

THE BOMBAY COMPANY, INC.
CHARTER OF THE
GOVERNANCE AND NOMINATIONS COMMITTEE
OF THE BOARD OF DIRECTORS

I. PURPOSE

This Charter (the “Charter”) shall define and govern the operations of the Governance and Nominations Committee (the “Committee”) of the Board of Directors (the “Board”) of The Bombay Company, Inc., a Delaware corporation (the “Company”). The purpose of this Charter is to guide the Committee in its efforts to assist the Board with its oversight in the following areas:

- Evaluating, monitoring and making recommendations to the Board with respect to the corporate governance policies and procedures of the Company;
- Developing and recommending to the Board a set of corporate governance principles applicable to the Company;
- Ensuring that the Board and its Committees carry out their functions in accordance with governing laws, rules, regulations and charters;
- Ensuring that an assessment of the effectiveness of the Board as a whole, the Committees of the Board, and the contribution of each individual director is completed at least on an annual basis; and
- Identifying, recruiting, nominating and orienting qualified individuals to become directors and recommending to the Board for selection the candidates for all directorships to be filled by the Board or by the shareholders.

The Committee is empowered to investigate any matter brought to its attention, with full access to all books, records, facilities and personnel of the Company and, for this purpose, shall have the sole authority to retain on behalf of the Committee outside counsel, search firms or other experts.

II. COMPOSITION

The Committee shall consist of three or more directors all of whom in the judgment of the Board of Directors shall be independent in accordance with the rules and regulations of the Securities and Exchange Commission and New York Stock Exchange listing standards. The Chairman of the Board shall serve as an ex-officer member of the Committee and the Secretary of the Company shall serve as Secretary of the Committee.

Members of the Committee shall be elected by the Board at the annual meeting of the Board to serve until their successors are duly elected and qualified. If a member is unable to serve a full term, the Board shall elect a replacement. The Board shall appoint one of the members of the Committee to be

Committee Chairperson, who may serve any number of consecutive terms. The Board, upon recommendation by the Committee, may remove any committee member at any time.

III. MEETINGS

The Committee shall meet at least two times annually, and more frequently as circumstances dictate. Such meetings and communications shall be either in person or by conference telephone call. Notice of the time and place and the agenda for the meeting, along with related materials shall be given in writing by e-mail or facsimile to each member of the Committee in advance of the meeting. A quorum for meeting shall be a majority of members present and resolutions of the Committee shall be carried by a majority of members present at the meeting. Minutes shall be prepared for each meeting of the Committee, which minutes shall be submitted to the Committee for approval at a later meeting and then submitted to the Board. The minutes of all meetings of the Committee shall be sent to the Secretary of the Company for filing. The Committee shall report regularly to the Board and bring its recommendations to the full Board for approval.

IV. SCOPE AND RESPONSIBILITIES

The Committee shall be charged with the following functions, duties and responsibilities:

1. Annually review the structure of the Board and its Committees, including the charters of all Committees to ensure that together they meet the needs of the Company;
2. Recommend Committee assignments, rotation of membership, appointment of Committee Chairs and the addition or deletion of Committees;
3. Carry out the nomination process for Board membership including:
 - i) Developing and recommending to the Board the criteria for recruiting directors;
 - ii) Meeting with, interviewing and evaluating potential candidates for the position of director, including those recommended by shareholders, to ensure that the Board is constituted with individuals of diverse background, talents and experience; and
 - iii) Recommending candidates for Board election and re-election;
4. Assess, on an annual basis, the effectiveness of the Board of Directors as a whole, the Committees of the Board, and the contributions of each individual director;
5. Annually review the compensation arrangements for directors, including the balance between cash and equity programs;
6. Annually review Board governance issues, including mandates or charters for the Chairman of the Board, the Board of Directors, the Lead Director (if applicable) and the Board Committees;

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7. The Committee shall develop and recommend to the Board for approval a set of corporate governance guidelines for the Board. The Committee shall review these guidelines on an annual basis and recommend to the Board any changes deemed necessary or desirable;
8. In conjunction with the Audit and Finance Committee, monitor and review standards of business conduct, corporate insider trading policy, continuous disclosure policy, and corporate guidelines for maintaining confidentiality, and recommend changes and actions required to deal with breaches of policy guidelines;
9. Review and monitor the requirement that management maintains the Company in good standing under appropriate regulatory requirements including the Securities and Exchange Commission (the “SEC”) and the New York Stock Exchange (the “NYSE”);
10. Periodically review and make recommendation to the Board on the format and quality of information provided by management;
11. Maintain awareness of developments with regard to corporate governance in general, and director’s duties and responsibilities in particular, and make recommendations as may be deemed appropriate;
12. Annually review and update the new director orientation program and monitor ongoing director education opportunities;
13. Develop, recommend for Board approval and maintain an annual calendar of Board and Committee meetings;
14. Address and resolve issues regarding director independence and conflicts of interest;
15. Annually review the Company’s strategic planning process, including its vision, mission and strategies;
16. Review and assess the adequacy of this Charter annually recommending appropriate changes for Board approval; and
17. Conduct an annual performance evaluation of the Committee.