

**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER
OF
MIDLAND STATES BANCORP, INC.**

I. Purpose

The primary purposes of the Nominating and Corporate Governance Committee (the “Committee”) of the board of directors of Midland States Bancorp, Inc., and its subsidiaries (the “Company”) are to: (1) identify and recommend to the Company’s Board of Directors (the “Board”) qualified individuals to serve as directors of the Company and to recommend the nomination or appointment of such individuals; and (2) develop and establish corporate governance policies and procedures for the Company.

II. Committee Composition and Procedure

The Committee shall consist of at least three members, and, at any time such requirements are applicable, each member shall satisfy the independence requirements of the Securities and Exchange Commission (the “SEC”), the Nasdaq Stock Market (“Nasdaq”) or the requirements of any other exchange or national market on which the Company’s common stock is quoted or listed for trading (“Listing Standards”) and of any other body with regulatory authority over the Company; *provided, however*, that during any time the Nasdaq Listing Standards apply to the Company the Committee may contain one or more members who do not satisfy such independence requirements, so long as, and for such period that, the service of such member(s) on the Committee is in compliance with Nasdaq Listing Rule 5615(b) (or such other exchange’s corresponding provisions). The board of directors shall appoint the members of the Committee. The board of directors may designate a Chairman of the Committee and shall have the power to change the membership of the Committee and to fill vacancies in it, subject to such new member(s) satisfying the general Committee membership requirements discussed in this paragraph.

The Committee shall meet with such frequency and at such intervals as it shall determine necessary to carry out its duties and responsibilities, but in no event shall the Committee meet less than once each fiscal year. A majority of the members of the Committee shall constitute a quorum, and the action of a majority of those present at a meeting at which a quorum is attained shall be the act of the Committee. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. The Committee shall maintain minutes of its meetings and records relating to those meetings and the Committee’s activities and shall provide copies of such minutes to the board of directors. The Committee shall determine its rules of procedure.

III. Duties and Responsibilities of the Committee

The Committee’s duties and responsibilities generally are to: (1) identify and recommend to the Company’s Board of Directors (the “Board”) qualified individuals to serve as directors of the Company and to recommend the nomination or appointment of such individuals; and (2) develop and establish corporate governance policies and procedures for the Company. In

accomplishing these duties and responsibilities, the Committee shall possess the following powers and duties:

(a) The Committee shall develop and establish qualification criteria for membership on the board of directors, shall seek out and interview individuals qualified to become members of the board of directors in accordance with the criteria established and shall make recommendations with respect to individuals to be selected by the board of directors as nominees for election as directors or to fill any vacancies on the board of directors.

(b) At any time so required by the rules and regulations of the SEC or any applicable Listing Standards, the Committee shall recommend for board approval a policy regarding Committee consideration of director candidates recommended by shareholders and establish procedures for shareholders to submit such recommendations, which such policy and procedures shall comply with all proxy access rights afforded to shareholders pursuant to the rules of the SEC, any Listing Standards applicable to the Company or any other body with regulatory authority over the Company.

(c) The Committee shall have sole authority and adequate funding to retain and terminate any third party for the purpose of identifying candidates for membership on the board of directors, and shall have sole authority to approve the fees paid to such third parties and all other terms of their retention. Such third parties may include executive search firms, as well as legal, accounting and other advisors, both internal and external.

(d) The Committee shall, at least annually, review the performance of all directors of the Company, including with respect to each director's service on a committee of the board of directors. As a part of such review, and if required pursuant to the SEC rules or Listing Standards, the Committee shall determine whether it believes each director is "independent" as such term is defined in the requirements of the SEC, the Nasdaq Stock Market (or the requirements of any other exchange or national market on which the Company's common stock is quoted or listed for trading) and any other body with regulatory authority over the Company, and shall make such recommendations as it determines in this regard to the full board of directors for its determination. As a further part of such review, the Committee shall review and assess the composition of the board of directors as a whole and make recommendations with respect to its composition, size and structure.

(e) The Committee shall, at least annually, evaluate the performance, structure and authority of the committees of the board of directors, including the Nominating and Corporate Governance Committee. The Committee shall make recommendations to the board of directors with respect to the assignment of individual directors to the committees of the board of directors.

(f) The Committee shall be responsible for establishing an orientation program for directors beginning their service on the board of directors. Such program shall provide new directors with information regarding their duties and responsibilities to the Company, the Company's business and operations, the policies and procedures applicable to service on the board of directors and the legal implications of board service.

