating Committee shall have the resources and authority to discharge its responsibilities, including the authority, in its sole discretion, to the extent it deems necessary or appropriate, to retain and terminate a director search firm, outside legal counsel and other advisors as it deems necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Nominating Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such advisor.

The Company shall provide appropriate funding, as determined by the Nominating Committee, for payment of (i) compensation to any director search firm, (ii) compensation to any advisors employed by the Nominating Committee and (iii) ordinary administrative expenses of the Nominating Committee.