

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

The Committee serves as the joint Nominating and Corporate Governance Committee of the Board of Directors of First Northern Community Bancorp (the “Company”) and the Board of Directors of First Northern Bank of Dixon (the “Bank”), a banking subsidiary of the Company. References in this policy to the “Board of Directors” or the “Board” shall refer to the Board of Directors of the Company or the Bank, as applicable.

PURPOSE

The purpose of the Nominating and Corporate Governance Committee is:

1. To identify and recommend to the Board of Directors for election and/or appointment, qualified candidates for membership on the Board of Directors and Committees of the Board of Directors;
2. To assist the Board of Directors in defining and assessing qualifications for Board of Director membership and identify qualified individuals;
3. To assist the Board of Directors in organizing itself to discharge its duties and responsibilities properly and effectively;
4. To assist the Board of Directors in ensuring proper attention and effective response to shareholder concerns regarding corporate governance;
5. To assist the Board of Director’s evaluation and succession planning with respect to the Company and the Bank’s CEO;
6. To assist the Board of Directors in its oversight of the strategic direction of the Company; and
7. To perform such other duties and responsibilities enumerated in and consistent with this Charter.

MEMBERSHIP AND PROCEDURES

Membership and Appointment

The size of the Committee shall be such number of members of the Board of Directors of the Company, as shall be determined from time to time by the Board of Directors based on any recommendations from the Committee; provided that the Committee shall include at least three members who are Chairs of the Audit, Compensation or Loan Committees or the immediate past Chairperson of any such committee. The Committee chair (the “Chair”) shall appoint an at-large member to the Committee as needed. The members of the Committee shall be appointed and replaced by the Board of Directors of the Company upon the recommendation of the Committee.

Qualifications

Each Committee member shall meet the independence requirements of the Nasdaq Stock Market.

Chair

The Chair shall be the Chairman of the Board of Directors of the Company. The Chair shall determine the agenda, the frequency and the length of meetings and shall have unlimited access to management and information. The Chair shall establish such other rules as may from time to time be necessary and proper for the conduct of the business of the Committee. The Chair shall preside over any executive sessions of non-management Directors.

Delegation

The Committee may, by resolution passed by a majority of the Committee, designate one or more subcommittees, each subcommittee to consist of two or more members of the Committee. Any such subcommittee, to the extent provided in the resolutions of the Committee and to the extent not limited by applicable law or listing standard, shall have and may exercise all the powers and authority of the Committee.

Meetings

The Committee will meet in person, telephonically or virtually as frequently as it determines to be necessary to carry out its responsibilities under this Charter, but at least one time per year. The Chair will, in consultation with the other members of the Committee and appropriate officers of the Company, be responsible for calling meetings of the Committee establishing the agenda therefor and supervising the conduct thereof. Each Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting. The Chair or a majority of the Committee members may call a meeting of the Committee at any time. A majority of the number of Committee members selected by the Board shall constitute a quorum for conducting business at a meeting of the Committee. The act of a majority of Committee members present at a Committee meeting to which a quorum is in attendance shall be the act of the Committee, unless a greater number is required by law, the Company's Articles of Incorporation or its Bylaws. The Chair will supervise the conduct of the meetings and will have other responsibilities as the Committee may designate from time to time.

The Committee may also take any action permitted hereunder by unanimous written consent.

The Committee shall make regular reports to the Board summarizing the actions taken at each meeting.

DUTIES AND RESPONSIBILITIES

The following shall be the common recurring duties and responsibilities of the Committee in carrying out its oversight functions. These duties and responsibilities are set forth below as a guide to the Committee with the understanding that the Committee may alter or supplement them as appropriate under the circumstances to the extent permitted by applicable law.

1. Board of Directors and Board Committee Composition

(a) Assess the size, skill, and composition of the Board of Directors in light of the operating requirements of the Company and the effectiveness of the Board in fulfilling its obligation to the Company and its shareholders.

(b) Develop membership qualifications for the Board of Directors and all Board committees, including defining specific criteria for Director independence and committee membership.

