



GOVERNANCE AND NOMINATING COMMITTEE CHARTER

I. STATUS

The Governance and Nominating Committee (the "Committee") is a committee of the Board of Directors (the "Board") of NMI Holdings, Inc. (the "Company").

II. PURPOSE

The Committee is appointed to assist the Board and each member of the Board (a "Director") in promoting the best interests of the Company and its shareholders through the implementation of sound corporate governance principles and practices. The Committee will accomplish this by, among other things: (1) assisting the Board by identifying individuals qualified to become Board members, consistent with the criteria approved by the Board, and recommending to the Board the Director nominees for the next annual meeting of shareholders and the individuals to fill vacancies occurring between annual meetings of shareholders; (2) reviewing the qualifications and independence of the members of the Board and its various committees on a regular basis; (3) recommending to the Board the Corporate Governance Guidelines ("Guidelines") and reviewing such Guidelines and this Charter on a regular basis to confirm that such Guidelines and this Charter remain consistent with sound corporate governance practices and with any legal, regulatory or NASDAQ Global Market requirements; (4) leading the Board in its annual review of the Board's performance; and (5) recommending to the Board Director nominees for each committee of the Board.

III. COMMITTEE MEMBERSHIP

The Committee shall consist of no fewer than three members. The members of the Committee shall meet the independence requirements of Section 5605(a)(2) of the NASDAQ Listing Rules and any other applicable laws or regulations.

IV. OPERATION

The members of the Committee shall be appointed by the Board on the recommendation of the Committee. Committee members may be removed by a majority vote of the Board, including based on the recommendation of the Committee. Any vacancy on the Committee shall be filled by a majority vote of the Board based on the recommendation of the Committee.

The Chairperson of the Committee shall be designated by the Board. The Chairperson shall be responsible for presiding over meetings, preparing meeting agendas and reporting to the Board. In the event the Chairperson is not present at a meeting, the Committee members present at that meeting shall designate one of its members as the acting chair of such meeting.

The Committee shall meet at least four times each year at regularly scheduled meetings of the Board and at such other times as it deems necessary to fulfill its responsibilities. The Committee shall maintain minutes of its meetings and other records relating to those meetings. The Committee shall periodically meet separately, in executive session, with the Chief Executive Officer, General Counsel, and any counsel or consultant the Committee may retain to assist it in carrying out its duties. Written minutes of Committee meetings shall be maintained. The Committee shall report regularly to the Board with respect to its activities and make recommendations to the Board as appropriate. A majority of the members of

the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

The Committee may form and delegate authority to subcommittees when appropriate.

V. RESPONSIBILITIES

A. Board Candidates and Nominees

The Committee shall have the following duties and responsibilities with respect to Board candidates and nominees:

1. To identify, recruit and if appropriate, interview potential candidates for nomination as Directors on an ongoing basis, including persons suggested by shareholders or others, in such manner as the Committee deems appropriate.
2. To review the background and qualifications of individuals being considered as Director candidates. The Committee shall assess whether each candidate possesses the qualifications for Independent Directors set forth in the independence requirements of Section 5605(a)(2) of the NASDAQ Listing Rules and any other applicable laws or regulations.
3. To recommend to the Board a slate of nominees for election as Directors, consistent with the criteria approved by the Board, at each annual meeting of the Company's shareholders.
4. To recommend to the Board persons to be appointed Directors, consistent with the criteria approved by the Board, in the event of Director vacancies or any newly created directorships.
5. To review the qualifications and independence of the members of the Board on a regular basis, but in any event no less frequently than annually, including the suitability for continued service as a Director of each Board member when his or her term expires and when he or she has a change in status, including but not limited to an employment change, and to recommend whether or not the Director should be re-nominated.

B. Board Composition and Procedures

The Committee shall have the following duties and responsibilities with respect to the composition and procedures of the Board as a whole:

1. To recommend to the Board standards for determining outside Director independence consistent with the requirements of the NASDAQ and other legal or regulatory corporate governance requirements and to review and assess these standards on a periodic basis, but in any event no less frequently than annually.
2. To review annually with the Board the composition of the Board as a whole and to recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and contains at least the minimum number of independent Directors required by the NASDAQ.
3. To review periodically the size of the Board and to recommend to the Board any appropriate changes.
4. To make recommendations on the frequency and structure of Board meetings.

C. Board Committees

The Committee shall have the following duties and responsibilities with respect to the committee structure of the Board:

1. To make recommendations to the Board regarding the size and composition of each standing committee of the Board, including the identification of individuals qualified to serve as members of a committee, including the Committee, and to recommend individual Directors to fill any vacancy that might occur on a committee, including the Committee.
2. To review the qualifications and independence of members of the Board's committees on a regular periodic basis.
3. To confirm with the Committee Chairman that each standing committee of the Board has a charter in effect.
4. To monitor the functioning of the committees of the Board and to recommend to the Board any proposed changes, including the creation and elimination of committees.
5. To review annually committee assignments and discuss any policy with respect to the rotation of committee memberships and/or chairpersonships, and to report any related recommendations to the Board.
6. To recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.

D. Corporate Governance and Other Matters

The Committee shall have the following duties and responsibilities with respect to corporate governance and certain other matters:

1. To review and assess periodically, and at least annually, the adequacy of the Guidelines and recommend any proposed changes to the Board for approval.
2. To review any proposed amendments to the Company's Certificate of Incorporation or Bylaws and recommend appropriate action to the Board.
3. To review and assess the Company's compliance with the corporate governance requirements established by the NASDAQ Global Market and the requirements established under the Sarbanes-Oxley Act, other federal laws and applicable state laws and regulations or otherwise as applicable to each of the Company and its subsidiaries and controlled affiliates.
4. 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.
5. To review and assess the Board's effectiveness in monitoring waivers to Board-approved policies and guidelines.
6. To oversee the Company's Director orientation and continuing education programs.
7. To review and assess governance actions by outside third parties to determine the impact upon the Company and whether changes are warranted to the Guidelines.
8. To meet with the Company's Head of Internal Audit from time to time as the Committee

deems necessary or appropriate to be advised about corporate governance matters affecting the Company.

E. Evaluation of the Board

The Committee shall have the following duties and responsibilities with respect to evaluation of the Board:

1. To receive comments from all Directors and 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.
2. To annually review Director attendance records for Committee and Board meetings.

F. Evaluation of the Committee

1. The Committee shall, on an annual basis, evaluate its performance.
2. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

VI. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISORS

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other consultants or advisers as it deems necessary in connection therewith. The Committee shall have the sole authority to retain or terminate any search firm to be used to identify Director candidates, including sole authority to approve, at the Company's expense, the search firm's fees and other retention terms.

VERSION: May 12, 2016