

First United Corporation

Nominating & Governance Committee Charter

A. Name

There shall be a committee of the Board which shall be called the Nominating & Governance Committee.

B. Purpose

The Nominating & Governance Committee shall assist the Board of Directors in fulfilling its oversight responsibilities pertaining to governance.

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 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 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 NASDAQ. 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

Board and Committee Qualifications and Compositions

- ❖ The Nominating & Governance Committee shall review and recommend from time to time any change to the size, composition and operations of the Board of Directors and its committees.
- ❖ The Nominating & Governance Committee shall identify and recommend individuals for nomination as director or to fill vacancy on the Board considering qualifications and characteristics that the Committee from time to time deem appropriate, including integrity, business experience, education, accounting and financial expertise, age, diversity, reputation, civic and community relationships, and knowledge and experience in matters impacting financial institutions. In its discharge of this duty, the Committee may evaluate candidates from the Advisory Council.
- ❖ The Nominating & Governance Committee shall annually recommend to the Board the slate of nominees for election to the Board at the Annual Meeting of Shareholders.
- ❖ The Nominating & Governance Committee shall consider candidates recommended by shareholders to be nominees for director if such recommendations are made in accordance with the by-laws of the Company.

Committee Operations

- ❖ 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 make regular reports to 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 may form and delegate authority to subcommittees when appropriate.
- ❖ 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. The Company shall make disclosure of such waivers to both NASDAQ and the Securities and Exchange Commission.
- ❖ The Nominating & Governance Committee shall at least every two years review with the Chairman and the Chief Executive Officer the succession plans relating to positions held by elected corporate officers, and make recommendations to the Board with respect to the selection and development of individuals to occupy those positions.
- ❖ The members of the Nominating & Governance Committee shall designate the Chairperson of the Nominating & Governance Committee annually. This will take place during the first meeting of the Committee following the corporate reorganization meeting.

Corporate Governance

- ❖ The Nominating & Governance Committee acknowledges that, in 2011, it completed a detailed study of the issue of separating the roles of Chair and CEO, deciding to retain the combined role at that time, but creating the role of Lead Director. The Committee reserves unto itself the prerogative of reviewing this issue at any point in the future that it deems 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.

Revised: 12/19/17

Approved: 07/24/19