

BLOCKBUSTER INC.

NOMINATING/CORPORATE GOVERNANCE COMMITTEE CHARTER (as adopted December 8, 2004)

I. Purpose

The primary purposes of the Nominating/Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of Blockbuster Inc. (the “Company”) are to (i) assist the Board in identifying individuals qualified to become Board members; (ii) recommend to the Board the director nominees for election at the next annual meeting of stockholders or for appointment to fill any vacancy on the Board; (iii) monitor significant developments in the law and practice of corporate governance and of the duties and responsibilities of directors of public companies; (iv) review the criteria to be used in connection with the self-evaluations of the Board and each of its committees and oversee the evaluation of the Board and management; and (v) develop and recommend to the Board and administer the Corporate Governance Guidelines of the Company.

II. Composition

A. Members; Qualifications

The Committee will consist of at least three directors, each of whom is “independent,” as defined by the applicable requirements of the New York Stock Exchange.

B. Appointment, Removal and Replacement

The members of the Committee shall be appointed annually by the Board in accordance with the Company’s bylaws. The members of the Committee may be removed or replaced by the Board, and any vacancies on the Committee shall be filled by the Board in accordance with the Company’s bylaws.

C. Chair

The Chair of the Committee shall be elected by the Board.

III. Operations

A. Meetings

The Committee shall meet as often as is necessary to carry out its responsibilities. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda. To the extent permitted by applicable law, the Committee may delegate authority to any subcommittee or individual members of the Committee as it deems appropriate. Except as expressly provided in this Charter, the bylaws of the Company or the Corporate Governance Guidelines of the Company, the Committee may utilize its own rules of practice or procedure.

B. Reports to Board

The Committee shall report periodically, but not less than once annually, to the entire Board.

C. Annual Performance Evaluation

The Committee shall review its own performance annually. The results of such evaluation shall be reported to the entire Board.

IV. Duties and Responsibilities

The Committee shall have authority and responsibility to:

- identify and recommend to the Board nominees for election or re-election to the Board, or for appointment to fill any vacancy that is anticipated or has arisen on the Board, in accordance with the criteria, policies and principles set forth in the Company's Corporate Governance Guidelines and this Charter and report to the Board periodically on the status of these efforts;
- review candidates for the Board that are recommended by stockholders pursuant to the procedures set forth in the bylaws of the Company and any policy that may be adopted from time to time by the Committee;
- review with the Board the current composition of the Board in light of the characteristics of independence, diversity, age, skills, experience, availability of service to the Company and tenure of its members, and of the Board's anticipated needs;
- upon a significant change in a director's personal circumstances (including a change in principal occupation) or in the event a significant ongoing time commitment arises that may be inconsistent with a director's service to the Board, review, as appropriate and in light of the then current Board policies as reflected in the Corporate Governance Guidelines, the continued Board membership of such director;
- advise (or cause members of senior management of the Company or appropriate outside advisors to advise) the Board periodically with respect to significant developments in the law and practice of corporate governance as well as the Company's compliance with the Company's Corporate Governance Guidelines and applicable laws and regulations, and make recommendations to the Board on all matters of corporate governance and on any corrective action to be taken, as the Committee may deem appropriate;
- develop and recommend to the Board the Company's Corporate Governance Guidelines, review such guidelines on a periodic basis and propose modifications for the Board's consideration as appropriate;

- review on an annual basis the Board’s committee structure and recommend to the Board for its approval directors to serve as members of each other committee and a director to serve as the chairperson of each other committee (provided that the Board itself is responsible for appointing committee members and chairpersons, and nothing in this Charter changes the Board’s responsibilities under the Company’s Corporate Governance Guidelines or other committee charters to make final determinations of eligibility for committee service);
- recommend individuals to fill vacancies on other committees, as needed (provided that the Board itself is responsible for appointing committee members, and nothing in this Charter changes the Board’s responsibilities under the Company’s Corporate Governance Guidelines or other committee charters to make final determinations of eligibility for committee service);
- review criteria and processes for the annual performance self-evaluations of the Board and of each of its committees, which evaluations will focus on the contribution to the Company by the Board and each committee and will specifically focus on areas in which a better contribution could be made;
- oversee the evaluation of the Board and management; and
- on an annual basis, (i) review the form and amount of director compensation taking into account any evaluation prepared by any compensation consultant retained by the Compensation Committee of the Board and (ii) if appropriate, recommend changes to the Board, in accordance with the policies and principles set forth in the Company’s Corporate Governance Guidelines.

The foregoing list of duties is not intended to be exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its duties.

V. Annual Charter Assessment

The Committee shall review and reassess the adequacy of this Charter on an annual basis and recommend any proposed changes to the Board for approval.

VI. Outside Advisors

The Committee may retain any search firm or advisor it deems appropriate to identify director candidates. The Committee shall have sole authority to retain and terminate any such search firm or advisor and to review and approve such search firm or advisor’s fees and other retention terms. The Committee shall have the authority to engage, and determine the fees of, independent counsel and other advisors as it determines necessary to carry out its duties.