

iPARTY CORP.
NOMINATING COMMITTEE CHARTER

This Nominating Committee Charter (the “**Charter**”) is intended to assist the Nominating Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of iParty Corp., a Delaware corporation, (the “**Company**”) in carrying out its duties and responsibilities.

This Charter is in addition to, and is not intended to change or interpret, any federal or state law or regulation, the rules of the Securities and Exchange Commission (“**SEC**”), listing standards of the NYSE Amex, applicable Delaware state laws, or the Company’s Restated Certificate of Incorporation or By-Laws, each as amended. This Charter is not intended to, and does not, create any legal or fiduciary duties or responsibilities or form the basis for a breach of fiduciary duty or potential liability if not complied with. There are no third party beneficiaries to the Charter. This Charter is subject to modification and interpretation by the Board.

A. GENERAL ROLE

The Committee is responsible for identifying and recommending for approval by the Board a slate of director nominees for election at each of the Company’s annual meetings of shareholders (or special meeting in lieu thereof), and otherwise for recommending the Board’s other committee members and chairmen, subject to Board ratification, as well as recommending to the Board director nominees to fill vacancies or new positions on the Board or its committees that may occur or be created from time to time, all in accordance with the Company’s By-Laws and applicable law.

B. MEMBERS

The Committee shall consist of at least two directors, one of whom shall be the Chairman, all of whom shall meet the independence and other requirements of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), the rules and regulations of the NYSE Amex, and such other applicable laws and the Company’s By-Laws and Corporate Governance Guidelines. The members of the Committee shall serve for such term or terms as the Board may determine or until such earlier resignation, removal or death. The Board may remove members of the Committee member at any time with or without cause. .

C. MEETINGS

Absent unusual circumstances, the Committee shall meet at least annually. In addition, special meetings shall be held as circumstances require as determined by the Committee’s Chairman or by any two other members of the Committee in accordance with the Company’s By-Laws. The Committee may invite to its meetings such other directors, members of Company management and such other persons or advisors as the Committee or its Chairman deems necessary or appropriate in order to carry out the Committee’s duties and responsibilities. The Committee, through its Chairman, shall

report its activities to the Board at the Board meeting next following each Committee meeting so that the Board is kept fully informed of the Committee's activities on a current basis. The Committee shall be governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. Minutes of each Committee meeting shall also be distributed to the Board as and when appropriate.

D. RESPONSIBILITIES

1. To determine the qualifications, qualities, skills and other expertise required to be a director and to develop , and recommend to the Board for its approval, criteria to be considered in selecting nominees for director.
2. To establish and effectively communicate to shareholders a method for shareholders to recommend director nominees in accordance with the applicable federal securities laws and regulations and the Company's By-Laws for the Committee's consideration.
3. To identify and evaluate all prospective director nominees, including those nominated by shareholders. The Committee shall consider any director candidates recommended by the Company's stockholders pursuant to the procedures as set forth in the Company's By-Laws, Corporate Governance Guidelines and as described in the Company's proxy statement.
4. To annually select and recommend for approval by the Board and the election by the Company's shareholders a slate of director nominees, and to otherwise recommend for approval by the Board director nominees to fill vacancies or new positions on the Board as they may occur or be created from time to time, all in accordance with the Company's By-Laws and Corporate Governance Guidelines.
5. To review and recommend to the Board an appropriate course of action with respect to or upon the resignation, retirement or removal of any then currently serving director, including whether a new director should be appointed by the Board prior to the Company's next shareholder meeting, all in accordance with the Company's By-Laws and Corporate Governance Guidelines.
6. To annually determine and propose to the Board which directors shall serve as members and chairmen of the Board's other committees. In making its determinations, the Committee shall take into consideration (a) balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors which may result from the rotation of committee members and chairmen; (b) subject matter expertise; (c) applicable federal securities laws, rules of the , NYSE Amex and such other applicable legal and regulatory requirements; (d) tenure; and (e) the desires of individual Board members.

7. To plan in advance for continuity on the Board as current directors are expected to retire from the Board.
8. If a then serving director shall retire or otherwise undergo a change in the employment position that he or she held when he or she first became a member of the Board, the Committee shall review the continued appropriateness of such director's Board membership and shall take such action as the Committee deems necessary or appropriate, subject to ratification by the Board and compliance with the Company's By-Laws and Corporate Governance Guidelines.
9. To develop, subject to approval by the Board, a process for an annual evaluation of the Board and its committees and to oversee the conduct of this annual evaluation.
10. To, from time to time, if the Committee determines it to be necessary or appropriate, conduct such reviews, investigations and surveys as the Committee may consider necessary or appropriate in the exercise of its duties and responsibilities.

E. UNRESTRICTED COMMITTEE COMMUNICATIONS

The Committee shall have unrestricted lines of communication with the Company's chief executive officer, chief financial officer, principal accounting officer, independent auditors and outside legal counsel at all times.

F. OUTSIDE ADVISORS

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice and assistance, as it deems necessary or appropriate to fulfill its duties and responsibilities under this Charter, from independent consultants, search firms, legal counsel, accounting or other advisors. The Committee shall set the compensation, and oversee the work, of its consultants and other advisors. The Committee is empowered, without further action by the Board, to cause the Company to pay the compensation for such consultants and other advisors as established by the Committee.

G. ANNUAL REVIEW OF CHARTER AND PERFORMANCE

The Committee shall periodically, preferably at least once annually, review and reassess the adequacy of this Charter and, if determined necessary or appropriate, make recommendations to the Board. During this review process, the Committee may seek the input of the Company's chief executive officer, chief legal counsel and/or other experts or advisors with regard to the adequacy of this Charter and the necessity or desirability of any amendments. The Committee shall also conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation in such manner as it deems appropriate.

Ratified June 6, 2012