(g) The Committee shall establish, coordinate, monitor and maintain a continuing education and training program for directors of the Company. The program shall be designed to apprise directors of any legal, accounting, corporate governance or other developments relevant to service on the board of directors.

(h) The Committee shall review and assess, at least annually, the adequacy of the Company's corporate governance policies and procedures in light of the legal and regulatory requirements applicable to the Company, its directors, officers and employees, and shall provide recommendations to the board to adopt, amend or supplement such policies and procedures as the Committee determines are appropriate.

(i) The Committee shall develop and maintain, and shall recommend to the board of directors that it adopt, a Code of Business Conduct and Ethics for the Company (a "Code of Conduct"). Such Code of Conduct shall address various legal and regulatory issues applicable to the directors, officers and employees of the Company. The Committee shall review, at least annually, the Company's enforcement mechanism for such Code of Conduct.

(j) The Committee shall monitor compliance with the Company's Corporate Governance Guidelines (the "Guidelines") and shall review and assess such Guidelines at least annually.

(k) The Committee shall make regular reports to the board of directors regarding nominating and corporate governance matters.

(l) The Committee shall review and assess the adequacy of this Charter annually, and shall recommend any proposed amendments relating to the Committee's duties with respect to nominating or corporate governance matters to the board of directors for approval.

(m) The Committee may form and delegate authority to subcommittees or individual members of the Committee, where appropriate, with respect to nominating and corporate governance matters.

(n) During such time as the Company's shares are listed on Nasdaq, the Committee shall insure that the board of directors holds at least two independent director sessions annually (or such other amount as required by the Listing Standard), and that the minutes of the board of directors meetings reflect that such meetings occurred.

MINIMUM CRITERIA FOR DIRECTOR NOMINEES

In carrying out its nominating functions, the Nominating and Corporate Governance Committee has developed the following qualification criteria with respect to all potential nominees for election or appointment to the board of directors:

1. Each nominee shall meet the minimum requirements for service on the board of directors as are, or may in the future become, described in the Company's bylaws and articles of incorporation.
2. Each nominee shall possess the highest personal and professional ethics, integrity and values.
3. Each nominee shall have, in the Nominating and Corporate Governance Committee's opinion, a sufficient educational and professional background and have relevant past and current employment affiliations, board affiliations and experience for service on the board.
4. Each nominee shall have demonstrated effective leadership and sound judgment in his or her professional life.
5. Each nominee shall have a strong sense of service to the communities in which the Company and its subsidiaries serve.
6. Each nominee shall have exemplary management and communications skills.
7. Each nominee shall be free of conflicts of interest that would prevent him or her from serving on the board. For the purposes of this item, individuals who (i) have a borrowing relationship, or (ii) conduct business in the ordinary course with the Company or any of its subsidiaries, shall not, solely because of such relationships, be deemed to have a conflict of interest.
8. Each nominee shall be expected to ensure that other existing and future commitments do not materially interfere with his or her service as a director of the Company.
9. Each nominee shall review and agree to meet the standards and duties set forth in the Company's Code of Business Conduct and Ethics.
10. Each nominee shall be willing to devote sufficient time to carrying out his or her duties and responsibilities effectively, and should be committed to serving on the board for an extended period of time.
11. If applicable, the "independence" of nonmanagement nominees shall be taken into account so that at least a majority of the board of directors will be made up of directors who satisfy the independence standards set forth by the Nasdaq Stock Market (or the requirements of any other exchange or national market on which the Company's common stock is quoted or listed for trading).

In addition to the criteria above, prior to nominating an existing director for re-election to the board of directors, the Nominating and Corporate Governance Committee will consider and review the following attributes of such director:

1. Board and committee attendance and performance;
2. Length of service on the board of directors;
3. The experience, skills and contributions that such director brings to the board;
4. Independence and conflict of interest considerations; and
5. Any significant change in such director's professional status or work experience.

Supplemental Standards of Conduct for Directors

Midland States Bancorp, Inc. (the “**Company**”) has previously adopted a Code of Conduct and Ethics applicable to all employees, officers and directors of the Company and its subsidiaries (the “**Code of Conduct**”), and Corporate Governance Guidelines for the board of directors (the “**Governance Guidelines**”). It also has in place an Insider Trading Policy specifying certain requirements regarding trading by officers, directors, employees and contractors of the Company in Company securities (the “**Insider Trading Policy**”). However, in recognition of the unique role played by the members of the boards of directors of the Company and its subsidiaries, and specific legal duties applicable to directors, these Supplemental Standards of Conduct for Directors describe certain specific matters for directors of the Company and its subsidiaries.

