



## **Nominating and Governance Committee Charter for Footstar**

### **Purpose:**

The purpose of the Nominating and Governance Committee (the “Committee”) is to: (a) assist the Board of Directors (the “Board”) in fulfilling its responsibilities relating to selecting nominees for election to the Company’s Board, (b) recommend to the Board individuals to fill vacancies on the Board and any committee thereof, (c) oversee the evaluation of the performance of the Board and (d) assure that the Board is diligently observing its responsibility and communicating appropriately to provide for a high standard of governance, care and due diligence in carrying out its responsibilities.

### **Composition of the Committee:**

The Committee shall consist of at least three Directors approved by the Board each of whom the Board has determined: (a) at least two of whom meet the independence requirements as set forth in the Company’s Board of Director Guidelines on Corporate Governance, and (b) does not have any relationship with the Company that may, in the opinion of the Board, interfere with the exercise of their independence from management and the Company. As per the provisions of Article III, Section 12 of the Company’s Bylaws (relating to filling vacancies and removing committee members), the members of the Committee shall be appointed by the Board upon recommendation of the Committee. The members of the Committee shall appoint the Chair of the Committee.

### **Roles, Responsibilities and Duties:**

The operation of the Committee will be subject to the provisions of the Certificate of Incorporation and Bylaws of the Company and the Delaware General Corporation Law, each as in effect from time to time. The Committee shall:

- i.) Identify, review the qualifications, screen (including interviews) and recommend to the Board: (a) any nominees for Director who shall be submitted to stockholders for election at each Annual Meeting of Stockholders and (b) any new nominees for Director to be elected by the Board to fill vacancies and newly created directorships. The Board is responsible, in fact as well as procedure, for selection of its own members. The Board has delegated the screening process involved to the Nominating and Governance Committee.
- ii.) Recommend to the Board individuals to fill vacancies on any committee of the Board.
- iii.) Consider and evaluate director nominees submitted by shareholders and any other source the Company deems appropriate. The Committee will base their initial evaluation of such candidates on the materials submitted by or on behalf of the proposed candidate, the knowledge of the Committee’s members, publicly available information and, if the Committee deems it appropriate, information obtained through inquiries to third parties (including the Committee’s search firm, if any, other members of the Board and Company management). If the Committee determines that the initial evaluation is favorable, the Chair of the Committee may directly contact the candidate for an interview with the Committee.

- iv.) Develop and adopt policies regarding the process to be followed by security holders when (a) submitting director candidates for consideration by the Committee and (b) sending communications to the Board or any committees.
- v.) In consultation with the Chairman of the Board and other Board members as appropriate, develop and periodically assess criteria, including appropriate qualifications, characteristics, skills and experience, for the identification, selection and evaluation of candidates for director and for vacancies on the Board. At a minimum, all candidates must have the background, knowledge, experience, skill sets and expertise that would be useful to the oversight of the Company's business and that would strengthen the Board. The Committee also will consider the extent to which candidate's qualifications, characteristics, skills and experience complement that of other Board members in order to build a Board that is effective, collegial and responsive to the needs of the shareholders.
- vi.) Develop, monitor and recommend as appropriate to the entire Board changes to corporate governance principles and practices as contained in the Company's Board of Director Guidelines on Corporate Governance. The Guidelines are to be posted on the Company's website at [www.footstar.com](http://www.footstar.com).
- vii.) Review and reassess the adequacy of this Charter annually and recommend proposed changes to the Board for approval.
- viii.) Perform such other duties and functions relating to the nomination of Board and committee members or governance issues of the Company as may be referred to it from time-to-time by the Board.

In carrying out its duties, the Committee may call upon the appropriate Company staff support, external consulting and/or legal assistance and may retain outside legal counsel as needed to carry out its duties. The Committee shall have the sole authority to retain and terminate any legal counsel retained to carry out its duties, as well as any search firm hired to identify director candidates and to approve the fees and other terms of retention of any such advisors. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate.

**Meetings:**

The Committee will meet at least twice a year to carry out its responsibilities. Other meetings may be called by the Chair of the Committee.

The Company's Chairman of the Board and Chief Executive Officer may attend any meeting or meetings of the Committee solely upon invitation of the Committee.