

**LABRANCHE & CO INC.
AMENDED AND RESTATED
CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors (the "Board") of LaBranche & Co Inc. (the "Company") is dedicated to preserving and enhancing stockholder value through oversight of the management of the Company for the benefit of the Company's stockholders. The Company's system of corporate governance is the principal means by which the Board carries out its oversight responsibility. The Board and management recognize that the interests of the Company's stockholders are advanced by responsibly addressing their interests, as well as those of the Company's customers, employees, partners and suppliers. The Company is committed to responsible and responsive corporate governance and the highest levels of ethical conduct.

The formal requirements pertaining to the Company's corporate governance structure are set forth in the Company's Certificate of Incorporation and By-Laws, each as amended from time to time. The Board has adopted these Corporate Governance Guidelines to provide guidance and insight into the Company's system of corporate governance.

These Amended and Restated Corporate Governance Guidelines are intended as a component of the flexible framework within which the Board, assisted by its committees, directs the affairs of the Company. While they should be interpreted in the context of applicable laws, regulations and listing requirements, as well as in the context of the Company's Certificate of Incorporation and By-Laws, they are not intended to establish by their own force any legally binding obligations.

1. Director Qualification and Board Composition

A. Director Independence. At least a majority of the members of the Board must meet the criteria for independence mandated by the New York Stock Exchange and all other applicable laws, rules and regulations, as determined by the Board annually. In general, these criteria require that an independent director have no material relationship with the Company or with senior executive officers of the Company, directly or indirectly, except as a director. The Board's annual determination of the independence of its members must be disclosed in the Company's annual proxy statement pursuant to applicable rules of the New York Stock Exchange.

For purposes of determining whether a prospective member of the Board lacks any material relationship with the Company or with senior executive officers of the Company and thus qualifies as "independent," the prospective Board member will not be "independent" if, within the preceding three years:

1. he or she was employed by the Company or his or her immediate family member was an officer of the Company;

2. he or she (or an immediate family member) received direct compensation from the Company (other than for service as a director, or a pension or deferred compensation where such compensation is not contingent on any continued service) of more than \$100,000/year;
3. he or she was affiliated with, or was employed by, the Company's internal or external auditor or his or her immediate family member was affiliated with, or employed in a professional capacity by, the Company's internal or external auditor;
4. he or she (or an immediate family member) was part of a compensation committee interlock involving an executive officer of the Company (or his or her immediate family member);
5. he or she was an employee, or his or her immediate family member was an executive officer, of a company that made payments to, or received payments from, the Company for property or services in an amount which exceeded the greater of \$1 million, or 2% of the other company's consolidated gross revenues; or
6. he or she is an executive officer or employee of another company who is indebted to the Company, or to which the Company is indebted, and the total amount of such company's indebtedness to the other at the end of the last completed fiscal year is more than one percent of the other company's total consolidated assets.

In addition, a director will not be independent if, at the time of the independence determination, the director serves as an officer, director or trustee of a charitable organization, and the Company's discretionary charitable contributions to the organization are more than one percent of that organization's total annual charitable receipts during its last completed fiscal year. (Any automatic matching of employee charitable contributions will not be included in the amount of the Company's contributions for this purpose.)

For purposes of these independence criteria, an immediate family member includes a spouse, parent, child, sibling, father- and mother-in-law, son- and daughter-in-law, brother- and sister-in-law and anyone (other than a domestic employee) sharing the director's home. For all relationships not specifically addressed by the foregoing criteria, the determination of whether a relationship is material shall be made based on the totality of the circumstances and shall be made by members of the Board who clearly satisfy the foregoing independence criteria.

B. Director Qualifications. The Nominating & Corporate Governance Committee of the Board is responsible for reviewing with the Board the requisite skills and characteristics of continuing and prospective Board members, as well as the composition of the Board as a whole. The standards considered by the Nominating & Corporate Governance Committee in evaluating Board candidates are set forth in the Nominating & Corporate Governance Committee Charter and include, but are not limited to, (1) broad business judgment and leadership; (2) management experience at a senior policy-making level in

