

WESTMORELAND COAL COMPANY  
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

Adopted February 25, 2016

## **I. Purpose of the Committee**

The Committee's purposes are to identify and to recommend to the Board of Directors (the "Board") individuals qualified to serve as directors of Westmoreland Coal Company (the "Company") and on committees of the Board; to identify and to recommend to the Board individuals qualified to serve as directors of Westmoreland Resources GP, LLC (the "MLP"); to advise the Board with respect to Board composition, procedures and committees; to develop and recommend to the Board a set of corporate governance principles, including, but not limited to the Code of Conduct, applicable to the Company; to oversee and approve the evaluation of the Board; oversight of plans for executive officer development and succession; and to lead the Board in its annual review of the Board's performance.

## **II. Composition of the Committee**

The Committee shall consist of two or more directors, as determined from time to time by the Board. The members of the Committee shall be appointed annually to one-year terms by a majority vote of the Board at the first meeting of the Board following the annual meeting of the Company's stockholders. Each committee member shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation, removal from office, death or incapacity. The members of the Committee may be removed, with or without cause, only by a majority vote of the Board. Vacancies shall be filled only by a majority of the Board at the next Board meeting following the occurrence of the vacancy or as soon as practicable thereafter.

Each member of the Committee shall satisfy all applicable independence requirements then in effect of the Nasdaq Global Market and any other stock exchange or national securities association on which the Company's securities are listed or quoted (the "Exchange"), and any other applicable regulatory requirement relating to director independence, nomination and size of Committee.

The chairperson shall be recommended by the Committee for designation by the full Board. The chairperson will chair all meetings of the Committee and set the agenda for the Committee meetings. All Committee members are expected to make suggestions for agenda items.

## **III. Meetings and Procedures of the Committee**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities. The Committee, in its discretion, may ask other directors, members of management or others to attend its meetings and to provide pertinent information as necessary. The Chairperson may invite non-committee directors, members of management or other outside individuals to attend meetings of the Committee; however, such individuals may not vote on Committee business. The Chairperson may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the members of the Committee present in person or by telephonic means shall constitute a quorum. The Committee shall act upon the vote of a majority of its members at a meeting called in accordance with the bylaws at which quorum is present. Unless otherwise restricted by the certificate of incorporation or bylaws of the Company, any action may be taken by a written instrument signed by all of the members of the Committee.

The Committee shall maintain minutes of its meetings and records relating to those meetings. Following each of its meetings, the Committee shall report its deliberations at the next meeting of the Board, including a description of all actions taken by the Committee at the meeting and an identification of any matter that requires action by the Board.

#### **IV. Duties and Responsibilities of the Committee**

##### **A. Board and MLP Candidates and Nominees**

The Committee shall have the following duties and responsibilities with respect to candidates and nominees for the Company and the MLP, except where the Company is legally required by contract or otherwise to provide third parties with the ability to nominate and appoint directors. Certain requirements are only applicable to the Company and not relevant in determining nominees for the MLP board.

- To engage in identifying, recruiting, interviewing and recommending candidates to fill positions on the Board and the MLP, including persons suggested by stockholders or others;<sup>1</sup>
- To review the background and qualifications of individuals being considered as director candidates. The Committee shall develop the criteria and qualifications for membership on the Board and the MLP. Among the qualifications considered in the selection of candidates, the Committee shall look at the following attributes and criteria of candidates: professional work experience, skills, expertise, diversity, personal and professional integrity, character, temperament, business judgment, time availability in light of other commitments, dedication, conflicts of interest, public company experience and such other relevant factors that the Committee considers appropriate in the context of the needs of the Board;

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<sup>1</sup> Stockholders may recommend individuals to the Committee for consideration as potential director candidates by submitting their names, together with appropriate biographical information and background materials and a statement as to whether the stockholder or group of stockholders making the recommendation has beneficially owned more than 5% of our common stock for at least a year as of the date such recommendation is made, to the Nominating and Corporate Governance Committee, c/o Corporate Secretary, Westmoreland Coal Company, 9540 South Maroon Circle, Suite 200, Englewood, CO 80112. If the Committee determines to nominate a stockholder-recommended candidate and the Board recommends his or her election, then his or her name will be included in our proxy statement for the next annual meeting. Stockholders also have the right under our bylaws to nominate director candidates directly, without any action or recommendation on the part of the Committee or the Board, by following the procedures set forth in Section 2.6, "Advance Notice of Nominees," in our bylaws. Candidates nominated by stockholders in accordance with the procedures set forth in the bylaws will not be included in our proxy statement for the next annual meeting.

