

CHARTER OF THE
GOVERNANCE & NOMINATING COMMITTEE
RGC Resources, Inc. Board of Directors

- I. Purpose: The primary purpose of the Governance & Nominating Committee (Committee) is to provide oversight on a broad range of issues surrounding the composition and operation of the Board of Directors (Board) of RGC Resources, Inc and its affiliates (Resources), including identifying individuals qualified to become Board members, recommending nominees for Board election at the next annual meeting of shareholders, and recommending to the Board governance principles applicable to Resources. The Committee also provides assistance to the Board and the Chairman in the areas of Committee selection and rotation practices, evaluation of the overall effectiveness of the Board, and consideration of developments in corporate governance practices.
- II. Committee Members: The Committee shall be comprised of at least three independent directors as that term is defined by relevant law and listing rules. Committee members shall be appointed and removed by the Board in its sole discretion.
- III. Committee Meetings: The Committee will meet at least annually with authority to convene additional meetings as called by the Chairman of the Committee or at the request of any two members of the Committee. Minutes will be prepared and the Committee will report to the board the results of its meetings. A majority of members shall decide any question brought before any meeting of the Committee.
- IV. Duties and Responsibilities: The Committee has the following specific duties, in addition to any similar matters which may be specifically referred to the Committee by the Board or the Chairman of the Board or which the Committee raises on its own:
 - a. Make recommendations to the Board concerning all nominees for Board membership, including the re-election of existing Board members. In this connection, the Committee shall have the authority to hire, terminate, and determine the compensation of any search firm to be used to identify and recruit director candidates, if utilization of a search firm is authorized by the Board. The Committee shall also make recommendations on filling mid-term vacancies to the Board. The Committee will also recommend to the Board removal of a director where appropriate and in accordance with the by laws and articles.

- b. Receive and evaluate any recommendations for Board positions that come from Shareholders.
- c. Evaluate and make recommendations to the Board concerning the number and accountability of Board Committees, Committee assignments and Committee membership rotation practices.
- d. Review issues and developments relating to corporate governance issues and make recommendations to the Board.
- e. Make recommendations to the board regarding Director orientation and continuing education.
- f. Evaluate Board performance in accordance with all applicable laws, rules, and regulations.
- g. Review and reassess the adequacy of this Charter as needed and recommend changes to the Board for approval.