

**AMENDED AND RESTATED CHARTER OF THE  
COMMITTEE ON DIRECTORS AND CORPORATE GOVERNANCE  
OF  
GLEACHER & COMPANY, INC.**

*Effective as of March 11, 2010  
(Name Change as of May 27, 2010)*

**PURPOSE**

The purpose of the Committee on Directors and Corporate Governance (the “Committee”) is to:

- assist the Board of Directors (the “Board”) of Gleacher & Company, Inc. (the “Company”) in developing and implementing policies and procedures intended to assure that the Board, including its standing committees, will be appropriately constituted and organized to meet its fiduciary obligations to the Company and its shareholders on an ongoing basis;
- assist the Board in identifying individuals qualified to become Board members and to recommend director nominees for election; and
- periodically review the Company’s Corporate Governance Guidelines.

**MEMBERSHIP**

The Committee shall consist of two or more members, each of whom shall be independent. The Committee members shall be appointed by the Board at the annual meeting of the Board, although vacancies may be filled, or new members of the Committee otherwise appointed, at any time. When appointing the Committee members, the Board shall take into consideration the recommendations of the Committee and the Company’s Corporate Governance Guidelines, and shall determine that each member has the appropriate experience and interest to carry out his/her duties and responsibilities. The Committee members shall serve for one-year terms, or until their earlier resignation, death or removal by the Board. The Committee shall appoint the Committee’s Chairperson.

**DUTIES AND RESPONSIBILITIES**

*Directors*

The Committee shall:

- Develop and recommend to the Board specific guidelines and criteria for membership on the Board, and in consultation with the chairs thereof, each of its standing committees, such as depth of experience, industry background and knowledge, balance of business interest and experience, relationship with

management, ownership of interests in the Company, required expertise and other qualifications for membership on each committee.

- Have the responsibility for developing, in consultation with all Directors, a pool of potential Director candidates and review and advise the Board as to the qualifications of potential candidates.
- Recommend to the Board, based on an assessment of the perceived needs of the Board at that time (i) those persons to be nominated for membership on the Board who shall be submitted to the shareholders for election at each annual meeting of shareholders and (ii) the nominees for Directors to be appointed by the Board to fill vacancies and newly created Directorships.
- In considering candidates for the Board, consider such factors as:
  - At least a majority of the Board shall be comprised of independent directors.
  - Candidates should be capable of working in a collegial manner with persons of different educational, business and cultural backgrounds and should possess skills and expertise that complement the attributes of the existing directors.
  - Candidates should represent a diversity of viewpoints, backgrounds, experiences and such other demographics as the Committee may determine.
  - Candidates should possess senior-level business, management or other relevant experience that would benefit the Company.
  - Candidates shall be individuals of high moral character and integrity.
  - Candidates shall be capable of devoting the necessary time to discharge their duties.
- In consultation with the chairs of the standing committees, make recommendations to the Board regarding the assignment of Board members to various committees.
- Consider the performance of incumbent members of the Board and its standing committees (which are responsible for evaluating committee performance) in determining whether to recommend that they be nominated for reelection and consider and report annually to the Board regarding the performance, contribution and efficacy of the Board.

- In consultation with the chairs of the standing committees, review and make recommendations to the Board regarding the nature and duties of the Board committees, including but not limited to:
  - the charter, duties and powers of Board committees according to existing and planned Company objectives;
  - the adequacy of the number of committee meetings per year;
  - the format of committee meetings and recommendations for the improvement of such meetings;
  - the perceived need for particular strengths on each of the committees;
  - the appropriate level and forum of interaction between management and other employees and each of the committees;
  - the term of office for committee members; and
  - any policy of periodic rotation of Directors among the committees, and any limitations on the number of consecutive years a Director should serve as a member of any one Board committee.
  
- In light of the operating requirements of the Company and existing social attitudes and trends, review, evaluate and make recommendations to the Board annually concerning the size, composition and leadership structure of the Board, including but not limited to:
  - retirement policies for non-employee Directors;
  - the desirable ratio of employee and non-employee Directors;
  - the desirability of diversity on the Board;
  - the perceived need for particular strengths;
  - the appropriate level and forum of interaction between management and other employees and members of the Board;
  - the adequacy of the number of Board meetings per year;
  - the format of Board meetings, including non-board attendance and the need for executive sessions in light of applicable Nasdaq rules; and
  - any changes in Director compensation.

The Committee shall:

- Review the Company's Corporate Governance Guidelines at least once per year and, if deemed appropriate, recommend any changes to the Board for approval, taking into account the provisions of the Securities Exchange Act of 1934, as amended, the rules and standards of NASDAQ, and any other sources that the Committee deems appropriate.
- The Chairperson of the Committee shall lead the Board of Directors in an evaluation of the Board. The Chairperson shall collect and review evaluations submitted by the directors and lead one or more discussions with respect thereto and recommend to the Board any changes in Board structure or procedures as the Chairperson deems appropriate.
- Review, at least once a year, the Company's Code of Business Conduct and Ethics and recommend to the Board any revisions the Committee deems necessary or desirable.
- Conduct an annual self-evaluation and report its findings to the Board.
- Review the adequacy of this charter on an annual basis and recommend changes to the Board for approval.

## **MEETINGS**

- The Committee shall meet with such frequency and at such intervals as it shall determine is necessary to carry out its duties and responsibilities, but in any case, not less than once a year. The Committee will meet at such times as determined by its Chairperson or as requested by any two of its members. Notice of all meetings shall be given, and waiver thereof determined, pursuant to the provisions contained in the Company's Bylaws. The Chairperson will preside, when present, at all meetings of the Committee. The Committee may meet by telephone or video conference and may take action by written consent.
- Each member of the Committee shall have one vote. One-third of the members, but not less than two, shall constitute a quorum. The Committee shall be authorized to take any permitted action only by the affirmative vote of a majority of the Committee members present at any meeting at which a quorum is present, or by the unanimous written consent of all of the Committee members.
- The Committee shall maintain copies of minutes of each meeting of the Committee and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. A copy of the minutes of each meeting and all consents shall be placed in the Company's minute book.

## **EXTERNAL ADVISERS**

The Committee shall have the authority to retain and terminate consultants to assist in the identification and evaluation of Director candidates, including the sole authority to approve the consultants' fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from any officer or employee of the Company or any outside legal, expert or other adviser.

## **DISCLOSURE**

This charter is available on the Company's website at [www.gleacher.com](http://www.gleacher.com).