

Placer Sierra Bancshares  
**GOVERNANCE AND NOMINATING COMMITTEE CHARTER**

*Original Adopted on July 29, 2003*  
*Last Revision Adopted on January 25, 2005*

## **I. PURPOSE & AUTHORITY**

The Governance and Nominating Committee (the “Committee”) is appointed by the Board of Directors to assist the Board of Directors in fulfilling its oversight responsibilities, and to identify, evaluate, and recommend to the Board of Directors nominees for membership on the Board of Directors. The Committee’s primary purposes are:

- To promote the competence and integrity of the Company’s Board of Directors, its executive management team, and through them the competence and integrity of the Company itself;
- To promote the incorporation of checks and balances in corporate governance processes and policies;
- To encourage diligence in the observance of the higher standards of ethics and integrity;
- To empower the executive management team of the Company to act in accordance with the highest standards of ethics and integrity;
- To promote individual responsibility and accountability, both for the ethical behavior of individual employees and for the ethical behavior of the Company as a whole.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities. The Committee has direct access to the Company’s legal counsel and its independent auditors, as well as access to anyone in the Company. The Committee has the ability to retain and terminate, at the Company’s expense, search firms relating to director candidates, and special legal, accounting or other consultants or experts it deems necessary in the performance of its duties, and to approve applicable fees and other retention terms.

## **II. COMMITTEE COMPOSITION AND MEETINGS**

Committee members shall meet the requirements of NASDAQ, or such other exchange on which the Company authorizes its securities to be traded, as well as any standards that may be established from time to time under state or federal securities, corporate, banking, or tax laws affecting the Company. The Committee shall be comprised of three (3) or more directors as determined by the Board of Directors each of whom shall be an independent nonexecutive director, free from any relationship that would interfere with the exercise of his or her independent judgment.

Committee members shall be appointed by the Board of Directors. If a Committee Chair is not designated or present, the Committee may designate a Chair.

The Committee shall meet at least four (4) times annually, or more frequently as circumstances require. The Committee shall meet privately in executive session at least annually, to discuss any matters that the Committee deems appropriate. In addition, the Committee, or at least its Chair, should communicate with management quarterly to review the Company's governance and any significant findings based upon established review procedures.

### **III. COMMITTEE RESPONSIBILITIES AND DUTIES**

#### **A. Governance Duties**

1. Review, reassess and certify in writing the adequacy of this Charter (annually);
2. Submit this Charter to the Board of Directors for approval and publish the document in accordance with any applicable regulations;
3. Assure that all board committees review, reassess and certify in writing to the Board of Directors the adequacy of their respective charters (annually);
4. Annually review and reassess Company policies related to corporate governance. Such policies may include but are not necessarily limited to the following:
  - i. Insider Trading Policy
  - ii. Corporate Disclosure Policy
  - iii. Code of Ethics for Senior Financial Officers ("Ethics Code")
  - iv. Code of Business Conduct and Ethics
  - v. Disclosure Nonconformity Policy ("Whistle Blower") as adopted by the Audit Committee.
5. The Governance and Nominating Committee is authorized to review and, by adopting a written resolution, approve in its discretion waivers of the Ethics Code by Company officers and directors, in accordance with the Code.
6. Discuss with management its establishment and oversight of Company policies to further support the Company's commitment to effective governance (annually);
7. Develop and recommend to the Board of Directors and review a statement of the Company's corporate governance policies (annually);

8. Review, advise and report to the Board of Directors on the structure, organization, performance and effectiveness of the Board of Directors and its committees, including this Committee;
9. Assure adherence to standards relating to determinations of an “independent” director;
10. In conjunction with the Compensation Committee, review and advise the Board of Directors as to director compensation;
11. Require the Company’s CEO to certify on an annual basis that s/he is not aware of any material departure by the Company from its corporate governance principles;
12. Review with the Company’s legal counsel the Company’s compliance with applicable laws and regulations, inquiries received from regulators or governmental agencies and legal matters, to the extent they may involve misconduct, or illegal or unethical behavior by corporate officers or directors (at least annually);
13. Review and recommend continuing education programs for directors of the Company that support the Committee’s objective to promote the competence and integrity of the Board of Directors and its members; and
14. Wherever reasonably possible and consistent with the purposes of the Committee, consult with the CEO on the various activities, decisions and recommendations described in this charter.

**B. Nominating Duties**

1. Prepare for adoption by the Board of Directors, and review not less than annually, criteria for the Board of Directors. In connection with establishing such criteria, the Committee shall address such matters as the size of the Board of Directors; the appropriate skills and characteristics required of members of the Board of Directors, both individually and for the Board of Directors as a whole; and an assessment of the weight to be given in the nomination process to matters of diversity, business and financial experience, judgment, academic expertise, and other attributes. In all cases, the purpose of developing such criteria is to increase the effectiveness of the Board of Directors and not to target individuals either for recruitment or removal;
2. Assist the Board of Directors by identifying, attracting and recommending qualified candidates for membership on the Board of Directors consistent with such criteria. Such candidates may include, if the Committee deems it advisable, candidates recommended by the Chief Executive Officer, other members of the

Board of Directors, and shareholders (where such shareholder recommendations have been offered in accordance with procedures established by the Committee and relevant law);

3. Review and recommend director nominations for re-election to a new term;
4. Maintain an active file of suitable candidates for consideration as nominees for membership on the Board of Directors;
5. Establish procedures for the recommendation of candidates for the Board of Directors by shareholders;
6. Establish procedures for the consideration of all candidates for the Board of Directors;
7. Assist the Board of Directors by attracting, recommending and selecting qualified candidates for successor to the CEO of the Company, when such position needs to be filled. Consult with and support executive management concerning the identification, attraction and selection of qualified candidates for other executive officer positions within the Company; ratify and approve retention of appropriate, qualified candidates for such other executive officer positions as they may be presented by the CEO.