

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

The Board of Directors (the “Board”) of Employers Mutual Casualty Company (the “Company”), adopted a resolution on March 10, 2004, reconstituting the Corporate Governance Committee as the Corporate Governance and Nominating Committee (the “Committee”). Prior to 2003 the Corporate Governance Committee was known as the Proxy Committee. The Board adopted this Corporate Governance and Nominating Committee Charter on March 12, 2008.

Purpose. The purpose of the Corporate Governance and Nominating Committee is to assist the Board in establishing applicable corporate governance policies, practices and procedures for the Company and its affiliates. The Committee was also created to assist the Board of Directors of EMC Insurance Group Inc. (Group), a publicly-held holding company deemed to be an entity “controlled” by the Company, as defined by the rules of the National Association of Securities Dealers, Inc. (“NASD”). To accomplish this purpose, the Committee shall have the duties and responsibilities set forth below.

Committee Membership. The Committee shall have a Chairman and a minimum of two (2) other directors, all of whom shall be appointed by the Board. Each member of the Committee shall be a member of the Company’s Board. Committee members shall serve at the pleasure of the Company’s Board for such term or terms as the Company’s Board may determine, and may be replaced by the Company’s Board at any time, with or without cause, in accordance with the Company’s By-Laws.

Limitation on Powers and Duties. All references to action taken by the Board and/or the Committee regarding Group shall be considered only as recommendations to Group’s board of directors and/or its Nominating Committee for their appropriate consideration and action. Similarly, such references made in relation to affiliates or selected affiliates shall only be considered as recommendations to the applicable board(s) for their appropriate consideration and action.

Duties and Responsibilities. The primary duties and responsibilities of the Committee related to corporate governance generally shall be as follows:

- Develop and recommend Corporate Governance Guidelines to the Board and/or Group’s board for adoption, periodically review and assess such Guidelines and, if appropriate, recommend any changes to the Guidelines which are deemed to be warranted.
- Act as proxies on behalf of all policyholders who elect to vote by proxy at the Company’s Annual Meeting of Policyholders.
- Recommend to the policyholders compensation for the Company’s directors.
- Review and determine the adequacy of the Company’s and/or Group’s insider trading policies and procedures for any director or executive officer of the Company and/or Group, and determine whether to grant any requested waiver of such policies and procedures.
- Develop and recommend to the Board, to Group’s board and, where deemed appropriate, to the boards of the other affiliated companies, appropriate standards for determining whether a director meets any applicable independence requirements.

- Act as the reviewing party with respect to any reported or potential conflicts of interest involving any director of the Company or any of its affiliates, including Group.
- Establish and manage the annual evaluation programs of the boards of the Company, of Group and of selected affiliates, as well as their committees, including receipt of self evaluation comments from all directors, report to the appropriate boards with an assessment of the performance of the boards and their committees, and recommend improvements where warranted.
- Review and approve the proposed charters of any committees of the Board which develop such charters, as well as the proposed charters of any committees of the boards of directors of any affiliated companies which choose to develop committee charters.
- Review annually the adequacy of the charters, if any, previously adopted by each standing committee of the Board, of Group's board, and of any affiliated company's board, recommend revisions thereto, when appropriate, and oversee such revisions.
- Recommend to the Board, to Group's board and to the boards of selected affiliates the number and responsibilities of members of the committees of each board, and review and make recommendations, as needed, concerning each committee's operations and structure.
- Recommend to the Board, to Group's board and to the boards of selected affiliates (after consultation with the Company's Chief Executive Officer and taking into consideration any requirements for director independence and the preferences of individual directors) the membership, including the chairs, of each board's committees. This shall include advising such boards on committee appointments and removal and the rotation of committee members.
- Be responsible for the orientation process for new directors as well as establishing and overseeing the development of a continuing education program for directors.
- Recommend whether stock ownership guidelines applicable to the directors should be adopted, periodically review any such guidelines, recommend to the Board and/or to Group's board revisions to such guidelines, when appropriate, and oversee such revisions.
- Review with the Company's Chief Executive Officer and/or Human Resources personnel, on a confidential basis, matters relating to leadership of the Company, including succession planning and the identification of high potential individuals. Consider the future role(s) with the Company of specific individuals deemed to have high potential, and provide advice concerning their training needs and any special issues related to the retention of such individuals. Advise the Senior Executive Compensation and Stock Option Committee of the Board, as well as the Compensation Committee of Group's Board, of the identity of such individuals, so that those committees can structure their involvement and planning to adequately support and provide necessary resources, incentives and compensation to retain those high potential individuals.
- Review the Company's Guide to Ethical Corporate Conduct and each affiliated company's Code of Ethics for Senior Executives and Financial Officers, and make recommendations to the appropriate board regarding any necessary changes to those documents.
- Review and make recommendations to the Board and/or Group's board regarding any policyholder or shareholder proposals pertaining to corporate governance and/or the directors.

