

CHARTER OF THE NOMINATING AND GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS OF QNB CORP.

As approved by the Board of Directors
on December 17, 2019

Purpose of the Nominating and Governance Committee

The purpose of the Nominating and Corporate Governance Committee (the “Nominating Committee”) of the Board of Directors (the “Board”) of QNB Corp. (the “Company”) is to identify and recommend individuals to the Board for nomination as members of the Board and its committees and to assist the Board in its oversight of the corporate governance principles applicable to the Company.

Committee Membership

The Nominating Committee shall consist of at least three members who shall be appointed by the Board and shall serve at the pleasure of the Board and for such term or terms as the Board may determine. All members of the Nominating Committee must meet the independence requirements applicable to Nasdaq Stock Market issuers or such other exchange or system upon which the Company’s securities are listed, quoted and/or traded and any standards of independence as may be prescribed for purposes of any federal securities, tax, banking or other laws relating to the Nominating Committee’s duties and responsibilities.

Committee Structure and Operations

The Board shall designate one member of the Nominating Committee as its chairperson (the “Chairman”), with the chairpersonship to be rotated periodically. The Nominating Committee shall meet in person or telephonically at least once a year at a time and place determined by the Chairman, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Nominating Committee or the Chairman. A majority of the members of the Nominating Committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present, shall be the act of the Nominating Committee. In the absence of a quorum, a majority of the members of the Nominating Committee may adjourn any meeting, from time to time, until a quorum is present. No notice of any adjourned meeting need be given other than by announcement at the meeting that is being adjourned.

Committee Duties and Responsibilities

The following are the duties and responsibilities of the Nominating Committee:

1. To make recommendations to the Board from time to time as to changes that the Nominating Committee believes to be desirable to the size of the Board or any committee thereof.
2. To identify individuals believed to be qualified to become Board members, consistent with criteria approved by the Board, and to recommend to the Board the nominees to stand for election as directors at the annual meeting of shareholders or, if applicable, at a special meeting of shareholders. In the case of a vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Nominating Committee shall recommend to the Board an individual to fill such vacancy either through appointment by the Board or through election by shareholders. In nominating candidates, including

candidates nominated by shareholders in accordance with the Company's Bylaws, the Nominating Committee shall take into consideration such factors as the Nominating Committee deems appropriate. The Nominating Committee may consider candidates proposed by management, but is not required to do so.

3. To develop and recommend to the Board standards, consistent with the requirements of law or of any exchange on which the Company's securities are traded, to be applied in making determinations as to the absence of relationships between the Company or its subsidiaries and a director which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.
4. To annually evaluate the independence of each Board member within the meaning of the relevant rules of the Securities and Exchange Commission (the "SEC") and the listing standards of The NASDAQ Stock Market ("Nasdaq") and advise the Board as to whether the independence requirements of the Board and its committees have been met.
5. In the case of a director nominee to fill a Board vacancy created by an increase in the size of the Board, to make a recommendation to the Board as to the class of directors in which the individual should serve.
6. To identify Board members qualified to fill vacancies on any committee of the Board and to recommend that the Board appoint the identified member or members to the respective committee. In nominating a candidate for committee membership, the Nominating Committee shall take into consideration the factors set forth in the charter of the committee, if any, as well as any other factors it deems appropriate, including without limitation the consistency of the candidate's experience with the goals of the committee and the interplay of the candidate's experience with the experience of other committee members.
7. To periodically review and recommend to the Board any needed changes, and to address questions which may arise with respect to the Company's corporate governance principles.
8. To periodically review and recommend any needed changes, and to address questions which may arise with respect to the Company's Code of Business Conduct and Ethics.
9. To perform any other duties or responsibilities expressly delegated to the Nominating Committee by the Board from time to time.

Delegation to Subcommittee

The Nominating Committee may, in its discretion, delegate portions of its duties and responsibilities to a subcommittee of the Nominating Committee.

Resources and Authority of the Committee

The Nominating Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of search firms, experts or consultants, as it deems appropriate, without seeking approval of the Board or management. The Nominating Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors. With respect to consultants or search firms used to identify director candidates, this authority shall be vested solely in the Nominating Committee.