

# **XM SATELLITE RADIO HOLDINGS INC.**

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

### **Purpose**

The Nominating and Corporate Governance Committee (the "Nominating Committee") of the Board of Directors (the "Board") of XM Satellite Radio Holdings Inc. (the "Company") shall identify individuals qualified to become Board members, select the director nominees for the next annual meeting of shareholders, consider and make recommendations to the Board concerning the size and composition of the Board, consider from time to time the Board committee structure and makeup, and recommend to the Board policies and procedures affecting Board members. The Nominating Committee shall also consider whether the Company should adopt, and if so develop and recommend to the Board, a set of corporate governance principles applicable to the Company.

### **Committee Membership**

The Nominating Committee shall consist of no fewer than three members of the Board. Members of the Nominating Committee shall be appointed and may be removed by the Board. All members of the Nominating Committee shall meet the independence requirements of the Nasdaq (or any other exchange on which the Company's securities are then listed) and any applicable legal requirements, including requirements under the federal securities laws.

### **Committee Authority and Responsibilities**

1. The Nominating Committee shall perform the core functions of selecting the director nominees and making director nominations for the next annual meeting of shareholders. This responsibility includes working, with the full Board as appropriate, to establish criteria for board membership, reviewing candidates' qualifications and any potential conflicts with the Company's interests, assessing the contributions of current directors in connection with their re-nomination, and reporting or making recommendations, as appropriate, to the full Board with respect to these matters and with respect to the removal of a director.
2. The Nominating Committee shall seek individuals as director nominees who have high personal and professional integrity, who have demonstrated ability and judgment appropriate to serving as a director of a public company and who shall be effective, in conjunction with the other nominees to the Board, in collectively serving the long-term interests of the Company and its shareholders. In selecting director nominees, the Nominating Committee should assess the director's qualifications and skills, knowledge, perspective, business judgment and leadership talents, relevant specific industry knowledge, business creativity and vision, experience, age and diversity, all in the context of an assessment of the perceived needs of the Board at that time.

3. The Nominating Committee shall determine whether the Company should adopt and, if so, develop and recommend to the Board for its approval, a set of corporate governance principles applicable to the Company. The Nominating Committee shall review any corporate governance principles adopted by the Board on an annual basis, or more frequently if appropriate, and recommend changes as necessary to the Board.
4. The Nominating Committee may delegate its authority to members as the Nominating Committee deems appropriate; provided that any delegate shall report any actions taken by him or her to the whole Nominating Committee at its next regularly scheduled meeting.
5. The members of the Nominating Committee shall appoint one of their number as the Chairman. The Chairman shall be responsible for leadership of the Nominating Committee, including preparing the agenda, presiding over the meetings and reporting for the Nominating Committee to the Board at its next regularly scheduled meeting following the meeting of the Nominating Committee.
6. The Nominating Committee shall have the authority to retain and terminate any search firms to be used to identify director candidates, including authority to approve the search firm's fees and other retention terms. The Nominating Committee also shall have authority to obtain advice and assistance from internal or outside legal, accounting or other advisors it determines necessary to carry out its duties.
7. The Nominating Committee shall consider implementing and overseeing an annual evaluation process for the Board and management.
8. The Nominating Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
9. The Nominating Committee shall have such other authority and responsibilities as may be assigned to it from time to time by the Board.

Adopted by the Board of Directors on March 25, 2004.