

**DIRECTOR NOMINATION POLICY**  
**OF**  
**INFOSPACE, INC.**  
**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**

**Adopted: March 15, 2004**

The purpose of this Director Nomination Policy is to describe the process by which candidates for possible inclusion in the Company's recommended slate of director nominees are evaluated and selected. The Policy is administered by the Nominating and Governance Committee of the Board of Directors.

**Director Qualifications**

The Company's Corporate Governance Guidelines (the "Guidelines") state that the Nominating and Governance Committee (the "Committee") shall, "in accordance with the charter and principles of that committee" annually review the "appropriate skills and characteristics required of board members as well as the composition of the board as a whole." The Guidelines further state that such review will include the board members' independence under applicable standards and rules as well as consideration of "diversity, skills, age and experience and the general needs of the board." The Committee's objective, pursuant to its charter, is to ensure that the Board is properly constituted to meet its fiduciary obligations to the Company and its shareholders.

The Committee, after consultation with the Board, executive management and the Committee's advisors, believes that it is prudent and advisable for Board candidates to possess the following minimum qualifications:

- Each Board candidate must be committed to the Company's business success consistent with the highest standards of responsibility and ethics and must represent the best interests of all of the Company's shareholders and not any particular constituency.
- Each Board candidate shall conscientiously prepare for, attend and participate in Board and applicable committee meetings and must ensure that he/she does not have such other personal or professional commitments as would limit or interfere with his or her ability to properly discharge, or which would otherwise conflict with, his or her obligations to the Company and its shareholders.
- Each Board candidate shall have an established record of professional accomplishment in his/her chosen field.
- No Board candidate (or "family member" as defined in Nasdaq rules), or affiliate or associate (each as defined under the Securities Act of 1933, as amended), of a Board candidate shall have any material personal, financial or professional interest in any competitor of the Company which, in the judgment of the Board, would limit or interfere with his or her ability to properly discharge, or which would otherwise conflict with, his or her obligations to the Company and its shareholders.

In addition, the Committee also considers it desirable that Board candidates possess the following qualities or skills:

- A Board candidate should contribute to the Board's overall diversity, with diversity being broadly construed to mean a variety of personal and professional experiences, opinions, perspectives and backgrounds.
- A Board candidate should possess professional and personal experience and expertise relevant to the Company's goal of being a leading diversified technology and services company. Relevant experiences might include (but are not limited to): executive-level experience at a public company; experience in the Internet industry; experience in the areas of the Company's core businesses -- search, directory and wireless products and services; senior level international experience; and expertise in one or more of the following areas — finance; accounting; sales and marketing; corporate development; organizational development; information technologies; and public relations.

### **Board Size**

The Company's Amended and Restated Certificate of Incorporation provides that the Board of Directors shall be composed of not less than five nor more than nine Directors, the specific number to be set by resolution of the Board, provided that the Board may be less than 5 until vacancies are filled. Our Board is also classified with each class (Class I, Class II and Class III) to be as equal in number of directors as possible and each class serving staggered three-year terms. At each annual meeting of the Company's shareholders, the number of directors equal to the number of directors in the class whose term expires at the time of such annual meeting shall be elected to serve until the third ensuing annual meeting of shareholders.

The current size of the Board has been set by Board resolution at up to a maximum of nine (9) members. According to the Company's Restated Bylaws, any vacancy occurring on the Board, whether caused by resignation, death, increase in the number of directors or otherwise, may be filled by the affirmative vote of a majority of the remaining directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office, if any. Any directorship to be filled by reason of an increase in the number of directors may be filled by the Board for a term of office continuing only until the next election of Directors, and until his or her successor shall be elected and qualify.

The criteria above, and evaluation processes below, apply to all vacancies, including those to be filled by interim appointments by the Board.

### **Identification of Candidates**

- Internal Process for Identifying Candidates

The Committee solicits ideas for possible Board candidates from a variety of sources: members of the Board, Company executives, or individuals personally known to the members of the Board or Company executives through personal or professional relationships, and research.

The Committee may also from time to time use its sole authority under its charter to "retain and terminate any search firm to be used to identify director candidates" at the Company's expense. If the Committee retains any such search firm(s), they may, at the Committee's sole discretion, be asked, among other tasks, to identify possible Board candidates who meet the qualifications set forth in this Policy; to interview such candidates; to conduct appropriate background and reference checks; and to be available for consultation as needed by the Committee and the Board.

- Candidates Proposed by Shareholders

- A. General Nomination Right

Any shareholder of the Company may nominate one or more persons for election as a director of the Company at an annual meeting of shareholders if the shareholder complies with the director nomination provisions, including without limitation the notice, information and consent provisions, set forth in the Company's Restated Bylaws. The Company's Restated Bylaws are available publicly on the Company's web site at the following address:

<http://www.infospaceinc.com/corpinfo/investor/governance.php>

- B. Proposals by Qualified Shareholders

In addition to those Board candidates identified through internal processes, the Committee will consider Board candidates proposed by "Qualified Shareholders" (as defined below) in accordance with this Policy. The procedures described in this Section B are meant to establish a further means by which certain shareholders can have access to the Company's process for identifying and evaluating Board candidates, and is not meant to replace or limit in any way shareholders' general nomination rights described in Section A above.

