

**CHARTER FOR
THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE
OF
STAGE STORES, INC.
(As of March 28, 2007)**

I. DESCRIPTION AND PURPOSE

The Corporate Governance and Nominating Committee (the "Committee") is a standing committee of the Board of Directors (the "Board") of Stage Stores, Inc. (the "Company"). The Committee's primary functions are (i) to maintain and review the Company's Corporate Governance Guidelines (the "Guidelines") and propose changes to the Guidelines as corporate governance developments warrant, (ii) to consider any director candidates recommended by shareholders, (iii) to identify, recruit and recommend potential candidates for nomination as directors to the Board and to nominate directors for membership on Board committees, (iv) to evaluate the overall performance of the Board, and (v) report annually to the Board on the status of the Chief Executive Officer's succession plan. The Committee shall assist the Board in fulfilling its corporate governance and oversight responsibilities by reviewing corporate governance issues that may be brought before the Board, by exercising oversight over the Guidelines, by nominating qualified individuals as directors and reviewing their performance, and by reviewing applicable laws and regulations related to corporate governance matters.

II. COMPOSITION AND INDEPENDENCE REQUIREMENT

A. Composition

The Committee shall consist of at least three members, all of whom are Independent Directors, as that term is defined below. The Board shall designate one of the Committee members as the Chairman of the Committee.

B. Independent Director

As used in this Charter, "Independent Director" means a member of the Board who does not have a material relationship with the Company, including any of its subsidiaries (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). A director is not independent if::

1. The director is, or has been within the last three years, an employee of the Company, or an Immediate Family Member is, or has been within the last three years, an Executive Officer of the Company;
2. The director has received, or has an Immediate Family Member who has received, during any twelve-month period within the last three years, more than \$100,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is contingent in any way on continued service);

3. The director or an Immediate Family Member is a current partner of a firm that is the Company's internal or external auditor; the director is a current employee of such a firm; the director has an Immediate Family Member who is a current member of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or the director or an Immediate Family Member was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company's audit within that time;
4. The director or an Immediate Family Member is, or has been within the last three years, employed as an Executive Officer of another company where any of the Company's present Executive Officers at the same time served on that company's compensation committee; or
5. The director is a current employee, or an Immediate Family Member is a current Executive Officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues. In applying this test, both the payments and the consolidated gross revenues to be measured shall be those reported in the last completed fiscal year. The look-back provision for this test applies solely to the financial relationship between the Company and the director or Immediate Family Member's current employer; the Company need not consider former employment of the director or Immediate Family Member.

For purposes of independence, any three year look back periods commence on the date the relationship ceases.

An "Executive Officer" means the Company's chief executive officer, president, principal financial officer, principal accounting officer (or, there is no such accounting officer, the controller), any vice president of the Company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy making function, or any other person who performs similar policy-making functions for the Company.

An "Immediate Family Member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home.

III. MEETINGS

The Committee shall meet as frequently as circumstances require, but in any event on a quarterly basis. The Committee may ask members of management or others to attend meetings and may provide pertinent information to them as the Committee deems necessary. The Committee shall meet privately in executive session at least annually

with management, the remaining directors and as a committee to discuss any matters that the Committee or any of those groups believe should be discussed. Minutes shall be taken for each Committee meeting which shall then be approved at the next meeting of the Committee.

IV. RESPONSIBILITIES AND DUTIES

The Committee's primary responsibilities and duties are as follows:

A. Corporate Governance

1. Recommend the Guidelines;
2. Oversee compliance with the Guidelines; and
3. Periodically evaluate the Guidelines and the Company's corporate governance procedures.

B. Nomination

1. Identify, recruit and recommend potential candidates for nomination as directors;
2. Consider any director candidates recommended by shareholders;
3. Make recommendations to the Board concerning the structure and membership of the Committee and the other Board committees; and
4. Review director performance with input from other directors, at the time of re-nomination.

C. Evaluation

1. Annually evaluate the overall performance of the Board;
2. Periodically, but no less than annually, review and evaluate this Charter and the charters of the other Board committees as needed to ensure compliance with the Guidelines and applicable laws and regulations;
3. Periodically, but no less than annually, evaluate the assignment of directors to the Committee and to other Board committees to ensure compliance with the Guidelines and applicable laws and regulations;
4. Periodically, but no less than annually, evaluate director compensation to ensure that the Company's directors are compensated in a manner consistent with the Company's peer group;

5. Periodically review with legal counsel any legal and regulatory matters that may have a material impact on the Guidelines and the Company's corporate governance process;
6. Through the Chairman, provide any necessary counseling to a director in the area of corporate governance; and
7. Report Committee actions and the Committee's evaluation of the overall performance of the Board to the Board with such recommendations as the Committee may deem appropriate.

