

**CHARTER OF THE
NOMINATING AND GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS OF
HURCO COMPANIES, INC.**

Purpose

The Nominating and Governance Committee has been appointed by the Board of Directors (the "Board") of Hurco Companies, Inc. (the "Company") to (1) assist the Board by identifying individuals qualified to become Board members, and to recommend to the Board the director nominees for election or appointment; (2) recommend to the Board matters of corporate governance, including modifications to the Corporate Governance Principles and the Code of Business Conduct and Ethics; (3) lead the Board in its self-evaluation process; (4) recommend members and chairs for each standing committee; and (5) oversee management succession planning.

Committee Membership

The Committee shall consist of at least two directors. Each member shall meet the independence and experience requirements specified by the corporate governance rules of the Nasdaq Stock Market.

The members and the Chair of the Committee shall be appointed and be subject to replacement by the Board.

Committee Authority and Responsibilities

1. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search firm's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting, or other advisors without consulting or obtaining the approval of the full Board or any officer of the Company in advance; provided, however, that the Committee may not retain the Company's independent auditors unless such engagement has been pre-approved by the Audit Committee.
2. The Committee shall assess the need for new directors of the Company on an ongoing basis, including identifying any specific needs in terms of industry or professional background, or independence standards, for nominees. The Committee shall identify possible nominees who meet specified objectives in terms of the composition of the Board, taking into account such factors as industry experience and areas of expertise. The Committee shall actively seek individuals qualified to become board members for recommendation to the Board. In addition, the Committee will consider qualified candidates for director recommended by shareholders.

3. The Committee shall review completed questionnaires relating to the independence of directors under applicable standards and investigate any matters which may affect their independence.
4. The Committee shall approve and recommend to the Board the director nominees for election at each annual meeting of shareholders and to fill any vacancies that occur.
5. The Committee shall make recommendations to the Board with respect to the appointment of directors to various committees and with respect to the Chairs of each committee.
6. The Committee shall review from time to time the effectiveness of the Board's leadership structure and recommend to the Board any proposed changes to such structure.
7. The Committee shall recommend to the Board whether to accept or reject any tendered resignation of a director under the provisions of the Company's Corporate Governance Principles.
8. The Committee shall oversee the self-assessment process of the Board and its committees. The Committee shall lead the evaluation of directors by examining such factors as experience, effectiveness, business judgment, integrity, time and commitment, shareholdings, teamwork, and independence.
9. The Committee shall review and reassess the adequacy of the Company's Corporate Governance Principles and Code of Business Conduct and Ethics and recommend any proposed changes to the Board for approval.
10. The Committee shall oversee, monitor, and administer stock ownership guidelines applicable to the non-management directors of the Company.
11. The Committee shall meet at least two times annually, or more frequently as circumstances dictate. The Nominating and Governance Committee shall meet at least once prior to the time when nominees for the Board are to be determined for inclusion in the proxy statement for the Company's annual meeting of shareholders.
12. The Committee may form and delegate authority to subcommittees when appropriate, provided the subcommittees are composed entirely of independent directors.
13. The Committee shall make regular reports to the Board.
14. At least annually, the Committee shall report to the Board on succession planning for the Chief Executive Officer and other senior management positions.
15. The Committee shall periodically review this Charter and recommend any proposed changes to the Board for approval.
16. The Committee shall periodically review its own performance.
17. The Committee shall periodically review the Company's environmental, social, corporate

responsibility and sustainability programs, initiatives and policies and may make recommendations to the Board and/or Company's management regarding the same, to the extent the Committee determines such recommendations are justified, in each case after taking into account the interests of all of the Company's stakeholders, including shareholders.