

NOMINATING/CORPORATE GOVERNANCE COMMITTEE  
CHARTER

**Purpose**

The Nominating/Governance Committee (the "Committee") is appointed by the Board of Directors of Bank of Guam and BankGuam Holding Company (hereinafter both referred to as the "Board") (1) to assist the Board, on an annual basis, by identifying individuals qualified to become Board members, and to recommend to the Board the director nominees for the next annual meeting of shareholders; (2) to assist the Board in the event of any vacancy on the Board by identifying individuals qualified to become Board members, and to recommend to the Board qualified individuals to fill any such vacancy; (3) to recommend to the Board, on an annual basis, director nominees for each Board committee and (4) to establish procedures for the Committee to exercise oversight of the evaluation of the Board.

**Committee Membership**

The Committee shall consist of no fewer than three members, each of whom shall be a director of the Bank. Each member of the Committee shall meet the standards for independence as imposed by the Federal Deposit Insurance Corporation for audit committee members, or the standards of independence according to the rules of the American Stock Exchange, and all other applicable legal requirements. The Committee will also consider the absence or presence of material relationships with the Bank that might impact independence. Members shall be appointed and removed by the Board.

**Meetings and Accountability**

The Committee shall meet as often as it determines, but at least two times annually. The presence of at least fifty percent of the members of the Committee shall constitute a quorum of the Committee, and the act of the majority of the members shall be an act of the Committee. The Committee may ask members of management or others to attend meetings or portions thereof and provide pertinent information as necessary. The Committee shall meet in executive session annually to review the performance of the Board and shall present a full report to the Board annually.

### **Committee Authority**

1. The Committee shall have the responsibility to develop and recommend criteria for the selection of new directors to the Board, including, but not limited to diversity, age, skills, experience, time availability (including the number of other boards he or she sits on in the context of the needs of the Board) and such other criteria as the Committee shall determine to be relevant at the time. The Committee shall have the power to apply such criteria in connection with the identification of individuals to be Board members, as well as to apply the standards for independence as is required of audit committee members as imposed by the Federal Deposit Insurance Corporation, or the standards of independence according to the rules of the American Stock Exchange, and all applicable federal laws and the underlying purpose and intent thereof in connection with such identification process.

2. When vacancies occur or otherwise at the direction of the Board, the Committee shall actively seek individuals whom the Committee determines meet such criteria and standards for recommendation to the Board.

### **Committee Responsibilities**

1. On behalf of the Board, the Committee will carry out the following duties and responsibilities:

- Recommend to the Board, on an annual basis, nominees for election as directors for the next annual meeting of shareholders;
- Conduct appropriate and necessary inquiries into the background and qualifications, including capability, availability to serve, conflicts of interest and other relevant factors, of possible candidates;
- Review candidates recommended by others; and
- Recommend to the Board the nominees for appointment to Committees of the Board on at least an annual basis.

2. Additional functions of the Committee are:

- To consider questions of possible conflicts of interest of Board members and senior management;
- To monitor and recommend the functions of the various committees of the Board;
- To annually administer evaluations of the performance of the Board, Board Committees and their members;
- To review and reassess the adequacy of this Charter annually and recommend any proposes changes to the Board for approval;
- Develop and recommend to the Board a set of corporate governance principles annually;
- To review the Nominating/Corporate Governance Committee's own performance and complete an annual performance evaluation of the committee to present to the Board;
- To annually review and reassess the adequacy of and revise the charters of each other Board committees and recommend any proposed changes to the Board for approval;
- To make an annual report to the Board on succession planning; and
- The Committee shall make other reports to the Board when the Committee deems it appropriate or upon request of the Board.

### **Resources & Authority**

The 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, at the company's expense.

The Committee, and each member of the Committee in his or her capacities as such, shall be entitled to rely, in good faith, on information, opinions, reports or statements, or other information prepared or presented to them by (i) officers and other employees of the Bank, whom such member believes to be reliable and competent in the matters presented, (ii) counsel, public accountants or other persons as to matters which the member believes to be within the professional competence of such person.

**Delegation to Subcommittee**

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

**Committee Minutes**

The Committee will keep minutes, and other relevant records, of all its meetings, and make regular reports to the Board.