

FRIEDMAN, BILLINGS, RAMSEY GROUP, INC.

NOMINATING AND GOVERNANCE
COMMITTEE CHARTER

Adopted by the Board of Directors on April 16, 2003

I. ORGANIZATION

There shall be constituted a standing committee of the board of directors (the “Board”) of Friedman, Billings, Ramsey Group, Inc. (the “Corporation”) to be known as the nominating & governance committee (the “Nominating and Governance Committee”).

II. COMPOSITION AND SELECTION

The Nominating and Governance Committee shall be comprised of three or more directors, each of whom shall satisfy the independence requirements of the New York Stock Exchange for directors, as determined by the Board.

The members of the Nominating and Governance Committee shall be appointed by the Board at the Board’s annual meeting and may be removed by the Board. The members of the Nominating and Governance Committee shall serve for one year or until their successors are duly elected and qualified. The full Board shall elect a Chairman and, if a Chairman is not elected by the full Board, the members of the Nominating and Governance Committee shall designate a Chairman by majority vote of the full Committee.

III. STATEMENT OF PURPOSE

The Nominating and Governance Committee assists the Board by: (1) identifying individuals qualified to become Board members and recommending to the Board director nominees for election at the annual meeting of shareholders; (2) playing a leadership role in shaping the governance of the Corporation and recommending to the Board corporate governance guidelines for the Corporation; and (3) overseeing the evaluation of the Board.

IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES

Among its specific duties and responsibilities, the Nominating and Governance Committee shall:

1. Review with the Board annually the composition of the Board as a whole and the requisite skills and characteristics of Board members, and develop criteria for identifying and evaluating candidates for the Board, which criteria shall include, among other things, an individual's business experience and skills, independence, judgment, integrity, and ability to commit sufficient time and attention to the activities of the Board, as well as the absence of any potential conflicts with the Corporation's interests;
2. Actively seek, identify and recommend to the Board individuals qualified to become board members;
3. Assess the contributions and independence of incumbent directors in determining whether to recommend them for reelection to the Board;
4. Recommend to the Board nominees for election or reelection as directors at each annual shareholders' meeting and recommend candidates to be elected by the Board as necessary to fill vacancies and newly created directorships;
5. Make recommendations to the Board regarding tenure of directors;
6. Oversee the annual evaluation of the Board's performance and, based on the evaluation, recommend ways to improve the Board's effectiveness;
7. Recommend Corporate Governance Guidelines and annually review and reassess the adequacy of the Corporate Governance Guidelines of the Corporation, and recommend any proposed changes to the Board for approval;
8. Review periodically the Corporation's conflict of interest policies as set forth in the Corporation's Statement of Business Principles as it concerns directors and review with management the Corporation's procedures for implementing and monitoring compliance with the conflict of interest policies; and
9. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval, and annually review the Committee's performance.

V. MEETING

The Nominating and Governance Committee shall meet at least twice a year and as often as may be deemed necessary or appropriate in its judgment. The Chairman or a majority of the members of the Nominating and Governance Committee may call meetings of the Committee upon reasonable notice to all members of the Committee. The Nominating and Governance Committee shall report regularly to the Board with respect to its activities.

VI. OUTSIDE ADVISORS

The Nominating and Governance Committee shall, to the extent it deems necessary, have the authority to retain and terminate any search firm to be used to identify director candidates. The Nominating and Governance Committee also shall, to the extent it deems necessary, have authority to obtain advice and assistance from other internal or external advisors.