

**CHARTER OF
CRACKER BARREL OLD COUNTRY STORE, INC.
AUDIT COMMITTEE**

1. BACKGROUND.

Pursuant to Section 48-18-206 of the Tennessee Business Corporation Act, and subject to the specific provisions of the corporation's Bylaws, the Board of Directors (the "Board") of Cracker Barrel Old Country Store, Inc. (the "Company") may create one or more committees and each committee may consist of one or more members. All members of committees of the Board which exercise the powers of the Board must be members of the Board, and they serve at the pleasure of the Board.

2. ORGANIZATION.

There shall be a committee of the Board known as the Audit Committee (the "Committee"). The Committee shall consist of not less than three directors each of whom shall be a non-employee director and shall satisfy the independence and experience requirements of The Nasdaq Stock Market ("NASDAQ"), Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the rules and regulations of the Securities and Exchange Commission (the "SEC") and all other applicable legal requirements. All members of the Committee shall be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement, at the time of their appointment, and at least one member of the Committee shall possess accounting or related financial management experience or professional expertise and shall be designated the "audit committee financial expert," in accordance with Item 407 of Regulation S-K. The Board shall determine annually whether a member of the Committee so qualifies and disclose its determination in the Company's periodic filings as required by the SEC. No member of the Committee shall have participated in the preparation of the financial statements of the Company in the past three years. The Board shall appoint the Committee members and its Chairperson, on recommendation of the Nominating and Corporate Governance Committee, and the Board shall review the appointments annually. The Committee shall operate in accordance with the Bylaws of the Company.

3. PURPOSE.

3.1 Oversight and Liaison. The Committee shall engage in oversight of the Company's financial reporting and internal controls. The Committee acts as the Board's liaison with the Company's outside auditors in order to assist Board oversight of: (a) the integrity of the Company's financial statements, (b) the Company's compliance with legal and regulatory requirements, (c) the qualifications, independence, and performance of independent accountants, (d) the performance and direction of the Company's internal audit function, and (e) the effectiveness of the Company's Enterprise Risk Management system. In discharging its responsibilities, the Committee shall have direct access to the Company's financial, legal and

other advisors and staff. The Committee shall also maintain open communications among the Board, the Company's independent and internal auditors, and Company management.

3.2 Limited Scope. This Charter is not intended to, and it does not, impose on the Committee any duties other than those required by NASDAQ, the SEC and other applicable law and regulations. It is not the Committee's role or duty to conduct audits, or to otherwise act in the role of independent auditors.

4. POWERS.

The Committee has the authority to gather any information appropriate in fulfilling its responsibilities, and it has direct access to the independent auditors as well as all Company personnel. The Committee is responsible for the appointment, retention, compensation, and oversight of the work of the independent auditors (including the resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditor shall report directly to the Committee. The Committee also has the power and authority to engage, as the Committee considers necessary in the performance of its duties independent legal counsel or other consultants, experts or advisors to assist the Committee. Such independent advisors may be the regular advisors to the Company. The Committee has the power to conduct independent investigations into any matters within the scope of the Committee's responsibilities. The Company shall provide appropriate funding, as determined by the Committee, in its capacity as a committee for the Board, for the payment of compensation (a) to any independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (b) to any independent advisor employed by the Committee and (c) for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

5. MEETINGS.

The Committee shall meet at least 4 times annually, or more frequently when appropriate or necessary. The Committee Chairperson shall prepare or approve an agenda in advance of each meeting. The Committee will also periodically meet separately with management, with internal auditors and with independent auditors. In addition, the Committee should communicate with management and the independent auditors quarterly to discuss the Company's financial statements and any significant findings based upon the auditors' limited review procedures. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of the Committee.

6. AUDIT COMMITTEE RESPONSIBILITIES AND DUTIES.

When appropriate, the Committee will, without limitation to the listed matters, engage in the following activities:

a. Review Procedures.

(1) Submit the Charter to the Board for approval, and review and reassess the adequacy of this Charter at least annually, and, as it deems appropriate, recommend amendments to the Board.

(2) Review the Company's annual audited financial statements (including the related notes) and discuss with management and the independent auditors all significant issues regarding accounting principles, practices and judgments, prior to filing or distribution of those statements. Specifically, review the results of each audit, including the independent auditors' opinion, any related management letter, management's responses to recommendations made by the independent auditors in connection with the audits and reports submitted to the Committee by the internal audit department that are material to the Company as a whole, and management's responses to the those reports. Recommend to the Board whether or not the audited financial statements should be included in the Company's annual report on Form 10-K. The Committee shall also produce the audit committee report to be included in the Company's annual proxy statement.

(3) Require the independent auditors to perform timely reviews of the Company's quarterly financial results prior to the release of earnings, and discuss the Company's annual and quarterly financial statements with management and the independent auditors prior to filing or distribution.

(4) Consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting, and discuss any significant changes to the Company's accounting principles and any items required to be communicated by the independent auditors in accordance with PCAOB Auditing Standard No. 16.

(5) Review, through management and the independent auditors, the Company's periodic filings with the SEC; specifically, review the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" before publication in the annual and quarterly reports, and review the disclosures made to the Committee by the Company's CEO and CFO during their certification process for the Form 10-K and the Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

b. Independent Auditors.

