



Nominating Committee

I. Purpose

The Nominating Committee shall (a) identify individuals qualified to become Board members (consistent with criteria approved by the Board); and (b) select the director nominees for the next annual meeting of shareholders.

II. Organization

The Nominating Committee shall consist of two or more directors, each of whom shall satisfy the applicable independence requirements of the Nasdaq and any other regulatory requirements.

The members of the Nominating Committee shall be appointed by the Board. Members of the Nominating Committee may be removed at any time by action of the Board. The Nominating Committee's chairperson shall be designated by the Board or, if it does not do so, the members of the Nominating Committee shall elect a chairperson by a vote of the majority of the full Nominating Committee.

The Nominating Committee may form and delegate authority to subcommittees when appropriate.

III. Meetings

The Nominating Committee shall meet as frequently as circumstances require.

IV. Authority and Responsibilities

To fulfill its responsibilities, the Nominating Committee shall:

1. Identify individuals qualified to become members of the Board (consistent with criteria approved by the Board), conduct background checks of individuals the Nominating Committee intends to recommend to the Board as director nominees and select the director nominees for the next annual meeting of shareholders.
2. Annually assess the size and composition of the Board.
3. Develop membership qualifications for Board committees and make recommendations to the Board with respect to membership on committees of the Board, other than the Nominating Committee.
4. Coordinate and assist management and the Board in recruiting new members and conduct periodic reviews of the independence of the members of the Board and its committees and the financial literacy and expertise of Examining Committee members.
5. Annually review and recommend directors for continued service.
6. Review and reassess the adequacy of this Charter annually in light of the Nasdaq requirements and federal securities laws, and recommend to the Board any changes deemed appropriate by the Nominating Committee.
7. Review its own performance annually.
8. Report regularly to the Board.
9. Perform any other activities consistent with this Charter, the Bank's By-laws and governing law, as the Nominating Committee or the Board deems appropriate.

V. Resources

The Nominating Committee shall have the sole authority to retain and terminate a search firm to be used to identify director candidates and the authority to retain other professionals to assist it with any background checks.

The Nominating Committee shall have the sole authority to determine the extent of funding necessary for payment of compensation to any search firm and the authority to determine the extent of funding necessary for payment of compensation to any other professionals retained to advise the Nominating Committee.

As of March 23, 2006

