

21ST CENTURY INSURANCE GROUP

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

I. Purpose of Committee

The Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of 21st Century Insurance Group (“21st”) (a) identifies individuals qualified to become Board members, consistent with the criteria approved by the Board, and recommends individuals to the Board for nomination, election, or appointment as members of the Board and its committees, (b) advises the Board on corporate governance matters, including developing and recommending to the Board a set of corporate governance guidelines for 21st and (c) oversees the evaluation of the Board of 21st.

II. Committee Membership

The Committee shall be comprised of at least three directors, each of whom shall serve at the pleasure of the Board. The Board shall appoint a chairperson of the Committee.

III. Organization

The Committee will meet at least one time a year or more frequently as it deems necessary or appropriate to carry out its responsibilities.

The chairperson shall, in consultation with other Committee members, set the agenda for and preside at meetings of the Committee. The Secretary of 21st or another designated individual shall record and keep minutes of all Committee meetings.

IV. Committee Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

Nominations

- A. To identify nominees qualified to become Board members for recommendation to the Board and, in each case, to provide the Board the Committee’s assessment of whether such nominee is independent. Nominees should meet the criteria set forth in 21st’s corporate governance guidelines. The Committee may consider candidates proposed by management, shareholders, and others.
- B. To review and make recommendations to the Board with respect to the composition and chairpersons of Board committees.

Corporate Governance

- A. To develop and recommend to the Board a set of corporate governance guidelines, to assist the Board in interpreting those guidelines, to review and reassess the adequacy of those guidelines at least annually, and to recommend any changes to those guidelines to the Board.
- B. To oversee, in such manner as it deems appropriate, the evaluation of the Board.
- C. To make recommendations to the Board from time to time as to changes that the Committee believes to be desirable to the size of the Board or any committee thereof.
- D. To review committee charters and, if necessary or desirable, to recommend to the Board changes in the duties and responsibilities of the committees, or the dissolution of committees or creation of additional committees.
- E. To advise the Board on corporate governance matters, including recommending practices that enable the Board to comply with applicable laws and regulations.
- F. Upon request of the Board, to review requests by a director, executive officer, or senior financial officer to waive a provision of 21st's Code of Ethics for the Chief Executive Officer, Chief Financial Officer, and Financial Managers or 21st's Code of Business Conduct, including, in each case, any requests with respect to an actual or potential conflict of interest, and to recommend to the Board any action with respect thereto.

Other Duties and Responsibilities

- A. To present a summary of the actions taken at each Committee meeting to the Board.
- B. To exercise such other powers and authority as the Board shall, from time to time, confer upon it.
- C. To take such actions and make such determinations and recommendations as required to comply with the rules of the Securities and Exchange Commission ("SEC") relating to nominating and governance committee functions and communications between the Board and shareholders.
- D. To (i) prepare an annual report of the Committee, if the Committee deems it to be appropriate or desirable, for inclusion in 21st's annual proxy statement and (ii) approve the disclosure with respect to the Committee and its operations

required by the rules of the SEC to be included in 21st's annual proxy statement.

V. Committee Self-Assessment

The Committee shall conduct an annual evaluation of its performance and report the results of such review to the Board. In connection with that annual review, the Committee shall also recommend to the Board any modifications of this Charter that the Committee deems necessary or appropriate. The format of the self-assessment shall be determined by the Committee.

VI. Resources and Authority of the Committee

The Committee shall have direct access to, and complete and open communications with, senior management and may obtain advice and assistance from internal legal, accounting, and other advisors to assist it. The Committee may retain independent legal, accounting, and other advisors to assist it, and may determine the compensation of such advisors, and 21st shall be responsible for any costs or expenses so incurred.

As of March 29, 2004.