

**Charter of the Governance and Nominating Committee
of the Board of Directors of
Lime Energy Co.**

As Adopted by the Board of Directors
(September 9, 2015)

This Charter sets forth, among other things, the purpose, membership requirements, structure, duties and responsibilities of the Governance and Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of Lime Energy Co. (the “Company”).

1. Purpose

The purpose of the Committee is to: (a) identify individuals qualified to serve as directors of the Company; (b) recommend to the Board director nominees; and (c) advise the Board with respect to corporate governance and any related matters required by the federal securities laws.

2. Membership

The Committee shall consist of at least three directors. Each member of the Committee shall satisfy the independence requirements of the NASDAQ Stock Market LLC or any other exchange on which the Company’s securities may be listed for trading. A member shall promptly notify the Committee and the Board if the member believes he/she no longer qualifies as an independent director.

The members of the Committee shall be appointed by and shall serve at the pleasure of the Board and for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

3. Structure and Operations

The Board shall designate one member of the Committee as its chairperson. If a chairperson is not designated by the Board, or if the designated chairperson is not in attendance at a Committee meeting, the members of the Committee may designate a chairperson by majority vote of the full Committee. For the Committee to conduct official business at a Committee meeting, a quorum of its members shall be legally present (including via telephone or video conference). The affirmative vote of a majority of the members of the Committee participating in the meeting shall be necessary for the adoption of any resolution.

The Committee may create one or more subcommittees and may delegate, in its discretion, all or a portion of its duties and responsibilities to such subcommittees.

The Committee shall have at least two regularly scheduled meetings per year, at such times and places as shall be determined by the Committee chairperson, and may have such additional meetings as the Committee chairperson or a majority of the Committee’s members deem necessary or desirable. Members of the Committee may participate in a meeting of the Committee by teleconference or similar communications means through which all participants

can hear and speak to each other. The Committee may invite such members of management to its meetings as it may deem desirable or appropriate, taking into account the need to maintain the confidentiality of the Committee's deliberations.

4. Duties and Responsibilities

The Committee shall have the authority and responsibilities outlined in this section and such other duties and responsibilities as the Board may delegate to the Committee from time to time.

(a) The Committee shall establish director qualification criteria, seek to identify candidates for director, and evaluate the suitability of potential director nominees.

(b) The Committee shall: (i) review potential nominees proposed by management, stockholders or others; (ii) have the authority to adopt procedures for the submission of recommendations by stockholders as it deems appropriate; and (iii) have the authority to conduct all necessary and appropriate inquiries into the backgrounds and qualifications of potential candidates.

(a) The Committee shall review the suitability for continued service as a director of each Board member when his or her term expires, and recommend to the Board whether the director should be re-nominated.

(b) The Committee shall make recommendations to the Board for candidates to fill vacancies of any unexpired term on the Board.

(c) The Committee shall annually recommend to the Board nominees for submission to stockholders for approval at the annual meeting of stockholders.

(d) The Committee shall periodically review the composition of the Board as a whole and the size of the Board, and recommend, if necessary, any adjustments it deems appropriate.

(e) The Committee shall periodically review the Board's committee structure and composition and make recommendations to the Board regarding the appointment of directors to serve as members of each committee and any changes to the functions of the committees.

(f) The Committee shall periodically review the adequacy of the By-laws of the Company and recommend to the Board, as conditions dictate, that any appropriate and desired amendments be submitted to the stockholders for their approval.

(g) The Committee may develop and recommend to the Board for approval standards for determining whether a director has a relationship with the Company that would impair the director's independence.

(h) The Committee shall periodically consult with and support the Chief Executive Officer and other executive officers regarding succession planning for the Company's executive officer positions.

(i) The Committee shall review any significant stockholder relations issues.

(j) The Committee shall oversee the Company's corporate governance practices and procedures, including identifying best practices and developing recommendations to the Board with respect thereto.

(k) The Committee shall review the adequacy of protection afforded the Company's officers and directors through insurance and indemnification against claims and actions arising out of their service to and activities on behalf of the Company that may be brought against them.

(l) The Committee shall undertake and review with the Board an annual performance evaluation of the Committee, which shall measure the performance of the Committee against the requirements of this Charter and outline the goals and objectives of the Committee for the upcoming year. The Committee shall conduct such performance evaluation in such manner as the Committee deems appropriate, and may report the results of its performance evaluation through an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.

(m) The Committee shall oversee an annual self-evaluation of the Board and Board committees to determine whether the Board and the Board committees are functioning effectively.

(n) The Committee shall review and reassess the adequacy of this Charter at least annually and recommend to the Board for approval any changes the Committee deems appropriate.

(o) The Committee shall report to the Board periodically on all matters for which the Committee has responsibility.

(p) The Committee shall exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties, and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

5. Authority and Resources

The Committee may retain the services of a search firm to assist the Committee in identifying qualified candidates. If the Committee, in its sole discretion, retains a director search firm to assist the Committee in identifying director candidates, the Committee shall have sole authority to approve the search firm's fees and other retention terms. The Committee may also, in its sole discretion, retain and obtain the advice and assistance of legal counsel and such other advisors as it deems necessary to assist with the execution of its duties and responsibilities as set forth in the Charter. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any director search firm or advisor retained by it. Outside counsel and any other advisors retained by the Committee shall be independent as determined in the discretion of the Committee.

The Company shall pay to any director search firm or outside legal counsel or other advisor retained by the Committee pursuant to the preceding paragraph such compensation (including, without limitation, usual and customary expenses and charges) as shall be determined by the Committee.