one or more functional areas of a major public company; (3) familiarity with relevant regulatory issues or specific industry knowledge; (4) business creativity and vision; (5) a demonstrable personal commitment to the Company and the interests of its stockholders; (6) ability/desire to invest time and effort on a consistent basis; (7) awareness of, and perspective on, relevant current business issues; (8) diversity of relevant experience, expertise, age, race and gender; (9) prior participation in Board and committee deliberations; and (10) absence of an over-commitment to other business activities or the requirements of boards of other companies. These standards are considered in the context of an assessment of the needs of the Board at that point in time. The Nominating & Corporate Governance Committee selects and recommends candidates for Board nomination in accordance with the policies and principles set forth in its charter. Nomination of any candidate is a decision that is reserved to the full Board. The Nominating & Corporate Governance Committee considers suggestions from many sources, including stockholders, regarding possible candidates for Board membership. Any such nominations, together with appropriate biographical information, should be submitted to the Chairman of the Nominating & Corporate Governance Committee, c/o Secretary, LaBranche & Co Inc., One Exchange Plaza, New York, NY 10006.

C. Board Size. It is the sense of the Board that five to nine members, a majority of whom satisfy the criteria for independence described in Section 1A above, is an appropriate size for the Board under current circumstances, although the Nominating & Corporate Governance Committee may consider and recommend an adjustment in the size of the Board in order to enable the Board to fulfill more effectively its responsibility to oversee the management of the business and affairs of the Company.

D. Term Limits. It is the current sense of the Board that the imposition of term limits on Board membership is unwarranted. While term limits may in certain circumstances enhance the availability to the Board of fresh ideas and viewpoints, they also could result in the loss of the contributions of directors who have been able to develop, over a period of time, valuable insight into the Company, its operations and the industry in which it operates. As an alternative to term limits, the Nominating & Corporate Governance Committee reviews each Board member's continuation on the Board every three years, and each Board Member is thus afforded an opportunity to confirm his or her desire to continue as a member of the Board.

2. Director Responsibilities

A. Board's Role. The Company's business is managed under the direction of the Board, which represents the interests of the Company and its stockholders. The Board is responsible for ensuring that the Company has in place quality management focused on achieving competitive business performance over the long term. The Board fulfills its role (directly or by delegating certain responsibilities to its committees) by (a) providing advice and counsel to the Chief Executive Officer and principal senior executives; (b) selecting, regularly evaluating, fixing the compensation of, and, where appropriate, replacing the Chief Executive Officer; (c) overseeing the conduct of the Company's business and strategic plans to evaluate whether the business is being properly managed;

(d) reviewing and approving the Company's financial objectives and major corporate plans and actions; (e) reviewing and approving major changes in the Company's auditing and accounting principles and practices; (f) providing oversight of internal and external audit processes and financial reporting; (g) providing oversight of risk assessment and protection processes and processes designed to promote legal compliance; and (h) performing such other functions as the Board believes reasonably appropriate or advisable or as otherwise prescribed by law, rules and regulations. To carry out these responsibilities, the directors recognize that they have obligations individually and collectively to pay careful attention and be properly informed. They also recognize that candor and the avoidance of conflicts in fact and in perception are hallmarks of the accountability owed to the Company's stockholders. Each director has a personal obligation to disclose a potential conflict of interest to the Chairman of the Board prior to any Board decision related to any matter, and if the Chairman, in consultation with legal counsel, determines that a conflict exists or the perception of a conflict is likely to be significant, such director is obligated to recuse himself or herself from any discussion or vote related to such matter. In discharging their obligations, members of the Board are entitled to rely on the honesty and integrity of the Company's senior executives and its advisors and auditors.

B. Board and Committee Meetings; Confidentiality. The Board and each of its committees hold regularly scheduled meetings and additional special meetings as needed and also act from time to time by unanimous written consent in lieu of a meeting. Members of the Board are expected to attend Board meetings and meetings of the Board committees on which they serve, either in person or by telephone, spend the amount of time at such meeting which is needed to fully review and consider the subjects and issues discussed at such meetings, and meet as frequently as reasonably necessary to properly discharge their responsibilities. The Chairman of the Board, in consultation with management, establishes the agenda for each Board meeting. Any Board member may suggest the addition of agenda items for any meeting of the Board. Each Board member also is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The agenda for each committee meeting is established by the chairperson of that committee, in consultation with other members of the committee and with management, and each committee member is free to raise at any committee meeting subjects that are not on the agenda for that meeting. Materials and information which are important to an understanding of the business to be conducted at each Board and committee meeting generally are distributed to each member of the Board or committee sufficiently in advance of such meeting to afford him or her an adequate opportunity to review and consider such materials and information prior to the meeting and be prepared to discuss them at the meeting and make informed judgments. The proceedings and deliberations of the Board and its committees are confidential. Each member of the Board is required to maintain the confidentiality of information received in connection with his or her service as a member of the Board.