(c) Monitor compliance of the Board of Directors and Board committees membership with criteria required by applicable law, Nasdaq listing standards and the Company's corporate governance policies.

(d) Review and recommend incumbent Directors for continued service as required based on evolving needs of the Company and performance of the incumbent directors.

(e) Recommend to the Board whether to accept or reject the resignation of an incumbent director, as well as consider the tendered resignation of a director who fails to receive the required number of votes for re-election.

(f) Report to the Board of Directors on succession planning.

(g) Develop criteria for determining nominations for election as Vice Chairman of the Board of Directors.

2. Procedures for Director Recruitment

(a) Coordinate and assist management and the Board of Directors in recruiting new members to the Board of Directors.

(b) Investigate suggestions for candidates for membership on the Board of Directors and recommend prospective Directors, as required to fill new or vacant positions, to provide an appropriate balance of knowledge, experience and capability on the Board of Directors.

(c) Consider recommendations by shareholders for directors to be nominated, provided that the recommendations are submitted according to the Company's Bylaws and any other procedures established by the Committee or the Board of Directors.

(d) Exercise its sole authority to retain and terminate and approve the fees and retention terms and conditions of any search firm employed to identify director candidates.

3. Evaluation of the Board of Directors and Corporate Governance Policies

(a) Oversee and prepare the evaluation criteria for the Board of Director's annual evaluation of the composition, competence, and performance of the Board and its committees, as well as conduct a self-evaluation.

(b) Identify best practices and develop and recommend corporate governance principles applicable to the Company. Review the guidelines and recommend any changes to the Board of Directors that the Committee deems to be necessary or desirable.

(c) Review and report on compliance with the code of conduct, insider trading policy, and other corporate governance policies.

(d) Monitor and oversee education and training programs for members of the Board of Directors.

(e) Review proposed changes to the Company's Articles of Incorporation or Bylaws, or Board committee charters, and make recommendations to the Board of Directors. Confirm that the Audit Committee and Compensation Committee have charters in effect and that those charters are reviewed at least annually by their respective committees.

(f) Review all proposed related party transactions to which the Company may become a party, determine whether in fact the transaction is a related party transaction and recommend appropriate action to the Board. "Related party transactions" refers to those transactions the disclosure of which is required pursuant to Item 404 of SEC Regulation S-K.

(g) Confirm that the Board has had at least two executive sessions (regularly scheduled meetings at which only independent directors are present) during the last fiscal year. Executive sessions may be scheduled more frequently as necessary or desirable.

4. Evaluation and Succession Planning for CEO

(a) Review with the CEO the Company and the Bank's succession plans relating to the CEO and other executive officers (as well as all other key management and operating positions in the Company and the Bank), as set by the CEO. This review may include appropriate contingencies in case the CEO retires, resigns or is incapacitated.

(b) On an annual basis evaluate the CEO's performance in light of goals and objectives set by the Committee in consultation with the CEO, and report the Committee's conclusions from such evaluation to the Board of Directors.

5. Strategic Planning Oversight

(a) Develop the annual strategic planning meeting format.

- (b) Identify topics for discussion and develop the meeting agenda.
6. Shareholder Proposals and Proxy Statements
- (a) Assess periodically and recommend Board of Directors action with respect to shareholder rights plans or other shareholder protections.
 - (b) Review shareholder proposals and recommend the response of the Board of Directors.
 - (c) Review the disclosure in the Company's proxy statement for the annual meeting of shareholders of the information about the director nomination process required by the rules of the Securities and Exchange Commission.

AUTHORITY

The Committee's job is one of oversight as set forth in this Charter. It is not the duty of the Committee to assure the Company's compliance with all applicable laws.

The Committee shall have the authority to retain special legal counsel or other advisors to advise the Committee as the Committee deems appropriate. The Committee shall have authority to pay all fees and expenses of such outside advisors as it deems appropriate, and the Company shall provide for appropriate funding for the payment of such fees and expenses of legal counsel or other advisors retained by the Committee.

AMENDMENT

This Charter and any provision contained herein may be amended or repealed by a majority of the Board of Directors of the Company.