Additional Duties and Responsibilities. The Committee shall also review and recommend nominees for membership on the Company's Board and the boards of directors of its affiliated and subsidiary companies (with any proposed nominees for membership on Group's board of directors to be submitted to the Nominating Committee of that corporation's board of directors). In evaluating potential nominees for membership on the Board, on Group's board and/or on the boards of selected affiliates, the Committee shall strive to ensure that such boards are appropriately constituted to meet their fiduciary obligations to the policyholders of the Company, to the shareholders of Group and to the shareholders of such affiliates, respectively. To accomplish this purpose, the Committee shall assist such board, or the Nominating Committee of Group's board, as the case may be, in (a) assessing the membership needs of the board, (b) identifying individuals to become members of the board, and (c) making recommendations regarding potential director candidates to the board or to the Nominating Committee of Group's board. The primary duties and responsibilities of the Committee related to the review and selection of nominees for the Board, for the board of Group or for the boards of selected affiliates shall be as follows:

- Establish criteria for the selection of nominees to serve as directors of the Company and selected affiliates. Such criteria shall generally include, but not necessarily be limited to, the factors listed on Appendix A hereto. Such criteria shall be reviewed periodically by the Committee, and modified as deemed appropriate.
- Conduct searches for prospective board members whose skills and attributes reflect such desired criteria, and who have the time and ability to exercise independent judgment and perform the board's oversight function effectively. In doing so, the Committee may, but is not required to, consider candidates proposed by management. Similarly, in assisting Group in searching for prospective members of that entity's board, the Committee shall generally follow the criteria for board membership established by the Nominating Committee of Group's board.
- Receive and review any policyholder recommendations for director nominations for the boards of the Company and of Hamilton Mutual Insurance Company ("HMIC"), provided that such recommendations are submitted to the Company or HMIC in accordance with the requirements and procedures set forth in such company's By-Laws and in any Corporate Governance Guidelines which may be adopted by such company. Similarly, in reviewing any shareholder recommendations for nominees to serve on Group's board, the Committee shall act in accordance with any Corporate Governance Guidelines which may be adopted by Group's board and/or its Nominating Committee.
- Provide guidance, upon request, to the Nominating Committee of Group's board regarding the qualifications of candidates for membership to Group's board to stand for election or re-election.
- Recommend to the Board the persons to be nominated by the Board for election as directors at the Annual Meeting of Policyholders and the persons to be elected by the Board to fill any vacancies on the Board. The Committee may recommend to the boards of selected affiliates the individuals to be nominated by such boards as directors at such company's Annual Meeting of Shareholders (or, in the case of HMIC, its Annual Meeting of Policyholders), as well as the persons to be elected by such boards to fill any vacancies on the board. Similarly, the Committee may recommend to the Nominating Committee of Group's board the individuals whom it suggests be nominated by Group's board for election to such board at Group's Annual Meeting of Shareholders, and the persons to be elected by Group's board to fill any vacancies on that board.

Other Duties and Responsibilities.

