

# **Investors Capital Holdings, Ltd.**

## **NOMINATING AND GOVERNANCE COMMITTEE**

### **CHARTER**

#### **A. Membership**

The Committee shall consist of all of the independent members of the Board of Directors, such independence to be determined by reference to the Company's Director Independence Standards. The Board shall appoint members of the Committee after considering recommendations of the Nominating and Governance Committee. The members of the Nominating and Governance Committee shall serve at the pleasure of the Board.

#### **B. Authority and Responsibility**

The Committee shall have the authority and responsibility to:

- (i) identify individuals well qualified to become Board members, and to recommend them to the Board as nominees for election at the next annual meeting of shareholders or to fill vacancies;
- (ii) develop and recommend to the Board the Company's Corporate Governance Guidelines and amendments thereto;
- (iii) evaluate and report to the Board on the Board's overall performance and effectiveness;
- (iv) recommend, for establishment by the Board of, policies and procedures for the review, approval or ratification of transactions with related parties required to be reported under Item 404(a) of Regulation S-K (or any successor rule), including, without limitation, the types of transactions that are covered thereby, the standards to be applied pursuant thereto, and the persons or groups of persons on the Board or otherwise who are responsible for applying such policies and procedures,
- (v) implementation and enforcement of the aforesaid policies and procedures respecting transactions with related parties,
- (vi) recommend to the Board the creation or amendment of, and administer incentive compensation and employee benefit plans and programs, e.g., supplemental and non-qualified pension, profit-sharing and equity-based incentive plans that, by their terms, are to be administered by the Board of Directors or the Committee ("Plans") that are applicable only to Directors, as such;
- (vii) exercise and perform any non-fiduciary power, authority, discretion or duty of the Board or the Committee under, the Plans relating to the issuance or grant of equity-based awards to Directors, as such; and
- (viii) discharge such other duties and responsibilities as are assigned to it from time to time by the Board.

In exercising its authority and carrying out its responsibility:

1. The Committee shall actively seek, interview and screen individuals to become Board members for recommendation to the Board that meet qualifications set forth in the “Board of Directors – Qualifications and Nominations” section of the Corporate Governance Guidelines Charter. In evaluating the suitability of candidates for election or re-election, the Committee shall consider pertinent factors, including general understanding of marketing, finance, and other disciplines relevant to the success of a publicly traded company in today’s business environment; understanding of the Company’s business and technology; educational and professional background; and personal accomplishments. The Committee shall also evaluate each individual in the context of the Board as a whole, with the objective of recommending a group that can best ensure the success of the Company’s business and represent shareholder interests. In determining whether to recommend a director for re-election, the Committee shall consider the director’s past attendance at meetings and participation in and contributions to the activities of the Board. The Committee also shall periodically examine the characteristics, skills, and experiences appropriate for the Board as a whole and its individual members, as well as the optimum number of directors.

The Committee will consider shareholder recommendations for candidates for the Board. The name of any recommended candidate for director, together with a brief biographical sketch, a document indicating the candidate’s willingness to serve, if elected, and evidence of the nominating shareholder’s ownership of Company stock should be sent to the attention of the General Counsel of the Company.

2. The Committee shall have the responsibility to review and report to the Board, from time to time as deemed appropriate by the Committee, with respect to such matters as:

- a. Orientation of new Directors and Director education.
- b. The optimum size of the Board.
- c. Nomination and election procedures and proxy materials specifically relating to candidates for Director.
- d. Board tenure guidelines.
- e. Conflicts of interest, including direct and indirect material transactions and relationships with Directors, and material interests, affiliations and relationships of officers.
- f. The independence of members of the Board and Board candidates.
- g. The performance of individual members of the Board.
- h. Recommendations for Board committee assignments.
- i. Information about the Company’s stockholders, their relationship with the Company and their major priorities.

- j. The Company's directors' and officers' insurance program.
  - k. Board compensation.
  - l. The content of the Company's Code of Business Conduct and Ethics.
3. The 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.
  4. The Committee shall, from time to time as the Committee deems appropriate, review the Board's overall performance and effectiveness, review the process for self-evaluations by Board committees, and make recommendations to the Board and Board committees on governance matters.
  5. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify Director candidates, and shall have the sole authority to approve the search firms fees and other retention terms.
  6. The Committee shall have access to any members of management and such other external advisors as it deems appropriate in discharging its responsibilities.
  7. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review its own performance.
  8. The Committee shall recommend independent Directors for election by the Board as Presiding Director and Alternate Presiding Director.
  9. The Committee may form and delegate authority to subcommittees or the Chair of the Committee where appropriate in its judgment.

### **C. Procedures**

1. The Lead Independent Director shall be the Chairman of the Committee. In the absence of the Chair, the Chairman of the Board or acting Chairman of the Board may appoint an independent director as acting Chair of the Committee. The Chair of the Committee may invite any other independent member of the Board to serve as an alternate if needed to constitute a quorum.
2. Meetings shall be held as determined by the Committee or upon call of the Chair or acting Chair of the Committee. A majority of the number of the Committee members shall constitute a quorum for the transaction of business.

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