

**CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE  
COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
UNITED ONLINE, INC.**

**AS AMENDED AND RESTATED BY THE BOARD ON FEBRUARY 13, 2013**

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**I. PURPOSE OF THE COMMITTEE**

The purposes of the Nominating and Corporate Governance Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of United Online, Inc. (the “**Corporation**”) shall be to identify and to recommend to the Board individuals qualified to serve as directors of the Corporation and on committees of the Board; to advise the Board with respect to Board and committee composition and procedures; to monitor and oversee corporate governance matters related to the Corporation; to oversee the evaluation of the Board; and to assist the Board in connection with succession planning.

**II. COMPOSITION OF THE COMMITTEE**

The Committee shall consist of three or more directors, as determined from time to time by the Board. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of The Nasdaq Stock Market, Inc. (“**Nasdaq**”), and any additional requirements that the Board deems appropriate.

The chairperson of the Committee shall be designated by the Board, *provided* that if the Board does not so designate a chairperson, the members of the Committee, by a majority vote, may designate a chairperson. The chairperson of the Committee shall rotate as determined by the Board after reviewing the Committee’s recommendations.

Any vacancy on the Committee shall be filled by a majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

**III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less frequently than annually. The Committee, in its discretion, may ask other directors, members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that no subcommittee shall consist of fewer than two members; and *provided further* that the Committee shall not delegate to a subcommittee any

power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

The Committee shall maintain minutes of its meetings and records relating to those meetings and shall report regularly to the Board on its activities, as appropriate.

#### **IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

##### ***A. Board Candidates and Nominees***

The Committee shall have the following duties and responsibilities with respect to Board candidates and nominees:

(a) To lead the effort in identifying, recruiting and, if appropriate, interviewing candidates to fill positions on the Board, including persons suggested by stockholders or others. The Committee may, if it deems appropriate, establish procedures to be followed by stockholders in submitting recommendations for Board candidates.

(b) To review the background and qualifications of individuals being considered as director candidates. Among the qualifications considered in the selection of candidates, the Committee shall look at the following attributes and criteria of candidates: experience, skills, expertise, diversity, personal and professional integrity, character, business judgment, time availability in light of other commitments, dedication, conflicts of interest and such other relevant factors that the Committee considers appropriate in the context of the needs of the Board.

(c) To recommend to the Board the director nominees for election by the stockholders or appointment by the Board, as the case may be, pursuant to the Bylaws of the Corporation, which recommendations shall be consistent with the criteria for selecting directors established by the Board from time to time.

(d) To review the suitability for continued service as a director of each Board member when his or her term expires and when he or she has a change in status, including but not limited to an employment change, and to recommend whether or not the director should be re-nominated.

##### ***B. Board Composition and Procedures***

The Committee shall have the following duties and responsibilities with respect to the composition and procedures of the Board as a whole:

(a) To review periodically the size and structure of the Board and to recommend to the Board any appropriate changes.

(b) To make recommendations on the frequency and structure of Board meetings.

(c) To make recommendations concerning any other aspect of the procedures of the Board that the Committee considers warranted, including but not limited to procedures with respect to the waiver by the Board of any Corporation rule, guideline, procedure or corporate governance principle.

### **C. Board Committees**

The Committee shall have the following duties and responsibilities with respect to the committee structure of the Board:

(a) To make recommendations to the Board regarding the size and composition of each standing committee of the Board, as well as the Committee, including the identification of individuals qualified to serve as members of a committee, and to recommend individual directors to fill any vacancy that might occur on a committee.

(b) To monitor the functioning of the committees of the Board and make recommendations for any changes, including the creation and elimination of committees.

(c) To review annually committee assignments and any policies with respect to the rotation of committee memberships and/or chairpersonships and to report any recommendations to the Board.

(d) To recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.

### **D. Corporate Governance**

The Committee shall have the following duties and responsibilities with respect to corporate governance:

(a) To develop and recommend to the Board a set of corporate governance guidelines for the Corporation, which shall be consistent with any applicable laws, regulations and listing standards.

(b) To review periodically, and at least annually, the corporate governance guidelines adopted by the Board to assure that they are appropriate for the Corporation and comply with the requirements of Nasdaq and to recommend any desirable changes to the Board.

(c) To consider any developments in law and practice and any other corporate governance issues that arise from time to time and to develop appropriate recommendations for the Board in response thereto.

(d) To periodically review the Corporation's Code of Ethics to assure that it is appropriate for the Corporation and complies with the requirements of Nasdaq and to recommend any desirable changes to the Board.

***E. Evaluation of the Board and its Committees***

The Committee shall have the following duties and responsibilities with respect to evaluation of the Board:

(a) The Committee shall be responsible for overseeing the evaluation of the Board and each committee and shall evaluate and report to the Board on the performance and effectiveness of the Board and each committee. The Committee shall establish procedures to allow it to exercise this oversight function.

(b) The Committee shall evaluate and recommend termination of membership of individual directors in accordance with the Board's corporate governance principles, for cause or for other appropriate reasons.

(c) In the event it is necessary to select a new Chairman of the Board, the Committee shall lead the process and initiate evaluation, consideration and screening of potential candidates. The full Board shall have the final responsibility to select the Chairman of the Board.

***F. Assist in Succession Planning***

The Committee shall assist the Board in selecting the Corporation's Chief Executive Officer. At least annually, the Committee shall report to the Board on succession planning, which shall include appropriate contingencies in case the Chief Executive Officer retires, resigns or is incapacitated. The full Board shall have the final responsibility to select the Corporation's Chief Executive Officer.

***G. Perform Additional Duties***

The Committee shall perform such additional activities, and consider such other matters, within the scope of its responsibilities as the Committee or the Board deems necessary or appropriate.

**V. EVALUATION OF THE COMMITTEE**

The Committee shall, on an annual basis, evaluate its performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend to the Board such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings

of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Corporation's or the Board's policies or procedures.

## **VI. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Corporation's expense, such independent counsel or other consultants or advisers as it deems necessary. The Committee shall have concurrent authority with the Board (or any other committee of the Board to which such authority is delegated) to retain or terminate any search firm to be used to identify director or chief executive officer candidates, including authority to approve the search firm's fees and other retention terms, such fees to be borne by the Corporation.

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While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or state law. Each member of the Committee, in the performance of his or her duties, will be entitled to rely in good faith upon reports presented to the Committee by the Corporation's officers, employees, and other persons who may be engaged by the Committee who may have more time, knowledge and detailed information about the Corporation than do the Committee members. The Committee will review information, opinions, reports or statements of such persons presented to the Committee as to matters the Committee members reasonably believe are within such other persons' professional or expert competence. Accordingly, the Committee's role does not provide any special assurances with regard to matters that are outside the Committee's area of expertise or that are the traditional responsibility of management.