

NORDSTROM, INC.

FINANCE COMMITTEE OF THE BOARD OF DIRECTORS

CHARTER

(As amended August 24, 2004)

PURPOSE AND SCOPE

The primary function of the Finance Committee of the Board of Directors (the “Committee”) is to assist the Board in fulfilling its oversight responsibilities by reviewing and appraising:

1. The Company’s capital structure including recommending Board action with respect to borrowings, dividend payments and share repurchase strategies;
2. The Company’s financial policies; including,
 - a. Debt and Equity Financing Policy
 - b. Capital Investments Policy and Procedures
 - c. Short-Term Investment Policy
3. The Company’s requests to invest capital in accordance with the policies referenced in 2 above including recommending Board action with respect to specific capital projects;
4. The Company’s performance with capital investments including management’s planned actions regarding material variances from project proformas.
5. The Company’s business and financial planning process including the financial criteria used by management to evaluate business plans; and
6. Other matters impacting the Company’s financial management including,
 - a. The scope of the Company’s credit/finance business;
 - b. Tax strategies and the implications of actual or proposed tax law changes;
 - c. Financial implications and financing of employee benefit plans;
 - d. Insurance coverage and risk profile;
 - e. Banking relationships, borrowing facilities and cash management; and
 - f. Relationships with rating agencies.

AUTHORITY

In fulfilling its responsibilities, the Committee shall:

1. Have authority to conduct or authorize investigations into any relevant matters;
2. Have authority to access Company records and information;
3. Have authority to form and delegate authority to subcommittees consisting of one or more members when appropriate; and
4. Have authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting, investment banking or other advisors or experts at the Company’s expense.

COMMITTEE COMPOSITION, MEETINGS AND ADMINISTRATIVE MATTERS

1. Number of Directors. The Committee shall consist of at least three directors.
2. Committee Appointment. The Board, based on the recommendation of the Corporate Governance and Nominating Committee, shall appoint the Committee and its Chairperson annually.
3. Meeting Frequency. The Committee shall meet at least four times per year, or more often as deemed necessary by the Chairperson.
4. Meeting Attendees. In addition to the Committee members, the Committee may ask that members of management or others be present at Committee meetings.
5. Minutes. Minutes of each meeting shall be prepared by the designee of the Chairperson of the Committee. Draft minutes shall be distributed to Committee members, as soon as practicable after each meeting, for approval at the next meeting of the Committee. The approved minutes shall be provided to the Secretary of the Company for retention with the permanent records of the Company.
6. Executive Session. At the Committee meetings, there shall be an opportunity for Committee members to meet in executive session without management present.
7. Reporting to the Board. The Chairperson or his or her designee will report Committee actions to the Board of Directors with such recommendations, as the Committee may deem appropriate.
8. Committee Charter Update and Disclosure. The Committee shall, at least annually, review its Charter and, if appropriate, propose revisions to the full Board of Directors for approval.
9. Self-Assessment: The Committee shall annually review the Committee's own performance.