

UNITED BANCSHARES, INC.

CHARTER OF NOMINATING COMMITTEE OF BOARD OF DIRECTORS

I. STATEMENT of POLICY

This Charter specifies the scope of the responsibilities of the Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of United Bancshares, Inc. (the “Company”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements.

The primary responsibilities of the Committee are to (i) identify individuals qualified to become Board members; (ii) select, or recommend to the Board, director nominees for each election of directors; (iii) develop and recommend to the Board criteria for selecting qualified director candidates; (iv) consider committee member qualifications, appointment and removal and (v) provide oversight in the evaluation of the Board and each committee.

II. ORGANIZATION and MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of three or more directors, each of whom shall satisfy the independence requirements established by the NASDAQ Stock Market, LLC Listing Rules (the “Rules”) and the Securities and Exchange Commission; provided that one director who does not meet the NASDAQ independence criteria may serve on the Committee pursuant to the “Exceptional and Limited Circumstances” exception as provided under the Rules.

The members of the Committee shall be appointed by the Board of Directors and shall serve until their successors are duly elected and qualified or their earlier resignation or removal. Any member of the Committee may be removed or replaced by the Board of Directors. Unless a chairman is elected by the full Board of Directors, the members of the Committee may designate a chairman by majority vote of the full Committee membership. The Committee may, from time to time, delegate duties or responsibilities to subcommittees or to one member of the Committee.

A majority of the members shall represent a quorum of the Committee, and, if a quorum is present, any action approved by at least a majority of the members present shall represent the valid action of the Committee.

The Committee shall have the authority to obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate to perform its duties hereunder, and to determine the terms, costs and fees for such engagements. Without limitation, the Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates and to determine and approve the terms, costs and fees for such engagements. The fees and costs of any consultant or

advisor engaged by the Committee to assist the Committee in performing its duties hereunder shall be borne by the Company.

III. MEETINGS

The Committee shall meet as often as it deems necessary to fulfill its responsibilities hereunder, but not less frequently than once each year, and may meet with management or individual directors at any time it deems appropriate to discuss any matters before the Committee.

The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

IV. COMMITTEE AUTHORITY & RESPONSIBILITY

To fulfill its responsibilities and duties hereunder, the Committee shall:

1. Evaluate and select, or recommend to the Board of Directors, director nominees.
2. Determine criteria for selecting new directors, including desired board skills and attributes, and identify and actively seek individuals qualified to become directors.
3. Consider any nominations of director candidates validly made by stockholders.
4. Review from time to time the Board's committee structure and review and make recommendations to the Board concerning the qualifications, appointment and removal of committee members.

The Committee may be asked to assist the Board:

1. with developing criteria for the evaluation of Board and committee performance.
2. with its evaluation of the performance of the Board and each committee of the Board.
3. by performing any other activities consistent with this Charter.

The Committee is to regularly report to the Board regarding the foregoing and to periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

Reviewed: February 2011