- Periodically review the adequacy of this Charter and recommend any proposed changes to the Board for consideration and approval, with Group's board to be simultaneously apprised of any such changes.
- Conduct an annual performance evaluation of the Committee.
- Perform any other activities consistent with this Charter, the Company's By-Laws, and applicable laws, as the Committee deems appropriate or as requested by the Board or by the board of directors of Group.
- Report its activities and actions to the Board on a regular basis and to Group's board as deemed appropriate.
- Obtain advice and assistance, as needed, from internal or external legal, accounting, financial or other advisors, as it deems necessary or appropriate to carry out its responsibilities.

Committee Operations. The Committee shall meet in person or telephonically at least annually at a time and place determined by the Chairman of the Committee, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed appropriate or desirable by the Committee's Chairman. A majority of the Committee members will constitute a quorum for the transaction of business. The action of the majority of those present at a meeting when a quorum is present will constitute the actions of the Committee. The Committee Chairman will report Committee actions to the Board on a regular basis. The Secretary of the Company, or his or her designee, will keep minutes of all Committee meetings, which will be distributed to all members of the Board. Prior to each meeting, a preliminary agenda will be prepared by either the Secretary or the Chairman of the Board. The Chairman of the Committee will make the final decision regarding the agenda. The agenda and all materials to be reviewed at the meeting shall be received by the Committee members as far in advance of the meeting date as reasonably practicable. The Committee shall have such resources and authority as it deems desirable or appropriate to discharge its duties and responsibilities, including the authority to obtain advice and assistance from internal or external legal, human resource, accounting or other experts, advisors or consultants, without seeking approval of the Board or management. Such independent advisors may be the regular advisors of the Company and/or Group. The Committee shall have the sole authority to retain and terminate any such advisors, including sole authority to approve the advisors' fees and other retention terms. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company and/or Group to meet with the Committee or any advisors engaged by the Committee.

The Committee shall also have the option of meeting jointly with the Nominating Committee of Group's board of directors, either telephonically or in person, at the discretion of, and pursuant to procedures to be established by, the Chairmen of the respective committees.

Appendix A

Criteria for Nomination as a Director

The backgrounds and qualifications of the directors considered as a group should provide a significant breadth of experience, knowledge and abilities so as to assist the Board in fulfilling its responsibilities.

General Criteria.

1. Nominees should have a reputation for integrity, honesty and adherence to high ethical standards.
2. Nominees should have demonstrated business acumen, experience and the ability to exercise sound judgment in matters related to the current and long-term objectives of the Company, and should be willing and able to contribute positively to the decision-making process of the Company.
3. Nominees should have a commitment to understand the Company and the insurance industry, and to attend regularly and participate fully in meetings of the Board and its committees.
4. Nominees should not have, or appear to have, a conflict of interest that would impair the nominee's ability to represent the interests of all of the Company's policyholders or to fulfill the responsibilities of a director.
5. The value of diversity on the Board should be considered.

Additional Criteria and Guidelines.

1. The respective qualifications needed for directors serving on various committees of the Board, and serving as chairs of such committees, should be taken into consideration.
2. In recruiting and evaluating nominees, the Committee shall consider the appropriate mix of skills and experience and background needed for members of the Board and for members of each of the Board's committees, so that the Board and each committee has the necessary resources to perform its respective functions effectively.
3. A prospective nominee should be willing to limit the number of other corporate boards on which he or she serves so that the proposed director is able to devote adequate time to his or her duties to the Company, including preparing for and attending Board and committee meetings.
4. Acknowledgment by the candidate of the ethical and fiduciary obligations owed to the Company.
5. Prior demonstrated willingness to review constructively and question, when deemed necessary, management's decisions.
6. Availability to make a meaningful contribution to the Board and to address the issues facing the Company and the insurance industry, including attendance at director continuing education programs.
7. Other criteria may include the following:

- a. Insurance industry experience.
- b. Accounting and financial knowledge and experience.

Application of Criteria to Existing Directors.

The renomination of existing directors should not be viewed as automatic, but should be based on continuing qualification under the criteria set forth above. In addition, the Committee shall consider the existing director's performance on the Board and on any committee on which such director serves, which shall include attendance at Board and committee meetings and consideration of the extent to which such director(s) undertook participation in director continuing education programs.