

ShopKo Stores, Inc.
Nominating/Corporate Governance Committee Charter
(Originally Adopted January 21, 2004)

I. Purpose

The purpose of the Nominating/Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of ShopKo Stores, Inc. (the “Company”) is to:

- (i) provide assistance to the Board in the selection of candidates for election to the Board, including identifying, as necessary, new candidates who are qualified to serve as directors of the Company, and recommending to the Board candidates for election to the Board of Directors;
- (ii) monitor and advise the Board on matters relating to director compensation;
- (iii) develop and recommend to the Board, and periodically review, corporate governance principles applicable to the Company; and
- (iv) monitor and advise the Board on corporate governance matters and practices.

II. Composition and Operation

The Committee shall be appointed annually by the Board, after taking into account the recommendations of the Committee, and shall be comprised of at least three directors, each of whom shall be “independent” as determined in accordance with the rules of the New York Stock Exchange.

The Committee will meet as frequently as the Committee deems necessary, but at least annually at any time or location it deems appropriate. The Committee will report periodically to the Board regarding the Committee’s activities. The Committee will maintain minutes and other relevant records of the Committee's meetings and actions.

III. Responsibilities and Authority

In carrying out the purposes set forth above, the Committee shall have the following specific responsibilities and authority:

1. Develop and recommend to the Board for adoption guidelines for selecting candidates for election to the Board, and periodically review such guidelines and recommend to the Board amendments to such guidelines that the Committee deems necessary or appropriate. Such guidelines for director qualification shall include considerations relating to diversity, independence, experience, expertise and skills.
2. Identify, as necessary, new candidates who are qualified for Board membership in accordance with the guidelines adopted by the Board.
3. Review the qualifications of all candidates proposed for Board membership, including any candidates nominated by shareholders in accordance with the Company’s by-laws, in light of the guidelines adopted by the Board.

4. Annually recommend to the Board the nominees to stand for election to the Board at the Annual Meeting of Shareholders of the Company and, as necessary or deemed appropriate, recommend nominees to fill vacancies on the Board and, in consultation with the Chairman of the Board, recommend the directors to be appointed to each committee of the Board.
5. Consider and make recommendations to the Board, as necessary, concerning the appropriate size of the Board, the function and membership of the various committees of the Board, and the structure of Board meetings.
6. Periodically review the compensation arrangements in effect for non-management members of the Board and recommend to the full Board any changes deemed appropriate.
7. Coordinate the annual self-evaluation of the performance of the Board and each of its committees.
8. Develop and recommend to the Board for adoption corporate governance guidelines, including standards of what constitutes independence from the Company, reevaluate such guidelines periodically and recommend any revisions that the Committee deems necessary or appropriate for the Board to discharge its responsibilities more effectively.
9. Monitor compliance with the Company's Code of Business Conduct and Ethics by the non-management directors.
10. Undertake such additional activities within the scope of the purpose of the Committee as the Committee or the Board may from time to time determine.

IV. Use of Advisors

In the course of fulfilling its duties, the Committee has the sole authority to retain, or terminate, its own independent advisors in its discretion, including any search firm to be used to identify director candidates, and to approve the fees and other terms of engagement for any advisor.

V. Evaluation

The Committee will evaluate its performance on an annual basis. The Committee will review periodically the Committee's Charter and recommend to the Board changes as deemed necessary.