

## INVESTAR HOLDING CORPORATION

### NOMINATING AND GOVERNANCE COMMITTEE CHARTER

*(as of December 18, 2013)*

#### **Purpose**

The Nominating and Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of Investar Holding Corporation (“Investar”) has been established to:

- identify and recommend to the Board individuals qualified to serve as directors of Investar and on committees of the Board;
- advise the Board with respect to Board composition, including independence, procedures and committees;
- take a leadership role in shaping the corporate governance of Investar; and
- lead the Board in its annual review of the performance of the Board and management.

#### **Membership**

The Committee shall consist of at least three members as determined from time to time by the Board. The Board shall appoint the members of the Committee, who shall serve at the pleasure of, and may be removed at any time (with or without cause) by, the Board. The Board shall fill any vacancy on the Committee. Any director serving on the Committee shall automatically cease to be a member of the Committee at the time that he or she ceases to be a director. Unless a Chair is elected by the full Board, the members of the Committee shall designate a Chair by majority vote of the full Committee. The Chair shall be responsible for the leadership of the Committee, including presiding over meetings and making regular reports to the Board.

Each member of the Committee must meet the independence and other requirements arising pursuant to applicable federal securities laws and the rules and regulations promulgated by the Securities and Exchange Commission thereunder (the “SEC Regulations”), the listing rules of The NASDAQ Stock Market, LLC as in effect from time to time (the “Nasdaq listing rules”), and such other laws and regulations that may be applicable to Investar. The Board shall determine, at least annually, the eligibility of the Committee’s members.

#### **Structure and Meetings**

The Committee shall meet as often as it deems appropriate to perform its responsibilities but no less than twice per calendar year, and at such times and places as the Chair may determine. The Chair shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. In the event the Chair is not present at the meeting, the other members present at that meeting shall designate an acting chair for such meeting. The Committee shall be governed by the same rules regarding meetings, actions without meetings, notice, waiver of notice, quorum and voting requirements as applicable to the Board under the Restated Articles of Incorporation of Investar, as amended (the “Articles”), the Bylaws of Investar, as amended (the “Bylaws”), and applicable laws and regulations. The Committee shall keep regular minutes and records relating to its meetings and shall report regularly to the Board on its activities, as appropriate.

The Committee may invite any director, officer or employee of Investar or Investar Bank, and such other persons as it deems appropriate, to attend its meetings (or portions thereof) or to meet with or provide relevant information to any members of, or consultants to, the Committee. The Chair is responsible for deciding who may or may not attend meetings of the Committee (or portions thereof).

### **Certain Qualifications for Director Nominees**

The Committee seeks to identify and select director nominees who will contribute to Investar's overall corporate goals including: responsibility to its shareholders, industry leadership, customer success, positive working environment and integrity in financial reporting and business conduct. The Committee must consider the following qualifications in assessing nominees for election or re-election to the Board:

- Personal qualities and characteristics, accomplishments and reputation in the business community, professional integrity, leadership skills, educational background, business experience and related experience;
- Demonstrated ability and sound judgment based on broad experience;
- Ability and willingness to commit adequate time to Board and committee matters including attendance at Board meetings, committee meetings and shareholders meetings (the number of other public and private company boards on which a person serves shall be a relevant consideration);
- Willingness to objectively appraise management performance;
- Giving due consideration to potential conflicts of interest, current knowledge and contacts in the communities in which Investar does business and in Investar's industry or other industries relevant to Investar's business;
- Commitment to serve on the Board over a period of several years to develop knowledge about Investar's principal operations;
- Fit of the individual's skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of Investar and the interests of its shareholders; and
- Diversity of viewpoints, background, experience and similar demographics.

The Committee shall, from time to time, review the experience and characteristics appropriate for Board members and director candidates in light of the Board's size and composition at the time, its corporate governance policies and the Nasdaq listing rules with a view to maximizing the skills and expertise needed for effective operation of the Board and its committees.

### **Duties and Responsibilities**

#### *Board Candidates and Nominees*

The Committee has the following duties and responsibilities with respect to Board candidates and nominees:

1. The Committee shall assist in identifying, recruiting and, if appropriate, interviewing candidates qualified to become members of the Board. If Investar is required by contract or otherwise to provide a third party with the unilateral ability to nominate a director, the selection and nomination of such director need not be subject to the Committee's review, except to the extent necessary to determine that such nomination does not contravene any law, regulation or policy applicable to Investar.
2. The Committee shall review the background, qualifications and independence of individuals being considered as director candidates, including persons proposed by shareholders or others. In the exercise of its duties, the Committee may conduct such inquiries and investigations as it deems appropriate. In the selection of candidates, the Committee shall consider the factors expressly set forth in this Charter, the Articles and the Bylaws, together with such other relevant factors that the Committee considers appropriate in the context of the needs of the Board. The Committee shall also consider any other requirements under applicable SEC Regulations, the Nasdaq listing rules or other laws and regulations.
3. In connection with Investar's annual shareholders meeting (or any special meeting at which directors are to be elected), the Committee shall recommend to the Board a slate of director nominees for election. The Committee shall also recommend to the Board, as necessary, director candidate(s) to be appointed in the case of vacancies existing on the Board.
4. The Committee shall review the suitability for continued service as a director of each Board member upon the expiration of his or her term and upon any material change in status, including but not limited to a change in the director's primary occupation, and make recommendations to the Board regarding the continued suitability of such director.

