

HOUGHTON MIFFLIN HARCOURT COMPANY

NOMINATING, ETHICS AND GOVERNANCE COMMITTEE CHARTER

I. Purpose

The Nominating, Ethics and Governance Committee (the “Committee”) of the Board of Directors of Houghton Mifflin Harcourt Company, a Delaware corporation (the “Company”), shall

- (a) identify individuals qualified to become members of the Board of Directors of the Company (the “Board”), consistent with criteria approved by the Board;
- (b) recommend to the Board for approval director nominees, consistent with the Company’s director qualifications criteria and any obligations under its contractual arrangements;
- (c) develop and recommend to the Board for approval corporate governance guidelines and ethics policies applicable to the Company; and
- (d) oversee the evaluation of the Board.

II. Organization

Except as otherwise permitted by the applicable rules of The NASDAQ Stock Market (“NASDAQ”), the Committee shall consist of three or more directors, each of whom shall satisfy the applicable independence requirements of the Company’s corporate governance guidelines, The NASDAQ Stock Market (“NASDAQ”) and any other applicable regulatory requirements.

Members of the Committee shall be appointed annually by the Board and may be removed by the Board at any time. The Committee’s chairperson shall be designated by the Board or, if not so designated, the members of the Committee shall elect a chairperson by a vote of the majority of the full Committee.

The Committee may form and delegate authority to one or more subcommittees (including a subcommittee consisting of a single director) as it deems appropriate from time to time under the circumstances.

III. Meetings

The Committee shall meet at least three times per year, or more frequently as circumstances require. Meetings shall be called by the chairperson of the Committee or, if there is no chairperson, by a majority of the members of the Committee. A majority of the members of the Committee shall constitute a quorum for purposes of holding a meeting and the Committee may act by a vote of a majority of members present at such meeting. Meetings may be held telephonically or by other electronic means to the extent permitted by the Company’s organizational documents and applicable law. Committee actions may be taken by unanimous written consent.

IV. Authority and Responsibilities

To fulfill its responsibilities, the Committee shall:

1. Develop and recommend to the Board for approval the criteria for Board membership, including as to director independence and diversity, and periodically review these qualifications with the Board.
2. Identify individuals qualified to become members of the Board in a manner consistent with the criteria approved by the Board and recommend to the Board the director nominees for the next annual meeting of shareholders or to fill vacancies on the Board. As part of this process the Committee shall review each director's continuation on the Board every year. In identifying and reviewing the qualifications of candidates for membership on the Board, the Committee shall consider all factors which it deems appropriate, including the requirements of the Company's corporate governance guidelines and any other criteria approved by the Board.
3. Develop and periodically assess the Company's policies and procedures with respect to the consideration of director nominees submitted by shareholders of the Company and review the qualifications of such candidates pursuant to these policies and procedures.
4. Review and make recommendations to the Board with respect to the size, composition, purpose, structure, leadership and operations of the Board and committees of the Board, in light of committee membership requirements of NASDAQ and all requirements under federal securities laws and the rules and regulations promulgated by the Securities and Exchange Commission thereunder, in each case as in effect from time to time.
5. Review and make recommendations to the Board with respect to Board process, including the calendar, agenda and information requirements for meetings of the Board and its committees, executive sessions of non-management directors and executive sessions of independent directors.
6. Assist the Board in determining director independence, including, in connection therewith, whether individual directors have material relationships with the Company that may interfere with their independence, as provided under the requirements of the Company's corporate governance guidelines, NASDAQ or any other applicable regulatory requirements.
7. Periodically review and assess executive officer and director indemnification arrangements and recommend to the Board any changes the Committee deems appropriate; and periodically review and assess the Company's D&O insurance policies.
8. Review and recommend to the Board for approval the compensation of non-employee directors for their service to the Board of Directors.

9. Review and recommend to the Board for approval a Chief Executive Officer (“**CEO**”) and executive officer succession plan (the “**Succession Plan**”), review and recommend to the Board for approval an interim CEO succession plan in the event of an unexpected occurrence and, as the Committee deems appropriate, to review the Succession Plan from time to time with the CEO and any other executive officers and recommend to the Board for approval any changes to, or candidates for succession under, the Succession Plan.
10. Oversee the annual evaluation of the Board and its committees.
11. Oversee, review and discuss with management, at least annually, the implementation and effectiveness of the Company’s compliance and ethics programs, and periodically review and assess the adequacy of the Company’s Code of Conduct and recommend to the Board any changes deemed appropriate by the Committee.
12. Develop, review and assess the adequacy of the Company’s corporate governance principles and guidelines annually and recommend to the Board any changes the Committee deems appropriate.
13. Oversee the Company’s orientation programs for new directors and continuing education programs for directors.
14. Review and discuss as appropriate with management the Company’s disclosures relating to director independence, governance and director nomination matters.
15. Review and assess the adequacy of this Charter annually and recommend to the Board any changes deemed appropriate by the Committee.
16. Review and assess the adequacy of the charters of the Audit Committee and the Compensation Committee (in coordination with such committees) annually and recommend to the Board any changes deemed appropriate by the Committee, including the creation or elimination of additional committees.
17. Review its own performance annually.
18. Report regularly to the Board.
19. Perform any other activities consistent with this Charter, the Company’s by-laws and governing law, as the Committee or the Board deems appropriate.

V. Resources

The Committee shall have the authority, at its sole discretion, to retain and terminate search firms to identify director candidates, consultants and any other advisors (the “**Advisors**”) to assist it in carrying out its duties. The chairperson of the Committee, and any member of the Committee may request any officer, employee or advisor of the Company to attend a meeting of the Committee or otherwise respond to Committee requests.

The Committee shall have the sole authority to determine the terms of engagement and the extent of funding necessary (and to be provided by the Company) for payment of compensation to any Advisor retained to advise the Committee and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.