

## **MCI, INC.**

### **NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

This Nominating and Corporate Governance Committee Charter was adopted by the Board of Directors of MCI, Inc. on January 22, 2004.

*This Charter is intended as a component of the flexible framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Certificate of Incorporation and By-laws, it is not intended to establish by its own force any legally binding obligations. Note that some of the provisions included in this Charter are mandated by the Certificate of Incorporation and/or the By-laws. They are restated herein for the convenience of the Committee and the Board.*

#### **I. PURPOSE**

The Committee shall assist the Board in: (i) identifying, screening and reviewing individuals qualified to serve as directors and recommending to the Board candidates for election at the annual meeting of shareholders to fill Board vacancies; (ii) developing, recommending to the Board and overseeing implementation of the Company's Corporate Governance Guidelines; (iii) reviewing, on a regular basis, the overall corporate governance of the Company and recommending improvements when necessary; (iv) recommending director compensation levels to the Compensation Committee; (v) recommending changes in responsibilities of committees; and (vi) overseeing all proposed amendments to the Certificate of Incorporation, By-laws, Corporate Governance Guidelines or Committee Charters.

In discharging its role, the Committee is empowered to investigate any matter brought to its attention with access to all books, records, facilities and personnel of the Company. The Committee has the power to retain outside counsel, director search and recruitment consultants or other experts and will receive adequate funding from the Company to engage such advisors. The Committee shall have the sole authority to retain, compensate, terminate and oversee director search and recruitment consultants, who shall be accountable ultimately to the Committee.

#### **II. COMMITTEE MEMBERSHIP**

The Committee shall consist of three or more members of the Board, each of whom is determined by the Board to be "independent" in accordance with any applicable listing rules of a national securities exchange or national securities quotation system, the Certificate of Incorporation and the By-Laws.

Each member of the Committee shall possess experience in governance issues either in the corporate field, government or academia or have substantial leadership experience. Additionally, as a qualification for continued Committee membership, each member of

the Committee shall complete all annual training requirements as provided or approved by the Committee.

The chairman of the Committee shall be elected annually by the entire Board. The chairman shall be responsible for scheduling and presiding over Committee meetings, preparing agendas and determining the information needs of the Committee. The chairman should expect to devote significant time to the work of the Committee.

### **III. COMMITTEE MEETINGS**

The Committee shall meet on a regularly-scheduled basis at least four times per year, or more frequently as circumstances dictate.

The Committee may request that any officer or other employee of the Company or the Company's outside counsel or other advisor attend any meeting of the Committee or meet with any members of, or consultants to, the Committee

### **IV. KEY RESPONSIBILITIES**

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board from time to time, and take any actions reasonably related to the mandate of this Charter. The Committee may form and delegate any of its responsibilities to a subcommittee so long as such subcommittee is solely comprised of one or more members of the Committee.

To fulfill its purpose, the Committee shall:

1. establish standards, criteria and processes for the selection of individuals to serve on the Board in accordance with the Certificate of Incorporation and By-laws, including specifically: reviewing annually with the Board the composition of the Board as a whole and the appropriate balance of independence, sound judgment, business specialization, technical skills, diversity and other desired qualities;
2. identify, screen, review and recommend to the Board a full slate of directors which shall include individuals qualified to serve as Chairman of the Board, Directors, committee members and committee chairs, including specifically: reviewing each current Director and recommending to the Board whether such Director should stand for re-election, recommending to the Board the nominees for election or re-election at the next annual meeting of shareholders and recommending candidates for filling any Board vacancies, in accordance with the requirements set forth in the Certificate of Incorporation and By-laws;
3. establish a reasonable procedure (for inclusion in a Board guideline) to ensure that each calendar year, beginning January 1, 2005, at least one vacancy shall occur to enable a qualified individual who has not served as a director of the Company or any of its subsidiaries or their predecessors

within the preceding five years to be elected, as set forth in the Certificate of Incorporation and By-laws;

4. establish a reasonable procedure (for inclusion in a Board guideline) to seek nominations for Board vacancies from the Company's ten largest stockholders (or such greater number as may be necessary to represent at least 15% of the outstanding shares of Common Stock) (the "Stockholder Group") and in the absence of agreement between the Committee and the Stockholder Group allow for direct nomination by the Stockholder Group of its candidate in management's proxy materials, as set forth in the Certificate of Incorporation and By-laws;
5. review periodically the size of the Board and recommend to the Board any appropriate changes;
6. together with the Compensation Committee, review and recommend to the Board for approval corporate goals and objectives relevant to CEO and other executive officers' compensation, including annual performance objectives;
7. evaluate the performance of the CEO and other executive officers based on the Board's objective evaluation of their performance of the approved corporate goals and objectives;
8. oversee the evaluation of Chairman of the Board and members of the Board;
9. providing, either by the Company, its education and training partners, or by others selected and approved by the Committee, an in-depth course of introduction to the Corporation for newly elected directors and annual education programs for all directors, including those aimed at specific committee functions (based on recommendations of each committee);
10. establish and recommend to the Board, oversee the implementation and effectiveness of and recommend modifications as appropriate to, the Company's Corporate Governance Guidelines;
11. recommend to the Board the responsibilities of the various Board committees and recommend to stockholders of the Company any changes in responsibilities of Board committees that would require stockholder approval;
12. consider corporate governance issues that arise from time to time, and develop appropriate recommendations for the Board;
13. recommend to the Compensation Committee for such committee's review the compensation levels for service as a member or chairman of the Board;

14. seek out feasible alternatives for improving transparency and for verifying compliance with the Company's Ethics Pledge;
15. provide oversight as to the establishment of a "corporate governance" page for the Company on the World Wide Web that includes links to those documents relating to the corporate governance of the Company that the Committee deems appropriate for inclusion on such page;
16. establish and oversee: (i) the development of an electronic "town meeting" site on the World Wide Web that permits advisory voting on resolutions by shareholders representing 1% or more of the voting power of the Company; (ii) criteria for times of submission of such resolutions and the time and manner of recording votes of shareholders regarding any such proposals; and (iii) the exclusion of such proposals if, in the Committee's judgment, such proposals are not bona fide concerns but rather are intended to damage the Company;
17. review all shareholder proposals and make recommendations to the full Board on whether such proposals should be included in the Company's annual proxy statement and, if so, what position the Company should take on such proposals;
18. review, approve and recommend to stockholders as appropriate proposed amendments to the Company's Certificate of Incorporation and review and approve as appropriate proposed amendments to By-laws and Corporate Policies (as defined in the Certificate of Incorporation);
19. consult from time to time with major shareholders on issues relating to responsibilities of the Committee;
20. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter;
21. review and reassess the adequacy of this Charter annually, and amend as the Committee deems appropriate; and
22. report regularly to the Board on Committee findings, recommendations and any other matters the Committee deems appropriate or the Board requests, and maintain minutes or other records of Committee meetings and activities.