

LAWSON PRODUCTS, INC.

Nominating and Corporate Governance Committee Charter

Adopted as of March 9, 2004

1. Status

The Nominating and Corporate Governance Committee (the “*Committee*”) is a committee of the Board of Directors (the “*Board*”) of Lawson Products, Inc. (the “*Company*”).

2. Purpose

The Nominating and Corporate Governance Committee shall provide assistance to the Board in fulfilling its responsibilities to the stockholders and other investors in the Company by:

- Identifying and nominating individuals to become directors of the Company; and
- Otherwise taking a leadership role in shaping the corporate governance of the Company.

3. Membership

- The Nominating and Corporate Governance Committee (the “*Committee*”) shall consist of at least three members of the Board as the Board shall from time to time determine. Each member shall be “independent” as that term is defined by the listing standards of the Nasdaq Stock Market, Inc..
- The members of the Committee shall be elected by the Board of Directors at its first meeting following the Annual Meeting of Stockholders. Unless a Chair is elected by the Board of Directors, the members of the Committee shall designate a Chair by majority vote of the full Committee membership.

4. Meetings

The Committee shall meet as frequently as circumstances dictate but no less than annually. A majority of the members shall constitute a quorum. A majority of the members present shall decide any question brought before the Committee.

5. Powers and Duties

The Committee’s primary responsibilities include:

Nominations

- Recommending to the Board for its approval such criteria and qualifications for membership on the Board, including any specific, minimum qualifications, if any, that the Committee believes must be met by a nominee for a position on the Board or

any specific qualities or skills that the committee may believe are necessary for one or more of the Directors to possess.

- In consultation with the Chairman of the Board and the CEO, identifying, considering, recommending, recruiting, selecting and nominating, or recommending that the Board select, candidates to fill open positions on the Board consistent with the Board approved criteria and other qualifications for membership, if any.
- Developing and periodically evaluating a policy with regard to the consideration of any Director candidates recommended by stockholders, including the procedures to be followed by stockholders in submitting such recommendations.
- Reviewing and making recommendations to the Board as to whether existing directors should stand for re-election;
- Conducting appropriate inquiries into the backgrounds and qualifications of possible candidates; and
- Recommending Director nominees for each of the Board's committees.

Corporate Governance

General

- Reviewing and, upon advice of counsel, recommending to the Board proposed changes to the Company's Certificate of Incorporation and Bylaws.

Board Oversight

- Evaluating the effectiveness of the Board and recommending to the Board any improvements in the corporate governance of the Company that the Committee may consider appropriate;
- Evaluating, annually, together with the Compensation Committee, director compensation;
- Considering matters relating to the retirement of directors, including term limits or age caps;
- Recommending the purpose, structure and operations of the various committees of the Board;
- Conducting reviews of the Company's Code of Ethics;
- Considering questions of possible conflicts of interest of directors and of the Company's senior executives; and

- Determining policies with respect to officers and directors serving on the boards of other for-profit companies.

Management Oversight

- Reviewing periodically with the Chairman and Chief Executive Officer the succession plans concerning positions held by elected corporate officers and other senior executives and making recommendations to the Board in connection therewith.

6. **Procedures**

The Chairman of the Committee shall establish such rules as may from time to time be necessary or appropriate for the conduct of the business of the Committee. The Chairman shall appoint as secretary a person who may, but need not, be a member of the Committee. A certificate of the secretary of the Committee setting forth the names of the members of the Committee or actions taken by the Committee shall be sufficient evidence at all times as to the persons constituting the Committee or the validity of such actions taken.

7. **Charter Review**

The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval.

APPROVED: BOARD OF DIRECTORS

DATE: _____