Fiduciary Duty of Care

Each director has a legal obligation to be diligent and prudent in managing the affairs of the Company. The duty of care requires directors to act with the same level of diligence and prudence as one would act with respect to their own business affairs. In this regard the Company, in addition to the requirements set forth in the Company’s Corporate Governance Guidelines, has the following expectations of its directors:

Review Information and Documentation

Directors are expected to have reviewed all information provided to them prior to board meetings.

Meeting Attendance and Participation

Directors are expected to attend all board meetings and the meetings of any committees of which they are a member. While the Company recognizes that from time to time a director may need to participate by telephone/video, it is expected that each director will make every effort to attend all meetings in person in recognition of the importance of the formal and informal benefits face-to-face meetings have for driving shareholder value and effective corporate governance.

Directors are strongly encouraged to actively participate and ask questions of management during each board/committee meeting, and to provide feedback as to the sufficiency and format of management presentations and board materials. It is imperative that directors have the information necessary to act on an informed basis, as is required under their fiduciary duties to shareholders.

Confidentiality; Trading in Company Securities

Unlike most of the Company’s employees, directors have significant contact with Company shareholders and prospective investors and may be looked upon for advice regarding the Company’s securities. Directors should direct questions from the public regarding the “value” of the Company’s securities to the office of the Chief Executive Officer to insure that consistent information is being conveyed in this regard. Directors must also be careful to avoid disclosing

material non-public information concerning the Company and its strategic plans, including with respect to acquisitions and capital raising transactions. Any questions in this regard should be directed to the Company's Chief Executive Officer, Chief Financial Officer or Corporate Counsel.

In addition to the general restrictions regarding trading in Company securities set forth in the Company's Insider Trading Policy, Directors must also be extremely cautious about discussing or entering into transactions in Company securities with members of the public. Directors should clear any intended transaction in Company securities with the Company's Chief Executive Officer, Chief Financial Officer or Corporate Counsel prior to engaging in, or even discussing, any such transaction, even if the other part is already a shareholder of the Company.

Fiduciary Duties of Loyalty and Fair Dealing

The Code of Conduct sets forth requirements with respect to potential conflicts of interest and corporate opportunities. However, it is important for directors to remember that, unlike employees, they are also subject to specific fiduciary duties in these regards under the corporate statutes of the State of Illinois and the states in which each of the Company's subsidiaries are organized. In this regard directors should consider the following:

Duty of Loyalty

Directors have a legal obligation to act in the best interests of the Company and its shareholders and to avoid any conflict of interest between the Company and the director's own business affairs. It is vital that a director disclose to the full Board any potential conflict of interest they may have or even may be perceived as having prior to the Board's deliberation of the matter so that the full Board may consider the best manner in which to document and address the matter. Directors must also abstain from voting on any matter in which they have an interest and in most cases should not be present for any third party presentation (including by lawyers, investment bankers, management personnel, etc.), board deliberation or vote on the matter.

Fair Dealing

Transactions by Company in which a director has any financial or other tangible interest must be conducted on terms that are considered "fair" to the Company. Generally the legal test for fairness is whether the terms of the transaction as good to the Company as it could obtain from dealing with other persons at arm's length.

Corporate Opportunities

Under law directors may not take advantage of a business opportunity that would generally be available to the Company or its subsidiaries unless the Company has first had a reasonable opportunity to pursue that business and has decided not to do so on an informed basis. As the Company continues to expand its business lines and geographic scope of operations it is important directors remain mindful of this "corporate opportunity" doctrine.

Regulatory Matters

Compliance Issues

Banks, bank holding companies and members of the boards of directors are subject to a variety of restrictions and reporting requirements, including Regulation O with respect to lending relationships and the FR Y-10 reports for securities ownership. Directors of the Company and its subsidiaries must provide full and accurate information in these regards on a timely manner. Any questions should be directed to Company management. Additionally, Regulation L places certain limitations on an individual holding management positions, including directorships, in two unaffiliated financial institutions. Additionally, in certain cases the Company may not want its directors holding positions at other financial institutions even if permitted by law. As such, directors should discuss any other directorship or other management position with another financial institution with Company's Chief Executive Officer prior to accepting any such position.

Relations with Regulators

The Company believes it is in the best interests of its shareholders to maintain close and transparent relationships with its regulators. As part of building and maintaining these relationships the Company believes it is useful for its directors to have a working relationship with senior members of its principal regulators. In this regard, directors should be available to meet with regulators, including in connection with the closing of bank and holding company examinations, and actively participate in these meetings.