

Nominating and Corporate Governance Committee Charter

1. Purpose

The primary purposes of the Nominating and Corporate Governance Committee (the “Committee”) of the board of directors of First Ottawa Bancshares, Inc. (the “Company”) are to (1) identify and select qualified individuals to serve as directors of the Company and nominate such individuals for election as directors at the Company’s annual meeting of stockholders and (2) develop and establish corporate governance policies and procedures for the Company.

2. Committee Composition and Procedure

The Committee shall consist of at least three members. The board of directors shall appoint the members of the Committee. The members of the Committee shall serve until their successors are appointed and qualify, and may designate a Chairman of the Committee. The board of directors shall have the power to change the membership of the Committee and to fill any vacancies on the Committee.

The Committee shall meet with such frequency and at such intervals as it shall determine necessary to carry out its duties and responsibilities, but in no event shall the Committee meet less than once per year of the Company’s fiscal year. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. The Committee shall maintain minutes of its meetings and records relating to those meetings and the Committee’s activities and shall provide copies of such minutes to the board of directors. The Committee shall determine its rules of procedure.

3. Duties and Responsibilities of the Committee

The Committee’s duties and responsibilities are generally to: (1) identify individuals qualified to become members of the board of directors and select such individuals as director nominees for the next annual meeting of stockholders of the Company and (2) develop and establish corporate governance policies and procedures for the Company. In accomplishing these duties and responsibilities, the Committee shall possess the following powers and duties:

- The Committee shall nominate individuals to stand for election at each annual meeting of stockholders, which such nominees

shall be presented in the Company's proxy statement relating to the annual meeting. The Committee shall establish the procedures necessary to nominate individuals and the Committee shall develop and establish qualification criteria for membership on the board of directors.

- The Committee shall have sole authority and adequate funding to retain and terminate any third-party for the purpose of identifying candidates for membership on the board of directors, and shall have sole authority to approve the fees paid to such third-parties and all other terms of their retention. Such third-parties may include executive search firms, as well as legal, accounting and other advisors, both internal and external.
- The Committee shall, at least annually, review the performance of all directors of the Company, including with respect to each director's service on a committee of the board of directors. As a part of such review, the Committee shall determine whether each director is "independent" as such term is defined in the requirements of the Securities and Exchange Commission and any other body with regulatory authority over the Company.
- The Committee shall, at least annually, evaluate the performance, structure and authority of the committees of the board of directors, including the Nominating and Corporate Governance Committee. The Committee shall make recommendations to the board of directors with respect to the assignment of individual directors to the committees of the board of directors.
- The Committee shall be responsible for establishing an orientation program for directors beginning their service on the board of directors. Such program shall provide new directors with information regarding their duties and responsibilities to the Company, the Company's business and operations, the policies and procedures applicable to service on the board of directors and the legal implications of board service.
- The Committee shall establish, coordinate, monitor and maintain a continuing education and training program for directors of the Company. The Committee shall establish participation requirements in such program for directors of the Company and shall monitor compliance with those requirements. The program shall be designed to apprise directors of any legal, accounting, corporate governance or

other developments relevant to service on the board of directors.

- The Committee shall review and assess, at least annually, the adequacy of the Company's corporate governance policies and procedures in light of the legal and regulatory requirements applicable to the Company, its directors, officers and employees, and shall amend and supplement such policies and procedures as the Committee determines, in its sole discretion, are appropriate.
- The Committee shall develop and maintain, and shall recommend to the board of directors that it adopt, a Code of Business Conduct and Ethics for the Company. Such Code shall address various legal and regulatory issues applicable to the directors, officers and employees of the Company. The Committee shall review, at least annually, the Company's enforcement mechanism for such Code.
- The Committee shall review, with the Company's counsel, legal compliance matters, including corporate securities trading policies.
- The Committee shall make regular reports to the board of directors regarding nominating and corporate governance matters.
- The Committee shall review and assess the adequacy of this Charter periodically, and shall recommend any proposed amendments relating to the Committee's duties with respect to nominating or corporate governance matters to the board of directors for approval.
- The Committee may form and delegate authority to subcommittees or individual members of the Committee, where appropriate, with respect to nominating and corporate governance matters.