#### *Board Composition and Procedures*

The Committee has the following duties and responsibilities with respect to the composition and procedures of the Board as a whole:

1. The Committee shall review annually with the Board the size and composition of the Board as a whole and recommend to the Board any appropriate changes, including any changes that may be necessary to ensure that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and contains at least the minimum number of independent directors required by SEC Regulations and the Nasdaq listing rules.
2. The Committee shall make recommendations concerning any other aspect of the procedures of the Board that the Committee deems appropriate, including, but not limited to, procedures with respect to the waiver by the Board of any rule, guideline, procedure or corporate governance principle applicable to Investar.
3. When appropriate, the Committee shall consider and recommend the removal of a director (subject to compliance with the Articles and the Bylaws and any other applicable legal requirements).

#### *Board Committees*

The Committee has the following duties and responsibilities with respect to the committee structure of the Board:

1. After giving consideration to the experiences and expertise of individual directors, the criteria for service on each committee as set forth in the charter for such committee, and any other factors the Committee deems relevant, the Committee shall make recommendations to the Board regarding the size and composition of each Board committee and recommend individual directors to fill any vacancy that might occur on any such committee. When appropriate, the Committee shall make recommendations regarding the removal of any member of any committee.
2. The Committee shall monitor the adequacy and functioning of the committees of the Board and make recommendations for any changes, including the creation and elimination of committees, whether standing or special. In connection with the creation of any standing or special committee, the Committee shall oversee the development of the charter of such committee, to the extent that a written charter is deemed appropriate, and make recommendations to the Board with respect to such charter and/or the scope of the committee's authority.

### *Corporate Governance*

The Committee has the following duties and responsibilities with respect to corporate governance:

1. The Committee shall develop and review at least annually the policies and procedures regarding corporate governance adopted by the Board to ensure that such policies and procedures are appropriate for Investar and comply with applicable SEC Regulations, Nasdaq listing rules and other laws and regulations and recommend any desirable changes to the Board. In connection with such review, the Committee shall develop and recommend a set of corporate governance guidelines for Investar and review such guidelines annually and recommend changes as necessary.
2. The Committee shall from time to time as it deems appropriate review and assess the adequacy of the codes of business conduct and/or ethics applicable to Investar's directors, officers and employees and recommend any desirable changes to the Board.
3. The Committee shall consider any other corporate governance issues that arise from time to time and shall review shareholder proposals related to corporate governance and develop appropriate recommendations for the Board.
4. In consultation with the Chief Executive Officer, the Committee shall oversee Investar's political and charitable giving programs. The Committee shall receive reports from and advise management on Investar's policies and practices related thereto.
5. The Committee shall consider, develop and recommend to the Board such policies and procedures with respect to corporate governance matters as may be required or required to be disclosed in accordance with applicable SEC Regulations, Nasdaq listing rules or other laws and regulations or otherwise considered to be desirable and appropriate in the discretion of the Committee.
6. The Committee shall assist management in the preparation of the disclosure in Investar's annual proxy statement regarding director independence and the operations of the Committee.

## *Evaluation of the Board; Director Education*

The Committee has the following duties and responsibilities with respect to board evaluations and director education:

1. The Committee shall be responsible for overseeing the annual self-evaluation of the Board to determine whether the Board and its committees are functioning effectively. The Committee shall determine the nature of the evaluation, supervise the conduct of the evaluation and deliver a report to the Board on the performance of the Board, which shall include such recommendations to the Board regarding board processes and other matters as the Committee deems appropriate to improve or ensure the effective functioning of the Board.
2. The Committee shall develop and oversee, with the input of senior management, an orientation and continuing education program for directors.

### **Other Activities**

The Committee shall perform any other activities consistent with this Charter, the Articles, the Bylaws, applicable SEC Regulations, Nasdaq listing rules and other laws and regulations, as the Committee or the Board deems necessary or appropriate.

### **Delegation of Authority**

In fulfilling its responsibilities, the Committee may delegate any or all of its responsibilities to one or more subcommittees consisting of one or more members, as determined by the Committee; provided, however, that the Committee may not delegate any power or authority required by applicable law or regulation or the Nasdaq listing rules to be exercised by the Committee as a whole.

### **Performance Review**

The Committee shall evaluate its performance on an annual basis. In conducting this review, the Committee shall evaluate the adequacy of the scope of this Charter and recommend to the Board any changes that it deems necessary or appropriate. The Committee shall also address all matters that the Committee considers relevant to its performance, including the adequacy, appropriateness and quality of information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the meetings of the Committee during such year and the resources available to the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended changes to this Charter or Investar's or the Board's policies and procedures.

### **Access and Resources**

In performing its responsibilities, 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. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisers. In selecting any such search firm or other adviser, the Committee shall consider the independence of such firm or other adviser, as determined under criteria set forth in the SEC Regulations (if any), the Nasdaq listing rules or other applicable laws and regulations. Investar shall provide appropriate funding for the payment of the fees and other expenses of any search firm or other advisers employed by the Committee.

### **Disclosure of Charter**

This Charter shall be made available as required by applicable SEC Regulations, Nasdaq listing rules or other laws and regulations.