

Charter of the Nominating and Corporate Governance Committee of the Board of Directors of JTH Holding, Inc.

Purpose

The purposes of the Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of JTH Holding, Inc. (the “Company”) are to (1) assist the Board by identifying individuals qualified to become Board members; (2) recommend individuals to the Board for nomination as members of the Board and its committees, (3) lead the Board in its annual review of the Board’s performance and (4) provide oversight of the corporate governance affairs of the Board and the Company, including consideration of the risk oversight responsibilities of the full Board and its committees. The Committee shall report to the Board on its activities on a regular basis and not less than once a year.

Committee Membership

The Committee shall consist solely of three or more members of the Board, each of whom meets the independence requirements of the New York Stock Exchange and the Board Charter and Corporate Governance Guidelines.

The initial members of the Committee shall be appointed by the Board. Candidates to fill subsequent vacancies on the Committee shall be nominated by the Committee as set forth below and appointed by the Board. Members shall serve at the pleasure of the Board and for such term or terms as the Board may determine. A majority of the members shall constitute a quorum.

Committee Structure and Operations

The Board shall designate one member of the Committee as its chairperson. In the event of a tie vote on any issue, the chairperson’s vote shall decide the issue. The Committee shall meet in person or telephonically at least three times per year at a time and place determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson.

Committee Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

- To 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.
- To identify individuals believed to be qualified to become Board members, and to 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. Directors should possess the highest personal and professional ethics and integrity and be

committed to representing the long-term interests of the stockholders. The Committee shall determine each proposed nominee's qualifications for service on the Board. In nominating candidates, the Committee shall take into consideration the qualifications for directors set forth in the Board Charter and Corporate Governance Guidelines and such other factors as it deems appropriate. These factors may include judgment, skill, diversity (including gender, age, ethnic background, geographic origin and professional experience), experience with businesses and other organizations of comparable size, the interplay of the candidate's experience with the experience of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any committees of the Board. Each nominee should be a person of integrity and be committed to devoting the time and attention necessary to fulfill his or her duties to the Company. The Committee may consider candidates proposed by management, but is not required to do so.

- The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search firm's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
- To 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.
- To administer the Company's policies regarding related person transactions, including receiving and reviewing reports on potential related person transactions, approving or disapproving such transactions, and reporting any approved transactions to the Board of Directors.
- 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.
- To identify Board members qualified to serve on any committee of the Board (including the Committee) and to 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 factors set forth in the charter of the committee, if any, as well as any other factors it deems appropriate, including, without limitation, (i) applicable law and New York Stock Exchange rules, (ii) the consistency of the candidate's experience with the goals of the committee and (iii) the interplay of the candidate's experience with the experience of other committee members.
- To review and recommend, as appropriate, director orientation and continuing education programs for members of the Board.
- To establish procedures for the Committee to exercise oversight of the evaluation of the Board and management.

- To report annually to the Board with an assessment of the Board’s performance, to be discussed with the full Board following the end of each fiscal year.
- To prepare and issue the evaluation required under “Performance Evaluation” below.
- To oversee and report annually to the Board its assessment of each Board Committee’s performance evaluation process.
- To develop and recommend to the Board a set of corporate governance principles applicable to the Company, and to review those principles and, if the Committee deems appropriate, to recommend any changes to the Board for approval.
- To consider whether any amendments to the Certificate of Incorporation and Bylaws of the Company are desirable, review any proposed amendments to the Certificate of Incorporation and Bylaws and recommend appropriate action to the Board.
- To review and assess the Company’s compliance with the corporate governance requirements established by the New York Stock Exchange, the requirements established under the Sarbanes-Oxley Act and other applicable laws and regulations relating to corporate governance.
- To review and make recommendations about the structure and functions of Board committees, after consultation with the respective committee chairs.
- To review and advise the Board, in consultation with other Board committees as appropriate, with respect to any stockholder proposal received in connection with the Company’s annual meeting of stockholders.
- To report regularly to the Board, as the Committee deems appropriate.
- To recommend to the Board such additional actions related to corporate governance matters as the Committee may deem necessary or advisable from time to time.
- To exercise any other duties or responsibilities expressly delegated to the Committee by the Board from time to time, including the following duties and responsibilities assigned to the Committee as set forth in the Board of Directors’ Charter and Corporate Governance Guidelines: review of the Board’s Independence Standards, review of the skills and characteristics of Board members and the Board as a whole, review any nominees for Director submitted by stockholders, review of the membership of a Board member upon a change in responsibility, and review and enforcement of the Board’s policy regarding charitable contributions.

Delegation to Subcommittee

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

Performance Evaluation

The Committee shall produce and provide to the Board an annual performance evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this charter. The performance evaluation shall also recommend to the Board any improvements to the Committee's charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.

Resources and Authority of the Committee

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 independent legal advisors, 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 provide for appropriate funding, as determined by the Committee, for payment of compensation to any such advisors, experts or consultants retained by the Committee.