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# **Jefferies Group, Inc.**

**Board of Directors**

**Charter of the Corporate Governance and Nominating Committee**

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Amended December 4, 2006  
Amended March 21, 2011  
Amended November 29, 2011

## Purpose of Committee

The purpose of the Corporate Governance and Nominating Committee (the "Committee") of the Board of Directors (the "Board") of Jefferies Group, Inc. (the "Company") is to recommend individuals to the Board for nomination as members of the Board and its committees and to develop and recommend to the Board a set of corporate governance principles applicable to the Company. The Committee shall report to the Board on a regular basis and not less than once a year.

## Committee Membership

The Committee shall consist solely of three or more members of the Board, each of whom is, in the business judgment of the Board, "independent" under the New York Stock Exchange Listed Company Manual. The initial members of the Committee shall be appointed by the Board. Candidates to fill subsequent vacancies in the Committee shall be nominated by the Committee as set forth below and appointed by the Board. Members shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

## Committee Structure and Operations

The Board shall designate one member of the Committee as its chairperson. In the event of a tie vote on any issue, the chairperson's vote shall decide the issue. The Committee shall meet in person or telephonically at least once a year at a time and place determined by the Committee chairperson, with further meetings to occur or actions to be taken by unanimous written consent when deemed necessary or desirable by the Committee or its chairperson.

## Committee Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

- 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.
- To identify individuals believed to be qualified to become Board members and to recommend to the Board the nominees to stand for election as directors at the annual meeting of stockholders or as otherwise provided in the Company's by-laws. In the case of a vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Committee shall recommend to the Board an individual to fill such vacancy either through appointment by the Board or through election by stockholders. In nominating candidates, the Committee shall take into consideration such factors as it deems appropriate. These factors may include judgment, skill, diversity, experience with businesses and other organizations of comparable size, the interplay of the candidate's experience with the experience of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any committees of the Board. The Committee may consider candidates proposed by management, but is not required to do so.
- To take reasonable steps to add women and minority candidates to the pool of individuals from which new Board nominees are chosen through, among other things, attempting to seek women and minority candidates as part of every Board search and considering diverse candidates from non-traditional venues. As and if appropriate, to report to shareholders, at reasonable expense and omitting proprietary information, its efforts to encourage diversified representation on the Board.
- To identify Board members qualified to fill vacancies on any committee of the Board, including the Committee, and to recommend that the Board appoint the identified member or members to the respective committee. In nominating a candidate for committee membership, the Committee shall take into consideration the factors set forth in the charter of the committee, if any, as well as any other factors it deems appropriate, including without limitation the consistency of the candidate's experience with the goals of the committee and the interplay of the candidate's experience with the experience of other committee members. Establish procedures for the Committee to exercise oversight of the evaluation of the Board. Develop and recommend to the Board a set of corporate governance principles applicable to the Company, and to review those principles at least once a year.

- Prepare and issue the evaluation required under "Performance Evaluation" below.
- To review and take action, including approving and ratifying if necessary, concerning any transactions, or proposed transactions, involving employees, directors, or members of their immediate families and the Company that may involve conflicts of interest or competitive opportunities or other conduct which may be prohibited pursuant to the Company's Corporate Governance Guidelines and Code of Ethics.
- Any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the nomination of Board and committee members.

## **Performance Evaluation**

The Committee shall produce and provide to the Board an annual performance evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation shall also recommend to the Board any improvements to the Committee's charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.

## **Delegation to Subcommittee**

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

## **Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants. The Committee shall have the sole authority to select and retain a consultant or search firm, to terminate any consultant or search firm retained by it, and to approve the consultant or search firm's fees and other retention terms.