

STATE BANCORP, INC.

NOMINATING & GOVERNANCE COMMITTEE CHARTER

AS AMENDED ON DECEMBER 13, 2005

A. Name

There shall be a committee of the Board of Directors (the "Board") which shall be called the Nominating & Governance Committee.

B. Purpose

The Nominating & Governance Committee shall (1) assist the Board in identifying individuals qualified to become Board members, including evaluating persons suggested by shareholders or others, and recommend that the Board select the director nominees for the next annual meeting of shareholders; and (2) develop and recommend to the Board the Corporate Governance Guidelines applicable to the Company.

C. Committee Membership and Procedure

The Nominating & Governance Committee shall consist of no fewer than three members. Each member of the Nominating & Governance Committee shall satisfy the independence requirements of the stock exchange or exchanges on which the Company's common stock is listed or, if the Company's common stock is not listed on a stock exchange but is listed with NASDAQ, NASDAQ. The Board shall appoint the members of the Nominating & Governance Committee, considering the views of the Chairman of the Board and the Chief Executive Officer, as appropriate. The members of the Nominating & Governance Committee shall serve until their successors are appointed and qualify. The Board shall designate the Chairman of the Nominating & Governance Committee. The Board shall have the power at any time to change the membership of the Nominating & Governance Committee and to fill vacancies in it, subject to such new member(s) satisfying the independence requirements established by the stock exchange or exchanges on which the Company's common stock is listed or, if the Company's common stock is not listed on a stock exchange but is listed with NASDAQ, NASDAQ. Attendance at meetings of the Committee shall be limited to members of the Committee and the Secretary to the Board of Directors, who shall serve as Secretary to the Committee, and such members of management of the Company as the Committee may desire, from time to time, to meet with. Except as expressly provided in this Charter, the by-laws of the Company or the Corporate Governance Guidelines of the Company, the Nominating & Governance Committee shall fix its own rules of procedure.

D. Committee Authority and Responsibilities

The Nominating & Governance Committee shall develop qualification criteria for Board members, and seek, interview and screen individuals qualified to become Board members for recommendation to the Board in accordance with the Corporate Governance Guidelines.

The Nominating & Governance 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 Nominating & Governance Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

The Nominating & Governance Committee shall develop and recommend to the Board a Code of Business Conduct and Ethics, and shall consider any requests for waivers from the Company's Code of Business Conduct and Ethics. Any waivers for directors and executive officers must be approved by the Board and disclosed in an SEC Form 8K filing within 5 days. The Nominating & Governance Committee shall ensure that the Company's Code of Business Conduct and Ethics is made publicly available.

The Nominating & Governance Committee shall review annually, or more often if appropriate, the directors who are members (including qualifications and requirements), structure (including authority to delegate) and performance of committees of the Board (including reporting to the Board), and make recommendations to the Board, as appropriate.

The Nominating & Governance Committee shall serve in an advisory capacity to the Board and Chairman of the Board on matters of organizational and governance structure of the Company and the conduct of the Board.

The Nominating & Governance Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Nominating & Governance Committee shall annually review its own performance.

The Nominating & Governance Committee shall oversee the evaluation of the executive management of the Company and make recommendations to the Board as appropriate.

The Nominating & Governance Committee shall review and reassess at least annually the adequacy of the Corporate Governance Guidelines of the Company and recommend any proposed changes to the Board for approval.

The Nominating & Governance Committee shall make regular reports to the Board.

The Nominating & Governance 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 following the end of each fiscal year.

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