

## **Policy Governing Director Nominations and Stockholder - Board Communications**

### **A. PURPOSE**

The Board of Directors (the “Board”) of InVivo Therapeutics Holdings Corp. (the “Company”) has promulgated and adopted this Policy Governing Director Nominations and Stockholder - Board Communications (the “Policy”) because it recognizes that the stockholders of the Company desire increased insight into the Company’s director nominations process and greater ease of communication with the Board, and as such, the Company endeavors to apply this Policy.

### **B. IDENTIFYING AND EVALUATING DIRECTOR NOMINEES**

1. *Responsible Committee.* The Nominating and Corporate Governance Committee (the “Committee”) is responsible for identifying individuals qualified to become members of the Board and its committees, consistent with criteria approved by the Board, and recommending that, in accordance with the Company’s Bylaws as amended and restated and in effect from time to time (“Bylaws”), the Board elect such qualified individuals or select such qualified individuals for nomination for election at the next annual or other properly convened meeting of stockholders.

2. Process for Consideration of Candidates for Nomination for Director.

- *Identification of Candidates.* The Committee shall identify candidates for director nominees through recommendations solicited from non-management directors, the Company’s Chairman and Chief Executive Officer or other executive officers, through the use of search firms or other advisors, through recommendations submitted by stockholders pursuant to the procedures set forth in the Bylaws and Section B.4 below or through such other methods as the Committee deems to be helpful and appropriate.
- *Evaluation Process.* Once candidates have been identified, the Committee shall confirm that the candidates meet all of the independence requirements and minimum qualifications for director nominees, set forth in Sections C below, as well as any other criteria that the Committee considers relevant. The Committee may gather information about candidates through interviews, questionnaires, background checks or any other means that the Committee deems to be helpful in, and appropriate to, the evaluation process. The Committee shall then meet to discuss and evaluate the qualities and skills of each candidate, both on an individual basis and taking into account the overall composition and needs of the Board. There shall be no difference in the manner by which the Committee evaluates director nominees, whether nominated by the Board or by a stockholder.
- *Recommendation of Candidates to Board.* Based on the results of the evaluation process, the Committee shall recommend to the Board the candidates it has identified and which it has, through its evaluation process, determined to be qualified for serving on the Board.

3. Process for Consideration of Candidates for Appointment to Board Committees.
  - *Identification of Candidates.* The Committee shall identify candidates for appointment to the committees of the Board through recommendations from the Company's Chairman and Chief Executive Officer or other executive officers or through such other methods as the Committee deems to be helpful and appropriate.
  - *Evaluation Process.* Once candidates have been identified, the Committee shall confirm that the candidates meet all of the independence requirements and minimum qualifications set forth in Section C below, as well as any other criteria that the Committee considers relevant. The Committee shall then meet to discuss and evaluate the qualities and skills of each candidate, both on an individual basis and taking into account the overall composition and needs of the respective committees.
  - *Recommendations of Candidates to Board.* Based on the results of the evaluation process, the Committee shall recommend to the Board the candidates it has identified for appointment to one or more committees of the Board and which it has, through its evaluation process, determined to be qualified for serving on any such committees.
4. Procedures for Recommendation of Nominees by Stockholders.

The Committee will consider candidates for director nominees who are recommended by stockholders of the Company. Stockholders, in submitting recommendations to the Committee for director candidates, shall follow the following procedures:

- The Committee must receive any such recommendation for nomination by a date not later than the time period set forth in the Bylaws.
- Such recommendation for nomination shall be in writing and shall include the following information:
  - A. name and address of the stockholder making the recommendation;
  - B. number of shares of Company common stock that are owned beneficially and held of record by such stockholder;
  - C. name and address of the individual recommended for consideration as a director nominee;
  - D. principal occupation and experience of director nominee;
  - E. total number of shares of Company common stock that will be voted for the director nominee by the stockholder making the recommendation;

- F. a written statement from the stockholder making the recommendation stating whether the director nominee has indicated his or her willingness to serve if elected and why such recommended candidate would be able to fulfill the duties of a director; and
  - G. any other information required by the Bylaws to be included; and
  - H. any other information regarding the stockholder making the recommendation for nomination or regarding the director nominee that is required to be included in a proxy statement filed pursuant to the rules of the Securities and Exchange Commission (the “SEC”).
- Nominations may be communicated to the Committee via U.S. Mail, courier or expedited delivery service to the address below:

InVivo Therapeutics Holdings Corp.  
One Kendall Square  
Building 1400 East, Floor 4  
Cambridge, MA 02139  
Attn: Chair - Nominating and Corporate Governance Committee

- Once the Chair of the Committee receives any recommendation for a director nominee, the recommended director nominee shall be evaluated by the Committee and, if appropriate, may be recommended to the Board.

## **C. DIRECTOR QUALIFICATIONS AND SKILLS**

The Company seeks directors who possess high standards of personal and professional integrity, and have demonstrated business judgment as well as other qualifications and skills described in this Section C. The Company believes that the backgrounds and qualifications of its directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow the Board to fulfill its responsibilities. The Committee will consider these and other qualifications, skills and attributes when recommending candidates for the Board’s selection as nominees for the Board and as candidates for appointment to the Board’s committees. In addition, the Board will consider such qualifications, skills and attributes when considering whether to include any particular candidate in the Board’s slate of recommended director nominees. Specific weights to particular criteria are not assigned and no particular criterion is a prerequisite for each prospective nominee. Nominees shall not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law and the Board shall consider the value of diversity of the Board.

