
NOMINATING AND GOVERNANCE COMMITTEE CHARTER

PURPOSE

The Nominating and Governance Committee shall carry out the Board's overall responsibility with respect to: (1) overseeing the Company's governance structure and policies; (2) overseeing the Board's committee structure; (3) identifying and recommending candidates for appointment or election to the Board of Directors; (4) conducting searches to fill the positions of Company CEO and President; and (5) overseeing the annual evaluation of Board members.

COMMITTEE MEMBERSHIP

The Committee shall consist of the Board Chair or Lead Director if the Board Chair is not independent, and the chairpersons of each of the Board's committees. However, each member of the Committee must meet the independence requirements of applicable NASDAQ and SEC rules and regulations.

COMMITTEE CHAIR

The Board Chair or Lead Director shall serve as the Chair of the Committee. The Committee may appoint one of its members as Vice Chair, to carry out the duties of the Committee Chair in his or her absence.

MEETINGS

The Committee shall meet as often as it determines, but at least quarterly. The Committee will usually meet in conjunction with meetings of the Executive Committee. The Committee may meet in executive sessions, without management present. The Committee Chair may request any officer or employee of the Company or the Company's outside advisors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

COMMITTEE REPORTS

The Committee Chair shall report the Committee's activities and actions to the Board at the regular Board meeting next following each Committee meeting. The Committee may refer to the Board any matter that the Committee believes should be addressed by the Board. 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 annually review the Committee's own performance.

SELECTION OF DIRECTORS

The selection process for director candidates will include identification of candidates based upon suggestions from current directors, Company executives and shareholders. The process may include engagement of a director search firm and interviews by one or more of the Committee members. The Committee shall report to the Board on the selection process, recommend one or more candidates to the Board and the Board shall make any

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final appointment to fill a vacancy and/or nominate a candidate for inclusion in the slate of directors to be considered at the annual or special meeting of shareholders.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Committee shall have all the authority of the Board to act or exercise corporate powers with respect to the following:

1. Evaluating the relationship between the Board and management;
2. Monitoring the orientation and continuing education of Directors;
3. Evaluating the organization and performance of Board committees and recommending changes to the full Board;
4. Reviewing and reporting to the Board on the Company's corporate governance structure and policies and recommending changes, as appropriate. The Committee will monitor the Company's compliance with governance legislation and related regulations;
5. Overseeing administration of the holding company's compliance management program, to include regularly reviewing management's reports with respect to the status and effectiveness of the holding company's CMS program and monitoring remediation of open issues;
6. Recommending to the Board a slate of nominees to be presented to the shareholders for election to the Board of Directors at each annual or special meeting;
7. Considering and recommending to the Board the size of the Board of Directors on an annual basis;
8. Making an initial determination of director "independence" when recommending a slate of nominees;
9. Overseeing the succession process for the Company's CEO and President;
10. Evaluating and recommending to the Board those individuals who should be appointed or elected to fill new positions on the Board and to fill vacancies in existing Board positions;
11. Overseeing the evaluations of Board members;

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12. Facilitating the Board’s review and consideration of shareholder proposals properly submitted for inclusion in the Company’s annual proxy statement;
13. Overseeing and receiving reports on those business operations that must be reported to an independent committee of the board and that are not otherwise assigned to the Audit and Compliance Committee or the Compensation Committee; and
14. Reviewing, approving, disapproving and modifying the following policies:
 - GOVN 1.0 Statement of Governance Principles
 - GOVN 2.0 Holding Company Compliance Management Policy
 - FIN 13.0 Section 16 Reporting Policy
 - FIN 16.0 Insider Trading Policy
 - FIN 21.0 Corporate Disclosure Policy