

# THE FARMERS BANK OF APPOMATTOX

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

---

### **PURPOSE**

The Nominating and Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of The Farmers Bank of Appomattox (the “Bank”) is appointed by the Board to (1) identify and consider individuals qualified to become members of the Board, and (2) recommend to the Board the Corporate Guidelines of the Bank.

### **COMMITTEE MEMBERSHIP**

The Committee will consist of three or more members, each of whom will satisfy the independence requirements of the Nasdaq Stock Market, Inc. (“Nasdaq”), the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities and Exchange Commission. The Committee members will be appointed by the Board and may be removed by the Board in its discretion. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of independent directors. The composition of the Committee and its independence will be reviewed annually by the Board of Directors.

### **MEETINGS**

The Committee will meet as often as appropriate to fulfill its duties and responsibilities. Minutes of meetings will be approved by the Committee and maintained. The Committee may request any officer or employee of the Bank, or the Bank’s outside advisors, or any special counsel or advisors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

### **COMMITTEE AUTHORITY AND RESPONSIBILITIES**

The Committee will report its activities to the Board on a regular basis and make such recommendations as the Committee deems necessary or appropriate. The Committee will have the resources and authority appropriate to discharge its responsibilities, including authority to retain and terminate search firms used to identify director candidates and to approve such search firms’ fees and other retention terms.

The Committee will review and assess the adequacy of this charter annually and recommend changes to the Board of Directors when necessary. This charter will be published on the Bank's Website and available in written form upon request.

The Committee, to the extent it deems necessary or appropriate, will:

- Develop, recommend and review annually the Board of Directors' Corporate Governance Guidelines to comply with state and federal laws and regulations and with the Nasdaq Listing Standards.
- Identify and recommend to the Board the nominees to be presented for shareholder approval at the annual meeting or to be proposed to fill vacancies on the Board of Directors in accordance with the Committee's nominating policies and procedures.
- Establish policies and procedures outlining criteria to be used in selecting director nominees: The criteria for selecting nominees for election as directors of the Bank shall include business experience, accomplishments, education, skills and the highest personal and professional integrity.
- Evaluate the Board's committee structure and the responsibilities of the Board's various committees, and recommend to the Board changes to such structure and responsibilities.
- Review on an annual basis non-employee director compensation and benefits and make recommendations to the Board on appropriate compensation.
- Annually, evaluate the performance of the Committee.
- Annually, review the attendance of each director to Board Meetings and Assigned Committee Meetings.