

FIRST CAPITAL, INC.

NOMINATING COMMITTEE CHARTER

I. Purpose

The primary objectives of the Nominating Committee (the “Committee”) are to assist the Board of Directors (the “Board”) of First Capital, Inc. (the “Company”) by: (i) identifying individuals qualified to become Board members and recommending that the Board select a group of director nominees for each annual meeting of the Company’s stockholders; (ii) ensuring that the Audit, Compensation and Nominating Committees of the Board shall have the benefit of qualified and experienced independent directors; and (iii) developing and recommending to the Board a set of effective corporate governance policies and procedures applicable to the Company.

II. Organization

The Committee shall consist of three or more directors, each of whom shall satisfy the definition of “independent director” under the NASDAQ Stock Market Rules and any applicable Securities and Exchange Commission rules and regulations.

Committee members shall be elected by the Board at the annual organizational meeting of the Board. Committee members shall serve until their successors are appointed, with the exception of removal or resignation as provided for below. The Committee’s chairperson shall be designated by a majority vote of the full Board or, if the Board does not do so, the Committee members shall designate a chairperson by vote of a majority of the full Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

Any Committee member may be removed from the Committee with or without cause by the affirmative vote of a majority of the Board. Any Committee member may resign by giving written notice to the Chairman of the Board or the Secretary of the Company. Unless the notice specifies a later time, such resignation shall become effective upon receipt by the Chairman of the Board or the Secretary of the Company. If the resignation of a Committee member is effective at a future time, the Board may elect a successor to take office when the resignation becomes effective.

III. Structure and Meetings

The chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee

member in advance of the meeting. The Committee shall keep written minutes of all meetings. The Committee may request any officer or employee of the Company or any of its subsidiaries or any legal, accounting, or other advisor to attend a meeting of the Committee or to meet with any member of or advisor to the Committee.

IV. Goals and Responsibilities

(A) The Committee shall: (i) develop policies on the size and composition of the Board; (ii) review possible candidates for Board membership consistent with the Board's criteria for selecting new directors; (iii) conduct Board performance evaluations on an annual basis; (iv) annually recommend a group of nominees to the Board with respect to nominations for the Board at the annual meeting of the Company's stockholders; and (v) generally advise the Board on corporate governance matters.

(B) The Committee shall also advise the Board on (i) committee member qualifications, (ii) committee member appointments and removals, (iii) committee structure and operations (including authority to delegate to subcommittees), and (iv) committee reporting to the Board. The Committee shall maintain an orientation program for new directors and a continuing education program for all directors.

(C) The Committee shall annually review and reassess the adequacy of this charter and recommend any proposed changes to the Board for approval.

(D) The Committee shall perform any other activities consistent with this charter, the Company's bylaws and governing law and regulations as the Committee or the Board deems appropriate.

V. Performance Evaluation

The Committee shall conduct an annual performance evaluation of the Board. The evaluation shall be of the Board's contribution as a whole and specifically review areas in which the Board and/or management believes a better contribution could be made.

VI. Committee Resources

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal, accounting or other advisors. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve such search firm's fees and other retention terms.