

**AMERINST INSURANCE GROUP, LTD.
CHARTER FOR THE
GOVERNANCE AND NOMINATIONS COMMITTEE
OF THE
BOARD OF DIRECTORS**

STATUS

The Governance and Nominations Committee (the “*Committee*”) is a committee of the board of directors (the “*Board*”) of AmerInst Insurance Group, Ltd. (the “*Company*”).

PURPOSE

The Committee is appointed by the Board to assist the Company and boards of directors in promoting the best interest of the Company, and subsidiaries and their shareholders through the implementation of sound corporate governance principles and practices. The Committee shall have the responsibility of reviewing and evaluating the service of each director whose term is expiring for the purpose of re-nominating said director or finding a suitable replacement director. In addition the Committee shall insure that all contract employees and primary vendors are evaluated annually.

MEMBERSHIP AND MEETINGS

The Committee shall consist of no fewer than three members of the Board. All members of the Committee shall be appointed by the Board, shall be independent (as such term is defined under the rules of the Nasdaq Stock Market, Inc.) of the Company and its subsidiaries and shall have no relationship to the Company or its subsidiaries that may interfere with the exercise of such independence

The Board will designate one member of the Committee as its Chair. The Committee will meet no less than two times a year. Special meetings may be convened as required. The Chair of the Committee shall report to the full Board and the boards of directors of the Company’s subsidiaries on the results of these meetings. The Committee may invite to its meetings other directors, Company management and such other persons as the Committee deems appropriate in order to carry out its responsibilities. The Committee shall annually review its own performance and submit its self evaluation to the Chairman of the Board. The Committee may form and delegate authority to subcommittees when appropriate. The Committee may also engage outside counsel or such other experts at its discretion upon notification to the Company.

DUTIES, RESPONSIBILITIES AND AUTHORITY

The Committee has the following duties:

Corporate Governance Generally

Draft, review and recommend for approval by the Board and the boards of directors of the Company’s subsidiaries, the Company’s and the subsidiaries’ corporate governance policies to ensure that they remain relevant and are being complied with, including but not necessarily limited to:

- Board and Committee meeting frequency and format,
- Nomination of Chairmen and Deputy Chairmen of Company and Subsidiaries,
- Definition of role of Chairmen and Deputy Chairmen,

- Size and composition of the Board and the boards of directors of the Company's subsidiaries,
- Executive sessions of independent directors,
- Formal evaluation of the Chief Executive Officer and/or management of the Company,
- Succession planning and management development,
- Recommend ways to enhance services to and improve communications and relations with shareholders,
- Periodically receive a presentation from management on the Company's Code of Business Conduct and Ethics, Conflict of Interest, and Confidentiality policies,
- Evaluation, nominations and re-nominations of members of the Board and the board of directors of the Company's subsidiaries, and
- Propriety of domicile.

The Committee will have the following authority and additional duties.

- Authority to retain outside legal, accounting or other advisers as deemed necessary by the Committee,
- Requirement to maintain minutes of meetings, and
- Assist management in the preparation of the disclosure in the Company's annual proxy statement regarding director independence and the operations of the Committee.

Board Composition, Evaluation and Nominating Activities

- Review composition and size of the Board and the boards of directors of the Company's subsidiaries and determine the criteria for membership on such boards including issues of character, judgement, diversity, age, expertise, corporate experience, community involvement, stock ownership and the like:

Defined criteria:

- Independent directors must own directly or indirectly at least 1,000 shares which can be purchased over a three-year period,
- Inside directors' The stock ownership of directors that are not independent under the rules of the Nasdaq Stock Market, Inc. will be evaluated on a case-by-case basis,
- Establish and recommend director fees to the Board and the boards of directors of the Company's subsidiaries for final approval,
- Through board and committee self assessment, coordinate an annual evaluation of the Board and the board of directors of the Company's subsidiaries and their committees,
- Where appropriate with input from Chairmen, Committee Chairmen, Presidents and Chief Executive Officers of the Company and its subsidiaries, consider and recommend candidates to fill new

positions or vacancies on the Board and the boards of directors of the Company's subsidiaries and review any candidates recommended by stockholders in accordance with the bylaws, and, in the case of a vacancy created by an increase in the size of the Board, make a recommendation to the Board as to the class of directors in which the individual should serve, and

- Evaluate the performance of current members of the Board and the boards of directors of the Company's subsidiaries proposed for reelection, and recommend the director nominees each year for approval by the Board, the boards of directors of the Company's subsidiaries and their shareholders as appropriate.

Board Committees

- Annually review the charter and composition of each Board committee and make recommendations to the Chairman of the Board for the creation of additional Board committees or the change in mandate or dissolution of Board committees, and
- Recommend to the Boards persons to be members of the various Board committees.

Conflicts of Interest

- Consider questions of possible conflicts of interest of members of the Board, members of the boards of directors of the Company's subsidiaries, and of corporate officers, and
- Review actual and potential conflicts of interest (including corporate opportunities) of members of the Board, members of the boards of directors of the Company's subsidiaries, and of corporate officers, and clear any involvement of such persons in Company, and/or affiliate matters that may involve a conflict of interest.