

# **NBC CAPITAL CORPORATION**

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## **CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS**

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### **I. PURPOSE**

The Nominating and Corporate Governance Committee is appointed by the Board principally to (1) assist the Board by identifying individuals qualified to serve as directors and officers of the Company, and to recommend to the Board nominees for such positions, (2) monitor the composition of the Board and its committees, (3) recommend to the Board a set of corporate governance guidelines applicable to the Company and (4) lead the Board in its annual review of the Board's performance.

### **II. COMPOSITION**

The Committee shall consist of at least three members, each of whom shall be appointed and replaced by the Board. Each member of the Committee shall meet the independence requirements of the American Stock Exchange. The Committee's chairperson shall be designated by the Board. The Committee may form and delegate authority to subcommittees, consisting of one or more members, when appropriate.

### **III. MEETINGS**

The chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency of, and the agenda for, each meeting.

### **IV. AUTHORITY AND RESPONSIBILITIES**

In furtherance of the purpose of the Committee described above, the Committee shall have the following authority and responsibilities:

1. The Committee shall lead the search for individuals qualified to serve as directors, and to recommend to the Board a slate of directors to be elected annually by the shareholders. In connection therewith, the Committee (i) shall consider candidates submitted by shareholders and others in accordance with the Company's bylaws, (ii) shall monitor the performance and contributions of incumbent directors and (iii) may, to the extent it deems necessary or appropriate, develop and recommend to the Board specific criteria for selecting director nominees. The Committee shall also recommend to the Board a slate of officers to be elected annually by the Board and individuals to fill vacancies as the need arises.

2. The Committee shall monitor the operation of the Board's committees. In connection therewith, the Committee (i) shall recommend to the Board a slate of directors to be elected annually to serve as committee members and directors to fill committee vacancies as needed and (ii) may recommend to the Board changes in committee structure, including the creation and elimination of committees.

3. The Committee shall, no less than annually, review and reassess the adequacy of the corporate governance guidelines applicable to the Company and recommend any proposed changes to the Board for approval.

4. The Committee shall receive comments from all directors and report annually to the Board with an assessment of the Board's performance, to be discussed with the full Board.

5. The Committee may make recommendations to the Board concerning the size and composition of the Board, the term of membership of directors, and the frequency, content and structure of Board meetings.

6. The Committee shall review and oversee any director orientation or continuing director education programs established by the Company.

7. The Committee shall make regular reports to the Board.

8. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director or officer candidates and may, to the extent it deems necessary or appropriate, retain independent legal, financial or other advisors, subject to approval of any such engagement by the Board of Directors. The Committee shall approve related fees and other retention terms.

9. The Committee shall also discharge any additional functions that may be delegated or assigned to it by the Board from time to time, including (i) considering questions of conflict of interest of directors or executive officers and (ii) considering significant corporate governance issues or shareholder relations issues that may arise from time to time.

10. 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 its own performance.

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- Originally adopted and approved by the Committee and the Board on January 29, 2003.