C. Executive Sessions. Those members of the Board who qualify as "independent" within the meaning of the applicable rules of the New York Stock Exchange, as determined by the Board in accordance with the criteria described in Section 1A above, meet in

scheduled executive sessions without management present at least four times a year. These executive sessions serve as the forum for evaluation of the performance of management and of the Board, as well as discussion of any other matter that the independent directors so choose. The chairpersons of the Audit, Compensation and Nominating & Corporate Governance Committees of the Board rotate annually the responsibility for presiding at these sessions, and the name of the presiding director during each year is disclosed in the Company's annual proxy statement or such other stockholder communication as mandated by rule or regulation.

D. Communication by the Board. The Board believes that management should speak for the Company and that the Chairman of the Board should speak for the Board. Individual Board members may, from time to time, be asked to meet or otherwise communicate with various constituencies about the Company. Such requests often raise sensitive issues involving confidentiality, selective disclosure and inside information, and in these instances, members of the Board should first consult with the Chairman of the Board for guidance before making such communications.

3. Board Committees

A. Committees. The Board currently has three standing committees: (i) the Audit Committee, (ii) the Compensation Committee, and (iii) the Nominating & Corporate Governance Committee. Each member of these committees must qualify as "independent" within the meaning of applicable rules of the New York Stock Exchange, as determined by the Board in accordance with the independence criteria described in Section 1A above. In addition, all Audit Committee members must meet the additional requirements for audit committee membership prescribed under Section 301 of the Sarbanes-Oxley Act of 2002 and related rules of the Securities and Exchange Commission and the New York Stock Exchange.

B. Appointment. Committee members and chairpersons are appointed by the Board based on the recommendation of the Nominating & Corporate Governance Committee, after consultation with the individual members of the Board. The Nominating & Corporate Governance Committee shall consider rotation of the committee members and chairpersons annually, but that rotation shall not be mandated by policy.

C. Charters. The Board has adopted separate charters setting forth the purposes, goals and responsibilities of each of its committees. The charters also set forth qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and procedures for reporting to the Board. Each charter is required to comply with applicable New York Stock Exchange rules and all other applicable laws, rules and regulations. Each committee is required to periodically review its charter and propose modifications to the full Board for consideration and approval as appropriate.

D. Access to Outside Advisors. The Board and each committee have the power to hire independent legal, financial or other advisors, as they may deem reasonably necessary or advisable, without consulting or obtaining the approval of any officer of the Company.

E. Creation of Additional Committees. The Board may, from time to time, establish or maintain additional committees, as it deems reasonably necessary or appropriate.

F. Dissolution of Committees. The Board shall have the authority to dissolve any committee of the Board (other than the Audit Committee, Compensation Committee or Nominating & Corporate Governance Committee) at any time, based on the recommendation of the Nominating & Corporate Governance Committee.

4. Director Access to Management and Employees

A. Access to Management and Employees. Members of the Board have full and free access to senior management and other employees of the Company to discuss the business affairs of the Company.

B. Internal Reporting; Whistleblower Protection. The Board has established procedures for the submission and confidential treatment of complaints and concerns of employees regarding actual or suspected violations of any federal, state, local or foreign law, ordinance or regulation applicable to the Company, any rule or regulation of a regulatory authority to which the Company is subject and the Company's Code of Conduct. The Company also has adopted a "Whistleblower" Policy setting forth the Company's policies and procedures for reporting suspected violations of legal, accounting, internal control and auditing requirements and for ensuring freedom from discrimination, retaliation and harassment for reporting such violations.

5. Director Compensation

Only non-management members of the Board receive compensation for service as a member of the Board. To create a direct link with corporate performance, the Board believes that a meaningful portion of the total compensation payable to non-management directors should be provided and held in common stock of the Company. The Nominating & Corporate Governance Committee of the Board periodically reviews the form and amounts of non-management director compensation and makes recommendations to the Board with respect thereto. The Board sets the form and amounts of non-management director compensation, taking into account the recommendations of the Nominating & Corporate Governance Committee. The Board believes that the amount of non-management director compensation should fairly reflect the contributions of the non-management directors to the performance of the Company. Management periodically prepares and provides to the chairperson of the Nominating & Corporate Governance Committee a report on the non-management director compensation policies and practices of the Company's principal competitors and other comparable companies.

