

**CHARTER OF THE
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS
OF
PSYCHIATRIC SOLUTIONS, INC.**

ARTICLE I

Purpose

The purpose of the Nominating and Corporate Governance Committee (the “Committee”) is (1) to identify persons qualified to become members of the Board and to recommend to the Board proposed nominees for Board membership; (2) to lead the Board in its annual review of the performance of the Board and ensure that each of its committees conducts annual evaluations of itself; and (3) to develop, recommend to the Board and periodically review and propose revisions to a set of corporate governance standards, which standards shall set forth the key practices of the Board.

ARTICLE II

Composition

The Committee shall be comprised of two or more directors, as determined by the Board. The members of the Committee shall be elected or appointed by the Board to serve until the next annual meeting or until their successors are duly elected and qualified. Members of the Committee may be removed, with or without cause, by a majority vote of the Board. Unless a Chair of the Committee is designated by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

Each member of the Committee must be an independent director, and be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee. Additionally, each Committee member shall: (i) satisfy the independence requirements under the listing standards of The Nasdaq Stock Market (“Nasdaq”), (ii) be a “non-employee director” as defined by Rule 16b-3 under the Securities Exchange Act of 1934, and (iii) be an “outside director” as defined in section 162(m) of the Internal Revenue Code of 1986.

ARTICLE III

Meetings

The Committee will meet as often as the members deem necessary to perform the Committee’s responsibilities or as circumstances require, but at least annually. A majority of the members shall constitute a quorum for the transaction of business. The Committee

shall keep minutes of its actions. In addition, the Chair of the Committee shall report orally to the full Board on the results of these meetings. The Committee may invite other directors, Company management and such other persons as the Committee deems appropriate in order to carry out its responsibilities to its meetings. The Committee may form and delegate authority to subcommittees when appropriate.

ARTICLE IV

Roles and Responsibilities

The Committee has the following duties:

- Review the composition and size of the Board and determine the criteria for Board membership, including issues of character, judgment, diversity, age, expertise and experience;
- Review annually the composition of the Board to ensure that a substantial majority of the members are Independent Directors in accordance with Nasdaq Marketplace Rule 4200;
- Consider and recommend candidates to fill new positions or vacancies on the Board, review any candidates recommended by stockholders and provide a process for receipt and consideration of any such recommendations and any other communications received from stockholders; the Committee shall retain and terminate any search firm that may be used to identify Board candidates and approve the search firm's fees and other retention terms;
- Evaluate the performance of current Board members proposed for re-election and recommend the director nominees each year for approval by the Board and the stockholders;
- Lead annual evaluations of the Board and ensure that each committee of the Board evaluates itself annually in accordance with its charter; the purpose of the evaluations are to determine whether the Board and its committees are functioning effectively and meeting the high standards expected;
- Retain outside legal counsel and any other advisors it deems appropriate in connection with the performance of its duties and approve such outside counsel's or advisors' fees and other retention terms;
- Establish and periodically review and reassess the adequacy of the Corporate Governance Standards of the Company, and recommend any proposed changes to the Board for approval; and
- Perform any other responsibilities delegated to the Committee by the Board from time to time.

ARTICLE V

Annual Charter and Committee Evaluation

The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall conduct an annual self evaluation to determine whether it is functioning effectively.