

**Coastal Banking Company, Inc.**  
**Governance and Nominating Committee Charter**

**Purpose:**

The Coastal Banking Company, Inc. (the Company) Governance and Nominating Committee (GNC) is appointed by the Board of Directors of the Company to assist the Board in (1) reviewing the qualifications and independence of the members of the Board of Directors and its various committees on a periodic basis as well as the composition of the Board as a whole; (2) evaluating periodically the performance of the Directors, committees, and Board as a whole; (3) recommending nominees to the Board for election as Directors; (4) recommending to the Board nominees for each committee; (5) reviewing periodically Director compensation and recommending any changes for approval of the Board; and (6) providing guidance on corporate governance issues applicable to the Company.

**Committee Membership:**

The GNC committee members are appointed annually by the Board, and may be replaced by the Board. All GNC members shall be an independent director as may be prescribed by any applicable laws and regulations relating to the committee's duties and responsibilities. The committee meets regularly at least two times per year, and special meetings may be called.

**Committee Authority and Responsibilities:**

The GNC shall identify individuals believed to be qualified as candidates to serve on the Board of Directors for all directorships to be filled by the Board or by the stockholders at an annual meeting or a special meeting.

The GNC shall review and make recommendations to the Board, as the GNC deems appropriate, regarding the size of the Board, committee structure and membership, and matters relating to the retirement of Board members.

The GNC shall have the authority to retain and terminate any search firm, legal counsel, or other advisors, as it deems appropriate, to assist in performing its duties; and the committee shall have the authority to approve any related fees.

The GNC shall annually review and assess the adequacy of the corporate governance policies of the Company and recommend any proposed changes to the Board for approval.

The GNC shall oversee and report to the Board an annual evaluation of the performance of this and every committee and of the Board as a whole.

The GNC shall periodically review Director compensation and recommend any changes to the Board for approval.

The GNC shall periodically oversee and report to the Board a review of succession plans for senior management.

The GNC shall annually review and approve the adequacy of this Charter and shall annually oversee and report to the Board a review of all other committee Charters.

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

Approved by the Coastal Banking Company Board of Directors November 18, 2009