Any single shareholder, or group of shareholders, that has beneficially owned more than 5% of the Company's outstanding common stock for at least one (1) year and that satisfies the notice, information and consent provisions in this Policy (such individual or group, a "Qualified Shareholder"), may propose a Board candidate for evaluation by the Committee, by delivering a written notice to the Committee subject to the requirements set forth below (the "Notice"). The Notice must be received by the Committee not less than 120 calendar days before the anniversary of the date of the Company's proxy statement released to shareholders in connection with the previous year's annual meeting. Where the Company changes its annual meeting date by more than 30 days from year to year, the Notice must be received by the Committee no later than the close of business on the 10th day following the day on which notice of the date of the upcoming annual meeting is publicly disclosed.

Any Board candidate proposed by a Qualified Shareholder must be independent of the Qualified Shareholder in all respects (e.g. free of any material personal, professional, financial or business relationships from the nominating shareholder), as determined by the Committee or by applicable law. Any Board candidate submitted by a Qualified Shareholder must also qualify as an "independent director" under applicable Nasdaq rules.

The Notice shall also contain or be accompanied by the following information or documentation:

- Proof of the required stock ownership (including the required holding period) of the nominating shareholder. The Committee may determine whether the required stock ownership condition has been satisfied for any shareholder that is the registered owner. Any shareholder that is not the registered shareholder may submit one of the following to the Company to evidence the required ownership percentage and holding period:

- A written statement from the record holder of the stock (e.g. broker) verifying that, at the time the shareholder mailed the Notice, the nominating shareholder had held the required percentage of shares for at least one year; or
- If the shareholder has filed a Schedule 13D, Schedule 13G, Form 3, Form 4, and/or Form 5, or amendments to those documents or updated forms, reflecting ownership of the shares as of or before the date that the Notice was mailed, a copy of the schedule and/or form, and any subsequent amendments reporting a change in ownership level, as well as a written statement from the shareholder that the shareholder continuously held the

required percentage of shares for the one-year period as of the date that the Notice was mailed.

- A written statement that the shareholder intends to continue to own the required percentage of shares through the date of the annual meeting with respect to which the Board candidate is proposed to be nominated.
- The name or names of each shareholder submitting the proposal, the name of the Board candidate, and the written consent of each such shareholder and the Board candidate to be publicly identified.
- The nominating shareholder's business address and contact information and all other information that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to Section 14 of the Exchange Act.
- With respect to the proposed Board candidate, the following information must be provided:
  - name, age, business and residence addresses;
  - principal occupation or employment;
  - number of shares of the Company's stock beneficially owned (if any);
  - a written resume of personal and professional experiences;
  - all other information relating to the proposed Board candidate that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder (the "Exchange Act"); and
  - information, documents or affidavits demonstrating to what extent the proposed Board candidate meets the required minimum criteria, and the desirable qualities or skills, described in this Policy
- The Notice must also include a written statement that the nominating shareholder and the proposed Board candidate will make available to the Committee all information reasonably requested in furtherance of the Committee's evaluation.
- The signature of each proposed Board candidate and of each shareholder submitting the proposal.

The Notice must be delivered in writing, by registered or certified, first-class mail, postage prepaid, to the following address:

Chair, Nominating & Governance Committee  
InfoSpace, Inc.  
c/o Corporate Secretary  
601 – 108<sup>th</sup> Avenue NE, Ste. 1200  
Bellevue, WA 98004

A Notice and supporting materials, complete and properly constituted as specified under this Policy, shall be forwarded by the Corporate Secretary to the Chair of the Committee. Except as may be required by applicable law, rule or regulation, the Committee will have no obligation to acknowledge receipt of the Notice or otherwise communicate with the shareholder submitting the Notice.

## **Evaluation of Candidates**

The Committee will consider all Candidates properly identified through the processes described above, and will evaluate each of them, including incumbents, based on the same criteria.

If, based on the Committee's initial evaluation, a Board candidate continues to be of interest to the Committee, the Chair of the Committee will interview the candidate and communicate his or her evaluation to the other Committee members, the Board and executive management. If the Chair's initial evaluation is favorable, the candidate will be interviewed by the other Committee members, other Board members, the Chief Executive Officer and such other members of executive management as the Chair deems appropriate or advisable. If the results of these interviews are favorable, the Chair of the Committee will arrange to have appropriate reference and background checks conducted and the Chair will report the findings from such checks to the other Committee members, other Board members, the Chief Executive Officer and such other members of executive management as the Chair deems appropriate or advisable.

The Committee will then meet to consider and finalize its list of recommended Board candidates for the Board's consideration. Except as may be required by applicable law, rule or regulation, the Committee will have no obligation to discuss the outcome of the evaluation process or the reasons for the Committee's recommendations, with any shareholder who made a proposal.

All Board candidates (whether identified internally or by a Qualified Shareholder) who, after evaluation, are then recommended by the Committee and approved by the Board will be included in the Company's recommended slate of director nominees in its proxy statement.

## **Periodic Evaluation of Policy**

This Director Nomination Policy is intended to provide a set of flexible guidelines for the effective and efficient functioning of the Company's director nominations process. The Committee intends to review this Policy annually and anticipates that modifications will be necessary from time to time as the Company's needs and circumstances evolve, and as applicable legal or listing standards change. The Committee may modify or amend this Policy at any time. Should this occur, an amended and restated policy will be made publicly available in the investor relations section of the InfoSpace.com web site.

## **Charter**

The Nominating and Governance Committee's charter, the Company's Corporate Governance Guidelines and other materials are available publicly on the Company's web site at the following address:

<http://www.infospaceinc.com/corpinfo/investor/governance.php>

Copies of the Committee's charter and the Policy may also be obtained by a Company shareholder at no cost by sending a written request to:

Corporate Secretary  
InfoSpace, Inc.  
601 – 108<sup>th</sup> Avenue NE, Ste. 1200  
Bellevue, WA 98004