

**PARAGON TECHNOLOGIES, INC.
BOARD OF DIRECTORS**

NOMINATING COMMITTEE CHARTER

I. PURPOSE

The Nominating Committee shall recommend the nomination of Company directors to be nominated by the Board of Directors for election by the stockholders. In the case of vacancies to the Board, the Nominating Committee shall recommend the nomination of directors to be elected by the Board.

II. COMPOSITION

The Nominating Committee shall consist of two or more independent directors, in accordance with Securities and Exchange Commission ("SEC") rules. In addition to the independent directors, if the Nominating Committee consists of three or more directors, at least two of whom are independent, the Nominating Committee may include one member who is not independent.

Membership on the Nominating Committee shall be determined annually by the Board upon the recommendation of the Nominating Committee. Unless a Chairman of the Nominating Committee is elected by the full Board, the members of the Nominating Committee may designate a Chairman of the Nominating Committee by majority vote of the full Nominating Committee Membership. A Secretary of the Nominating Committee shall be selected by the Chairman of the Nominating Committee. Should any member of the Nominating Committee cease to be independent, such member shall immediately resign his or her membership on the Nominating Committee. The Board of Directors may remove a member of the Nominating Committee. In case of a vacancy on the Nominating Committee, the Board may appoint an independent director to fill the vacancy for the remainder of the term.

III. MEETINGS

The Nominating Committee shall meet at least once each year. Additional meetings may be scheduled as needed and may be called by the Chairman of the Nominating Committee. A majority of the members of the Nominating Committee shall constitute a quorum for the transaction of business. Minutes shall be recorded by the Secretary to the Nominating Committee. Approval by a majority of the members present at a meeting at which a quorum is present shall constitute approval by the Nominating Committee. The Nominating Committee may also act by unanimous written consent without a meeting.

IV. RESPONSIBILITIES AND DUTIES

The Nominating Committee, in consultation with the Chairman of the Board and the Chief Executive Officer, shall:

1. Review and make recommendations on the range of skills and expertise which should be represented on the Board, and the eligibility criteria for individual Board and committee membership. In the case of potential independent director candidates, such eligibility criteria shall be in accordance with SEC rules.

2. Review and recommend to the Board the appropriate structure of the Board.
3. Identify and recommend potential candidates for election or re-election to the Board.
4. Develop policies and procedures for consideration of Board nominees recommended by stockholders.
5. Have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm, fees, and other retention terms.
6. Review and recommend to the Board the appropriate structure of Board committees, recommend committee assignments, and the position of Chairman of each committee. Review and make recommendations to the Board on the Company's efforts to promote diversity among directors.
7. Have authority to delegate any of its responsibilities to subcommittees or individuals as the Nominating Committee deems appropriate.
8. Have authority to obtain advice and assistance from internal and external legal, accounting, or other advisors.
9. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
10. Annually evaluate its own performance.

The Nominating Committee's authority and responsibilities shall not deprive the right to determine nominations where that right legally belongs to a third party.

IV. REPORTING RESPONSIBILITY

The minutes of the Nominating Committee reflecting, among other things, all actions taken by the Nominating Committee, shall be distributed to the Board at the next Board meeting following the meeting of the Nominating Committee that is the subject of such minutes.

In addition, matters within the responsibility of the Nominating Committee may be discussed by the full Board from time to time during the course of the year.