- To consider whether the candidate is (i) independent pursuant to the requirements of the Exchange, (ii) accomplished in his or her field and has a reputation, both personal and professional, that is consistent with the ideals and integrity of the Company and the MLP, (iii) able to read and understand basic financial statements, (iv) knowledgeable as to the Company and/or the MLP and issues affecting the industry, (v) committed to enhancing stockholder value, (vi) able to understand fully the legal responsibilities of a director and the governance processes of a public company, (vii) able to develop a good working relationship with other Board members and senior management and (viii) able to suggest business opportunities to the Company and/or the MLP;
- To recommend to the Board stockholder nominees for election as directors pursuant to the Bylaws of the Company, which recommendations shall be consistent with the criteria for selecting directors established by the Committee in consultation with the Board;
- To review and evaluate the suitability for continued service as a director of each director when his or her term expires. The continuing service of qualified incumbents promotes stability and continuity in the board room, giving the Company and the MLP the benefit of the familiarity and insight into affairs that its directors have accumulated during their tenure, while contributing to the ability to work as a collective body. Accordingly, the process of the Committee for identifying nominees shall reflect the practice of re-nominating incumbent directors who continue to satisfy the Committee's criteria for membership on the Board, whom the Committee believes will continue to make important contributions to the Board; and
- To review and evaluate the suitability for continued service of an incumbent director who fails to receive a majority of the votes cast in an election that is not a Contested Election (as defined in the Bylaws) and who has tendered his or her resignation pursuant to the Bylaws, and to make a recommendation to the Board as to whether to accept or reject the resignation of such incumbent director or whether other action should be taken.

The Committee shall have the sole authority to retain and to terminate any search firm to be used in identifying candidates to serve as directors of the Company, including the sole authority to approve the fees payable to such search firm and any other terms of retention.

## **B. Board Composition and Procedures**

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

- To review annually with the Board the composition, organization and governance of the Board and its committees 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 and contains at least the minimum number of independent directors required by the Exchange;

- To review periodically the size of the Board and to recommend to the Board any appropriate changes; and
- To annually review committee assignments and make recommendations to the Board for any changes, including the creation and elimination of committees.

### **C. Corporate Governance and Succession Planning**

The Committee shall have the following duties and responsibilities with respect to corporate governance and succession planning:

- To develop and recommend to the Board the Company's principles of corporate governance including, but not limited to, the establishment and maintenance of a corporate code of conduct ("Code of Conduct") designed to promote honest and ethical conduct, including the ethical handling of conflicts of interest; full, fair, accurate, timely and understandable disclosure in the Company's periodic reports; and compliance with applicable governmental rules and regulations;
- To review on an annual basis the Code of Conduct adopted by the Board to assure that it is appropriate for the Company and complies with the requirements of the Exchange and to recommend any modifications to the Board for approval;
- Direct members of the Company's senior management to report any material violations of or non-compliance with the Code of Conduct to the Committee, and to determine an appropriate response to material violations of or non-compliance with the Code of Conduct;
- Periodically review and assess the adequacy of the Company's Certificate of Incorporation and Bylaws in order to ensure compliance with any principles of corporate governance and recommend to the Board any necessary modifications; and
- Review and discuss with the Chief Executive Officer and report to the Board on an annual basis plans for executive officer development and corporate succession plans for the Chief Executive Officer and other executive officers.

### **D. Evaluation of the Board and Committees**

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

- The Committee shall be responsible for ensuring all director nominees undergo a thorough background check prior to nomination or appointment as a director and to review any adverse findings prior to such nomination or appointment;

- The Committee shall be responsible for overseeing the process of the evaluation of the Board and of each committee and shall evaluate and report to the Board on the performance and effectiveness of the Board and each committee on an annual basis;
- The Committee shall evaluate and recommend termination of membership of individual directors in accordance with the Board’s corporate governance principles, for cause or for other appropriate reasons; and
- The Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend to the Board such changes as it deems necessary. The Committee shall ensure that all committees of the Company undertake a similar substantive review of their charters on an annual basis.