1. Board Qualifications.
  - *Independence.* Except as may otherwise be permitted by applicable rules, at least a majority of the members of the Board shall (i) satisfy the independence requirements promulgated by the SEC and any exchange on which the Company’s common stock is listed and any other governmental or regulatory

authority to which the Company is subject and (ii) be free from any relationship that might interfere with the exercise of independent judgment in the performance of director responsibilities.

- *Minimum Qualifications.* The Company requires its directors to possess certain minimum qualifications, including the following:
  - *Adequate Experience.* Nominees should have demonstrated business acumen, experience and ability to exercise sound judgments in matters that relate to the current and long-term objectives of the Company and should be willing and able to contribute positively to the decision-making process of the Company.
  - *No Conflicts of Interest.* Nominees must be free from any relationship that, in the opinion of the Board or the Committee, would interfere with, or have the appearance of interfering with, the exercise of his or her independent judgment as a member of the Board or of a Board committee, including any conflicts of interest stemming from his or her institutional or other affiliations, and candidates should be able to act in the interests of all stockholders.
- *Other Qualities and Skills.* The Company also considers the following qualities and skills in its selection of directors:
  - knowledge of the Company's business and industry, including the competitive landscape within the industry and the Company's strategy for addressing such competitive pressures;
  - prior education;
  - demonstrated ability to exercise sound business judgment;
  - reputation for integrity and high moral and ethical character;
  - complementary skill sets that can add to the functionality and collaboration of the Board as a whole;
  - potential to contribute to the diversity of viewpoints, backgrounds, or experiences of the Board as a whole;
  - age; and
  - diligence and dedication to the success of the Company.

2. *Limits on Other Board Memberships and Commitments.* The Company expects that a director's existing and future commitments will not materially interfere with such

director's obligations to the Company. The Company recognizes that directors should limit the number of boards on which they serve so they can give proper attention to each board responsibility. However, the philosophy of the Company is not to set an invariant limit on the number of boards on which a director may serve. In the event a director wishes to join the board of another company, it is expected that the director will advise the Committee of his or her intention. The Committee will then determine whether the new commitment will allow the director to continue to fulfill his or her obligations to the Company.

3. *Incumbents.* For candidates who are incumbent directors, the re-nomination of such directors should not be viewed as automatic but should be based on continuing qualification under the criteria set forth above. In addition, the Committee and the Board shall consider the incumbent directors' past attendance at meetings and performance on the Board and any committee, which shall include consideration of the extent to which the directors remained current on trends and topics relevant to their responsibilities to the Board. If such incumbent director has had a significant change in status, such as an employment change, the Committee and the Board shall also take this event into consideration.

4. *Non-Discrimination.* Nominees shall not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law. The value of diversity on the Board should be considered.

5. *Amendments.* The Committee shall review and assess the adequacy of this Policy periodically in light of the requirements promulgated by any exchange on which the Company's common stock is listed, the SEC and any other governmental or regulatory authority to which the Company is subject. The Committee shall recommend to the Board any amendments or modifications to this Policy that the Committee deems necessary or appropriate. The Company will disclose any material changes to this Policy in the Company's filings with the SEC as may be required.

#### **D. STOCKHOLDER - BOARD COMMUNICATIONS**

The Board provides to every stockholder the ability to communicate with the Board, as a whole, and with individual directors on the Board through an established process as follows:

1. For communication directed to the Board as a whole, stockholders may send such communication to the attention of the Secretary of the Company via U.S. Mail, courier or expedited delivery service to the address below:

Board of Directors  
InVivo Therapeutics Holdings Corp.  
One Kendall Square  
Building 1400 East, Floor 4  
Cambridge, MA 02139  
Attn: Secretary

The Secretary will promptly forward copies to all directors on the Board of any such communication received except for mass mailings, job inquiries, surveys, business solicitations

or advertisements, personal grievances, matters as to which the Company tends to receive repetitive or duplicative communications, or patently offensive or otherwise inappropriate material.

2. For communication directed to an individual director in his or her capacity as a member of the Board, stockholders may send such communication to the individual director via U.S. Mail, courier or expedited delivery service to the address below:

[Name of Individual Director]  
InVivo Therapeutics Holdings Corp.  
One Kendall Square  
Building 1400 East, Floor 4  
Cambridge, MA 02139  
Attn: Secretary

The Secretary will promptly forward any such communication received to the director or directors to whom such communication is addressed, except for mass mailings, job inquiries, surveys, business solicitations or advertisements, personal grievances, matters as to which the Company tends to receive repetitive or duplicative communications, or patently offensive or otherwise inappropriate material.

Communications from an officer or director of the Company and proposals submitted by stockholders to be included in the Company's definitive proxy statement pursuant to Rule 14a-8 of the Exchange Act of 1934 (and related communications) will not be viewed as a stockholder communication. Communications from an employee or agent of the Company will be viewed as stockholder communication only if such communications are made solely in such employee's or agent's capacity as a stockholder.

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