In determining the form and amount of compensation, the Board shall also review charitable contributions by the Company to organizations with which any director is affiliated. In addition, the Board shall review all consulting contracts with, or other arrangements that provide any other indirect forms of compensation to, any current or former director.

6. Director Orientation and Continuing Education

The Nominating & Corporate Governance Committee advises management on, and management provides, orientation programs and information for new members of the Board, including background material on the Company and its business. The Nominating & Corporate Governance Committee also advises the Board on appropriate continuing educational sessions for Board members, which may include sessions provided by management and accredited outside advisors.

7. Chief Executive Officer Performance Evaluation; Management Succession

A. CEO Performance Evaluation. The Compensation Committee conducts, and reports to the Board for approval, an annual review of the Chief Executive Officer's performance in the context of the overall goals, objectives and strategic plans of the Company, the Company's strength and performance relative to its competitors and peer companies, stockholder return, the Company's Code of Conduct and other measures of management and Company performance, as determined by the Compensation Committee and the Board. The Board reviews the Compensation Committee's report in order to ensure that the Chief Executive Officer is providing appropriate leadership for the Company.

B. Succession Planning. The Board, acting through the Nominating & Corporate Governance Committee, reviews, discusses with management and, once it approves the plan, presents to the Board for approval a management succession plan developed by the Chief Executive Officer to ensure continuity in senior management. This plan should address (i) emergency Chief Executive Officer succession; (ii) Chief Executive Officer succession in the ordinary course of business; and (iii) succession for the other members of senior management. The plan should include an assessment of senior management experience, performance, skills and planned career paths.

8. Annual Performance Evaluation

The Board conducts an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating & Corporate Governance Committee receives comments from all members of the Board and reports annually to the Board with an assessment of the Board's performance. The assessment focuses on the Board's contributions to the performance of the Company and specifically focuses on areas in which the Board or management believes that the Board could improve. In addition, each of the Audit Committee, the Compensation Committee and the Nominating & Corporate Governance Committee annually reviews its own performance and reports the results of its review to the full Board.

9. Code of Conduct

The Board has adopted the Company's Code of Conduct, which applies to all directors, officers and employees of the Company. The Nominating & Corporate Governance Committee annually reviews the Code of Conduct and proposes modifications to the Board for consideration as appropriate.

10. Insider Trading Policy

The Company's directors, officers and employees are permitted to effect transactions in the Company's stock only during certain open trading windows and with the prior written approval of the Company's Compliance Director. Furthermore, no director, officer or employee who is aware of any material, non-public information about the Company may, directly or through family members or other persons or entities, (a) buy or sell securities of the Company or engage in any other action to take personal advantage of that information, or (b) pass that information on to others outside the Company, including friends and family.

11. Loans to Directors and Officers

Loans to directors and executive officers are prohibited by Section 402 of the arbanes-Oxley Act of 2002. The Company's LaBranche Financial Services, Inc. subsidiary may, in the ordinary course of its business, extend margin loans to employees permitted under the rules or regulations of the Board of Governors of the Federal Reserve System pursuant to Section 7 of the Securities Exchange Act of 1934, as amended, which are (i) not used to purchase stock of the Company, (ii) of a type generally made available to the public, and (iii) on market terms or terms no more favorable than those offered to the general public for margin borrowings.

12. Stockholder Communications with the Board

Stockholders may send confidential communications to the Board by writing to:

Secretary
LaBranche & Co Inc.
One Exchange Plaza
New York, NY 10006

The Secretary is responsible for keeping a log of all communications received from Company stockholders summarizing the nature of each communication. Communications regarding accounting, internal accounting controls and auditing matters, including violations of the Company's Code of Conduct, are sent to the Audit Committee, the General Counsel or the Director of Internal Audit. Communications (or a reasonable summary thereof) regarding Board nominations and corporate governance issues are transmitted to the Nominating & Corporate Governance Committee. All other communications (or a reasonable summary thereof) are transmitted by the Secretary to

the Audit Committee, which determines whether such communications should be transmitted to the full Board or to another committee of the Board.

13. Amendment; Disclosure

Recognizing that best practices for corporate boards of directors and practical considerations may change over time, the Board will monitor developments in the corporate governance arena and will amend these Corporate Governance Guidelines as it deems appropriate. As required by the New York Stock Exchange, these Corporate Governance Guidelines, as amended from time to time, shall be posted on the Company's website.