(1) The independent auditors are ultimately accountable to the Committee and the Board. The Committee, or a designated member of the Committee, shall pre-approve all auditing services and non-audit services as set forth in the Exchange Act, subject to the *de minimus* exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Committee prior to the completion of the audit. The Committee shall insure that the independent auditors provide only services that are permitted by NASDAQ

and applicable SEC rules and regulations. The Committee shall review and discuss with the independent auditor the independent auditor's written communications to the Committee regarding the relationships between the auditor and the Company that, in the auditor's professional judgment, may reasonably be thought to bear on its independence and affirming in writing to the Committee that the auditor is independent. The Committee shall review and approve the terms of engagement and the fees and other significant compensation to be paid to the independent auditors. The Committee shall also review the independence and performance of the auditors and annually approve the appointment of the independent auditors, or approve any discharge of auditors.

(2) Select, retain, compensate, oversee and terminate, if necessary, any other independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

(3) Review and evaluate the lead partner of the independent auditor team and ensure the rotation of the audit partners as required by law.

(4) Review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality control procedures, (b) any material issues raised by the most recent internal quality control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities within the preceding five years regarding one or more independent audits carried out by the independent auditor, (c) any steps taken to deal with any such issues and (d) all relationships between the independent auditor and the Company or any of its subsidiaries. The Committee shall evaluate the qualifications, performance and independence of the independent auditor, including considering whether the independent auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors. The Committee shall present its conclusions with respect to the independent auditor to the Board and the independent auditor.

(5) Meet with the independent auditors and financial management of the Company during the planning of each annual audit to review the audit plan and to discuss the scope of the audit, staffing, locations, reliance upon management, and the internal and general audit procedures to be used, and generally accepted accounting principles and practices to be followed when preparing the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles.

(6) Periodically, or when necessary or appropriate, meet with the internal and independent auditors without members of management present. Among the items to be discussed in these meetings are the independent auditors' evaluation of the Company's financial, accounting, and auditing personnel, and the cooperation that the independent auditors received during the course of the audit.

(7) In consultation with the Company's independent auditors and the senior internal audit executive, review and consider the adequacy and effectiveness of the Company's internal accounting and financial controls in order to ensure that these controls are designed to provide reasonable assurance that the Company's publicly reported financial statements are presented fairly and in conformity with generally accepted accounting principles. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper. The Committee should also discuss with the Company's independent auditors and the senior internal audit executive any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting. The Committee should also review and discuss with the Company's independent auditors and the senior internal audit executive the Company's internal controls report and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K.

(8) Review with the independent auditor any audit problems or difficulties with management's response to those problems or difficulties.

(9) Ensure that Company hiring policies with respect to employees or former employees (or their relatives) of the independent auditors comply with applicable rules designed to avoid conflicts of interest.

c. Internal Audit and Legal Compliance.

(1) Review the appointment, performance and termination or replacement of the Company's senior internal audit executive.

(2) Review the internal audit function of the Company, including the independence and authority of its participants and their reporting obligations, the proposed internal audit plans for the coming year, and the coordination of those plans with the external audit.

(3) Receive, at least annually, a summary of findings from completed internal audits and an internal audit progress report, with explanations for any deviations from the original plan, and review significant reports prepared by the internal audit department, together with management's responses and follow-up to the reports.

(4) Whenever appropriate, at least annually, review with the Company's legal counsel any inquiries received from regulators or governmental agencies and any legal matters or proceedings that could have a significant impact on the Company's financial statements or its compliance with applicable laws and regulations.

d. Other Duties.

(1) Report annually through the Board to the shareholders, in the Company's annual proxy statement, the existence of the Committee, the responsibilities assigned to it by the Board, the independence of its members and the manner in which the Committee has fulfilled its duties, as required by the SEC.

- (2) Review and pre-approve directors' and officers' related-party transactions, and annually review a summary of directors' and officers' related-party transactions and potential conflicts of interest, and review policies and procedures, as well as any specific audit results, associated with directors' and officers' expense accounts and perquisites.
- (3) Review the procedures established to monitor compliance by the Company with any loan and indenture covenants and restrictions.
- (4) Maintain minutes of meetings and periodically report to the Board on significant Committee activities.
- (5) Establish procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and establish procedures for confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- (6) Discuss with management the Company's earnings press releases before such information is released, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be general (consisting of discussing the types of information to be disclosed and the types of presentations to be made), and each earnings release or each instance in which the Company provides earnings guidance need not be discussed in advance.
- (7) Review policies with respect to risk assessment and risk management, including meeting with management at least annually to review the Company's major risk exposure and the steps management has taken to monitor and control such exposures, the Company's policies and guidelines concerning risk assessment and risk management, the structure and sufficiency of the Company's risk control organization, any significant changes to the corporate risk control policy, and significant risk control issues.
- (8) Review the Company's ethics and compliance programs, including the Financial Code of Ethics and the Code of Business Conduct and Ethics, its procedures regarding reports of misconduct or alleged misconduct and its disclosure controls and procedures for conformance to applicable laws and regulations to confirm that the Company has procedures in place to assure knowledge of and compliance by the directors, officers and employees of the Company with the policies and requirements reflected in such documents.
- (9) Report regularly to the Board.
- (10) Annually review its own performance.

7. EFFECTIVE DATE AND CHARTER AMENDMENTS.

This Charter is effective as of the date it is adopted by the Board, and it will remain in effect until modified, superseded or cancelled by appropriate Board action. This Charter may be amended at any time by the Board in accordance with the Charter and Bylaws of the Company and applicable law.

Amended: February 26, 2016