

COUNCIL OF INSTITUTIONAL INVESTORS

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July 7, 2008

Scott A. Edmonds
President, Chair and CEO
Chico's FAS Inc.
11215 Metro Parkway
Fort Myers, FL 33966-1206

Dear Mr. Edmonds:

I am writing on behalf of the Council of Institutional Investors, an association of 140 corporate, public and union pension funds with more than \$3 trillion in pension assets. The Council requests that Chico's board clarify the preliminary vote totals for the company's June 26, 2008, director elections by promptly disclosing the results excluding uninstructed broker votes. We also request that the company's disclosure of the final vote totals detail the broker votes cast for or withheld from each candidate.

As you may be aware, the NYSE Euronext has proposed eliminating broker votes for the election of directors. This change is supported by the Council, which believes that allowing brokers to cast votes for uninstructed shares skews voting results and is akin to stuffing the ballot box. The Council has long held that the proper vote should be one that excludes such broker votes.

The Council realizes Chico's currently has a plurality vote standard for director elections. The Council believes majority voting for directors is far superior to plurality voting and is a reasonable, appropriate and fair standard that strengthens a company's corporate governance practices. Many companies agree—a recent study by the law firm of Neal, Gerber & Eisenberg identified 282 companies with majority voting. We therefore ask Chico's board to amend the company's bylaws or charter to adopt a majority vote requirement for director elections. Once the majority vote standard is in place, the Council believes the board should exclude broker votes when determining whether each nominee satisfies Chico's voting requirements.

Council members look forward to your response, which will be posted on our Web page (www.cii.org). Please share this letter with the entire board of directors and contact me if you would like to discuss this further.

Sincerely,



Ann Yerger
Executive Director