

STONEBRIDGE FINANCIAL CORP.

CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS

Board Approved: July 17, 2008

Purpose

The Nominating and Corporate Governance Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Stonebridge Financial Corp. (the "Company") to assist the Board in fulfilling its oversight responsibility of both the Company and its wholly owned subsidiary Stonebridge Bank. The primary duties and responsibilities of the Committee are:

- to identify and recommend to the Board qualified individuals to serve as directors and recommend to the Board director nominees for consideration at each Annual Meeting of Shareholders
- to identify and recommend to the Board qualified individuals to serve as directors in the event of any vacancy on the Board
- to review shareholder recommended nominees for director and shareholder submitted director nominees (including reviewing for compliance with the Company's Bylaws) for consideration at the Annual Meeting of Shareholders
- to nominate Board officers for election by the Board
- to develop corporate governance guidelines and monitor the conduct of the Board and its directors accordingly

Committee Membership and Meeting Schedule

Members of the Committee shall consist of no fewer than three directors. The Board appoints members of the Committee, as well as its Chair. Each member must be an independent director as determined in accordance with the Marketplace Rules of the Nasdaq Stock Market.

The Committee shall establish its own schedule for meetings throughout the year. The Committee Chair must approve an agenda in advance of each meeting. If the Chair is not present, the members of the Committee may select a Chair for that meeting by a majority vote of those present. Minutes of each meeting will be maintained and forwarded to the Board.

Committee Responsibilities

The Committee shall develop and recommend the criteria for the selection of directors to serve on the Board and the identification of candidates who meet those criteria.

The Committee shall review annually the corporate governance guidelines recommendations to the Board regarding any changes or modifications.

General

The Committee shall annually perform a review and evaluation of the performance of the Committee, including their compliance with this Charter. The Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for its review and approval.