



**Adopted: 2/20/04**

## **A.G. EDWARDS, INC. NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

### **Purpose**

The Nominating and Corporate Governance Committee is appointed by and reports to the Board of Directors (the "Board") with the responsibilities to:

- 1) Identify individuals qualified to become members of the Board of Directors consistent with the Board's criteria and corporate governance guidelines;
- 2) Recommend to the Board the proposed nominees for Board membership for the next Annual Meeting of Stockholders;
- 3) Develop and recommend to the Board a set of Corporate Governance Guidelines applicable to the Board and to A.G. Edwards; and
- 4) Oversee the annual review of the Board of Directors, its committees and management.

### **Membership**

The Nominating and Corporate Governance Committee shall consist of no fewer than three directors, all of whom shall be determined by the Board to be independent under the criteria of the New York Stock Exchange listing standards and any other applicable requirements. The members of the Nominating and Corporate Governance Committee shall be appointed and removed by the Board.

### **Duties and Responsibilities**

In keeping with its Purpose, the Nominating and Corporate Governance Committee shall have the following duties and responsibilities:

- 1) The Nominating and Corporate Governance Committee shall establish criteria for the selection of new directors to serve on the Board of Directors. The criteria shall include an individual's character, acumen, judgment, diversity of experience, and ability to contribute to A.G. Edwards' overall goals to serve the best interests of A.G. Edwards' clients and demonstrate responsibility to A.G. Edwards' shareholders. The Committee also shall use these criteria in evaluating individuals recommended by shareholders. Within these criteria, the Committee shall identify individuals

qualified to become directors of the Board and shall conduct the appropriate inquiries into the backgrounds and qualifications of possible nominees.

- 2) To assist in the identification and review of director candidates for the Board, the Nominating and Corporate Governance Committee shall have the sole authority to retain and terminate search firms, including sole authority to approve the firm's fees and other retention terms and may retain external legal and other advisors.
- 3) The Nominating and Corporate Governance Committee shall evaluate the performance of each director before determining whether to recommend to the Board his or her nomination for an additional term as director.
- 4) The Nominating and Corporate Governance Committee shall recommend to the Board for its approval directors to serve as members of each committee and shall recommend to the Board changes to any committee's composition.
- 5) The Nominating and Corporate Governance Committee shall review matters with the Chairman and Chief Executive Officer related to succession planning and executive development for senior executive staff.
- 6) The Nominating and Corporate Governance Committee has the authority to delegate duties and responsibilities to subcommittees, as it deems appropriate.
- 7) The Nominating and Corporate Governance Committee shall conduct an annual review of the Corporate Governance Guidelines and recommend any proposed changes to the Board for approval.
- 8) The Nominating and Corporate Governance Committee shall report regularly to the Board with respect to its actions and recommendations.
- 9) The Nominating and Corporate Governance Committee shall lead an annual review of the Board, its committees and management to determine their effectiveness, ensure their adherence to the Corporate Governance Guidelines and respective charters, and recommend to the Board any proposed changes as deemed necessary.
- 10) The Nominating and Corporate Governance Committee shall conduct an annual self-evaluation of its performance, including a review of its adherence to this Charter and recommend to the Board any proposed changes to this Charter as deemed necessary.

**Meetings**

The Nominating and Corporate Governance Committee shall meet at least twice each fiscal year and may hold additional meetings, as it deems necessary to fulfill its duties and responsibilities. A majority of Nominating and Corporate Governance Committee members present at each meeting shall constitute a quorum.

The Chair of the Nominating and Corporate Governance Committee shall preside at all of this Committee's meetings at which he or she is present and shall set the agenda for such meetings. Any Board director is free to suggest items for inclusion in the agendas for Nominating and Corporate Governance Committee meetings.