



Corporate Governance and Nominating Committee Charter

ORGANIZATION

There shall be a permanent committee of the Board of Directors (the "Board") of Allegiance Bancshares Inc. (the "Company") known as the Corporate Governance and Nominating Committee (the "Committee").

COMPOSITION AND SELECTION

The Committee shall consist of three or more directors as determined from time to time by the Board. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the NASDAQ Stock Market ("NASDAQ"), Securities and Exchange Commission ("SEC") rules and regulations and any additional requirements that the Board deems appropriate.

The chairperson of the Committee shall be designated by the Board, provided that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson.

Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

PURPOSE OF THE COMMITTEE

The Committee is appointed by the Board to assist the Board in fulfilling its general oversight obligations to the Company by: (i) identifying individuals qualified to become Board members and to recommend to the Board the director nominees for the next annual meetings of shareholders or for filling vacancies arising on the Board; (ii) overseeing the corporate governance of the Company, including recommending to the Board Corporate Governance Guidelines; (iii) recommending to the Board director nominees for each standing committee of such Board; (iv) advising the Board with respect to Board composition, procedures and committees; and (v) overseeing the evaluation of the Board.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Committee shall:

1. Make recommendations to the Board from time to time as to changes that the Committee believes to be desirable to the size of the Board or any committee thereof within the constraints of corporate by laws.
2. Identify individuals believed to be qualified to become Board members, consistent with criteria approved by the Board, and the Committee shall select, or recommend to the Board, the nominees to stand for election as directors at the annual meeting of stockholders or, if applicable, at a special meeting of stockholders. 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 Committee shall recommend to the Board an individual to fill such vacancy either through appointment by the Board or through election by

stockholders. In selecting or recommending candidates, the Committee shall take into consideration the criteria approved by the Board, which are set forth in the Company's Corporate Governance Guidelines and such other factors as it deems appropriate. These factors may include judgment, skill, diversity, experience with businesses and other organizations of comparable size and the extent to which the candidate would be a desirable addition to the Board and any committees of the Board. The Committee shall consider all candidates recommended by the Company's stockholders in accordance with the procedures set forth in the Company's annual proxy statement. The Committee may consider candidates proposed by management, but is not required to do so.

3. Develop and recommend to the Board standards to be applied in making determinations as to the absence of material relationships between the Company and a director. Evaluate the independence of directors and nominees, utilizing the independence criteria of the NASDAQ and other applicable regulators. Guarantee minimum independence compliance with the rules of the NASDAQ and other applicable regulators.
4. Identify Board members qualified to fill vacancies on any committee of the Board and shall recommend that the Board appoint the identified member or members to the respective committee. In nominating a candidate for committee membership, the Committee shall take into consideration the criteria approved by the Board, which are set forth in the Company's Corporate Governance Guidelines, and the factors set forth in the charter of that 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.
5. Establish procedures for the Committee to exercise oversight of the evaluation of the Board and management.
6. Develop and recommend to the Board a set of Corporate Governance Guidelines applicable to the Company, and shall review those guidelines from time to time as the Committee deems appropriate.
7. Assist management in the preparation of the disclosure in the Company's annual proxy statement regarding director independence and the operations of the Committee.
8. Following each meeting, the Committee shall report to the Board at the next regularly scheduled meeting of such Board, or sooner, as circumstances may dictate. However, the Committee shall report to the Board not less than once per year.
9. Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the nomination of Board and committee members.

The 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 special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management. With respect to consultants or search firms used to identify director

candidates, this authority shall be vested solely in the Committee. The Company shall pay the fees and expenses of such firms and advisors.

In the event of an inconsistency or conflict between this Charter and any Board resolution, directive or action relating to this Committee, then such Board resolution, directive or action shall take precedence and govern.

MEETINGS AND PROCEDURES

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but not less than annually. The Chairman of the Committee, any two members of the Committee or, at the request of any Committee member, the Chairman of the Board of the Company may call meetings of the Committee. Meetings of the Committee may be held telephonically and any member may participate in any meeting telephonically.

The Committee shall appoint a secretary for the Committee, who shall be responsible for maintaining minutes of Committee meetings and records of the conduct of Committee business. The secretary need not be a director or a member of the Committee.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum. Except as set forth in this Charter or the Bylaws, the Committee will establish its own procedures for the conduct of Committee business.

The Committee may meet in executive session without members of management in attendance.

Committee members shall be entitled to rely in good faith upon the Company's records and upon information, opinions, reports or statements prepared or presented by any of the Company's officers or employees, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company. Each member of the Committee may also rely in good faith upon actions taken by another committee of the Board.

EVALUATION OF THE COMMITTEE

The Committee shall, no less frequently than annually, evaluate its performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other consultants or advisers as it deems necessary. The Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms, such fees to be borne by the Company.

While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or state law.