D. Director Qualifications; Process for Identifying and Evaluating Nominees

1. Nominees for director shall possess the following minimum qualifications: broad experience, wisdom, integrity, the ability to make independent analytical inquiries, an understanding of the Company's business environment, and a willingness to devote adequate time to Board duties. The Committee shall be responsible for assessing the appropriate balance of skills and qualifications required of directors.
2. In identifying and evaluating nominees for director, including nominees recommended by shareholders, the Committee shall implement such process, as it deems appropriate including, in its sole discretion, retaining a third party or third parties to identify or evaluate or assist in identifying or evaluating potential nominees and to conduct background checks limited to the information requested in the Company's then current Director and Executive Officer Questionnaire prior to their initial nomination to the Board. However, at a minimum, each nominee for director shall (a) meet the minimum qualifications set forth above, (b) have at least one interview with the Committee and with any other Board member who requests an interview, and (c) complete and sign the Company's Director and Executive Officer Questionnaire in a form deemed appropriate by the Board prior to his or her nomination to the Board. Each director shall no less than annually complete and sign a Director and Executive Officer Questionnaire in a form deemed appropriate by the Board. In the event any information contained on a director's most recent Director and Executive Officer Questionnaire become incomplete or inaccurate, it shall be the responsibility of the director to provide complete and accurate information to the Committee within thirty days.
3. When formulating its director recommendations, the Committee shall also consider any advice and recommendations offered by the Company's Chief Executive Officer and any non-committee members of the Board.
4. When formulating its director recommendations, the Committee shall also consider any written recommendations received from the shareholders of

the Company. There shall be no difference in the manner in which the Committee evaluates nominees for director based on whether the nominee is recommended by a shareholder.

E. Proxy Statement Disclosure of Director Nominees

To the extent required by applicable law or SEC rule or regulation, the Company shall include the following information in its proxy statements where directors are to be elected:

1. With regard to each nominee approved by the Committee for inclusion on the Company's proxy card (other than nominees who are executive officers or who are directors standing for re-election), a statement as to which one or more of the following categories of persons or entities recommended that nominee; shareholder, non-management director, chief executive officer, other executive officer, third-party search firm, or other, specified source;
2. If the Company pays a fee to any third party or parties to identify or evaluate or assist in identifying or evaluating potential nominees, disclosure of the function performed by each such third party; and
3. If the Committee received, by a date not later than the 120th calendar day (or such other date as may be established by SEC rule or regulation) before the date of the Company's proxy statement released to shareholders in connection with the previous year's annual meeting, a recommended nominee from a shareholder that beneficially owned more than 5% of the Company's voting common stock for at least one year as of the date the recommendation was made, or from a group of shareholders that beneficially owned, in the aggregate, more than 5% of the Company's voting common stock, with each of the securities used to calculate that ownership held for at least one year as of the date the recommendation was made, the Company shall, in the Company's proxy statement (a) identify the candidate and the shareholder or shareholder group that recommended the candidate and (b) disclose as to whether the Committee chose to nominate the candidate, provided, however, that no such identification or disclosure is required without the written consent of both the shareholder or shareholder group and the candidate to be so identified.

F. Succession Planning

The Committee shall make an annual report to the Board on emergency as well as expected Chief Executive Officer succession planning. With input from the entire Board, the Committee shall nominate and evaluate potential successors to the Chief Executive Officer for consideration by the Board. The Chief Executive Officer shall provide the Committee with his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

V. INVESTIGATIONS

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities and duties and it has direct access to anyone in the Company. The Committee has the ability to retain, at the Company's expense, legal, accounting, or other consultants or experts it deems necessary to fulfill its responsibilities and duties.

VI. WRITTEN AFFIRMATION

Once each year the Committee shall provide the Company through the Board, and, if required, the Company shall provide to the SEC and to the NYSE, or such other primary stock exchange on which the Company's securities are traded, written confirmation regarding:

1. Any determination that the Board has made regarding the independence of directors who are members of the Committee or any other Board committees;
2. Any determination that the Board has made regarding adherence to, or deviation from, the Guidelines or other corporate governance policies; and
3. The annual review and reassessment of the Guidelines, this Charter and the Charters of the other committees of the Board. .

VII. CERTIFICATION

If required, the Company shall certify to the NYSE, or such other primary stock exchange on which the Company's securities are traded, that it has adopted a formal written charter or board resolution, as applicable, addressing the nominating process and such related matters as may be required under the federal securities laws.

VIII. AVAILABILITY OF CHARTER TO SECURITY HOLDERS

The Company shall provide its security holders with a copy of this Charter by either (i) posting a current copy on the Company's website and providing its website address in its proxy statement, or (ii) including a current copy as an appendix to its proxy statement at least once every three fiscal years.

IX. CONSULTANTS

The Committee has the authority to retain, from time to time and at the Company's expense, consultants to assist the Company in identifying and recruiting potential directors for nomination, in evaluating director compensation, and to otherwise carry out its responsibilities and duties.