

**CHARTER OF  
CRACKER BARREL OLD COUNTRY STORE, INC.  
COMPENSATION 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 Board committees which exercise the powers of the Board must be members of the Board, and they serve on Board committees at the pleasure of the Board.

**2. ORGANIZATION.**

There shall be a committee of the Board known as the Compensation Committee (the "Committee"). The Committee shall consist of no fewer than 3 directors. A person may serve on the Committee only if the Board determines that (s)he is (i) a "non-employee director" within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (ii) an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), (iii) "independent" in accordance with any securities listing standards applicable to the Company and (iv) not accepting directly or indirectly any consulting, advisory or other compensatory fee from the Company or any subsidiary thereof (except (a) fees paid for service on the Board or any committee thereof and (b) fixed amounts of compensation received under a retirement plan (including deferred compensation) for prior service with the Company, provided that such compensation is not contingent in any way on continued service).

The Board, upon recommendation of the Nominating and Corporate Governance Committee, shall appoint the Committee members and its Chairperson. The Board shall review the appointments annually. The Board may, upon recommendation of the Nominating and Corporate Governance Committee, remove and/or replace any Committee member with or without cause. The Committee shall hold meetings, record Minutes and otherwise operate in accordance with the Bylaws of the Company.

**3. PURPOSE.**

The Committee will typically review management performance, particularly with respect to financial goals for the concluding fiscal year, and the Committee will review senior management's proposed compensation plan as it affects Senior Officers of the Company and its affiliates for the upcoming fiscal year. "Senior Officers" comprise:

- a. the Chief Executive Officer ("CEO"), Chief Financial Officer and all other executive officers of the Company and its subsidiaries or affiliates who report directly to the CEO;

- b. individuals classified by the Company as executive officers for purposes of Securities and Exchange Commission (“SEC”) rules under Section 16 of the Exchange Act; and
- c. any officer of any of the Company’s subsidiaries or affiliates who would be reported in the Company’s proxy statement as among the 5 most highly compensated individuals.

The Committee will also review and must approve the Company’s annual business plan as prepared by management with respect to the yearly award of stock and stock options, and it may meet from time to time to discuss proposed changes in the Company’s compensation (including equity) plans, or to discuss practical issues with respect to plan implementation.

#### **4. MEETINGS.**

The Committee shall meet at least 4 times annually, or more frequently as circumstances dictate. Meetings may be called by the Chairperson of the Committee, the Company’s CEO or a majority of the members of the Committee. The Committee Chairperson shall prepare or approve an agenda in advance of each meeting.

#### **5. COMMITTEE RESPONSIBILITIES AND DUTIES.**

a. With no limitation on the general responsibilities of the Committee, as described earlier in this Charter, in order to assist the Board in the discharge of fiduciary responsibilities relating to the fair and competitive compensation of the executives and other key employees of the Company, and in connection with the Company’s pension and employee welfare plans, this Committee shall:

- Annually review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the CEO’s performance in view of those goals and objectives and make recommendations to the other independent directors who shall, together with the Committee, determine and approve the CEO’s compensation based on this evaluation; provided, however that the CEO shall not be present during voting or deliberations by the Committee and the other independent directors on his or her compensation.
- Annually review and approve corporate goals and objectives relevant to the compensation of the Senior Officers other than the CEO, evaluate each Senior Officer’s performance in view of those goals and objectives, determine and approve each Senior Officer’s compensation based on this evaluation; the CEO may be present, at the election of the Committee, during voting or deliberations by the Committee on each Senior Officer’s compensation.
- Periodically, as and when appropriate, (i) review and approve the following as they affect the Senior Officers other than the CEO, and (ii) recommend to the other independent directors who shall, together with the Committee, review and approve any of the following as they affect the CEO: (a) any employment agreements and severance arrangements; (b) any change in control agreements and change-in-control provisions affecting any elements of compensation and benefits;

- and (c) any special or supplemental compensation and benefits, including supplemental retirement benefits and perquisites;
- Oversee, review and approve at least annually the Company's compensation philosophy and policies, including whether and how the Company's compensation arrangements may affect risk-taking behavior in the Company's operations and the extent to which risks arising from the Company's overall compensation policies may have a material effect on the Company;
  - Approve, or as to non-executive officers, delegate to others for approval pursuant to guidelines, grants of stock options, restricted stock, restricted stock units and any other types of awards, including stock appreciation rights or other stock-based awards, that may be granted under the Company's equity-based incentive plans, and the terms of such grants, provided, however, that grants to the CEO will be approved by the Committee acting together with the other independent directors;
  - Amend or modify any provisions of the Company's compensation plans to the extent that such amendments or modifications do not require shareholder approval or, if such approval is required, recommend amendment or modification to the Board;
  - Establish, terminate, amend or modify existing compensation and employee benefit plans or programs;
  - Make recommendations to the other directors who shall, together with the Committee, determine and approve the compensation levels of independent members of the Board and its committees;
  - Oversee, review and approve or make recommendations to the Board concerning corporate policies affecting corporate pension, retirement and employee welfare plans (the "Plans"), as required by ERISA or other applicable law;
  - Monitor compliance by officers and directors with the Company's Stock Ownership Guidelines for Directors and Officers;
  - Review, in conjunction with the Nominating and Corporate Governance Committee, at least annually, a succession plan with the Chairman of the Board and the CEO, which review shall include the capabilities of the Senior Officers of the Company and provide insights with respect to succession planning to the Nominating and Corporate Governance Committee.
  - Review the adequacy of this charter at least annually and recommend any proposed changes to the Board for approval; and
  - Conduct an annual performance evaluation of the Committee.

b. The Committee, when required by applicable law, or committee members when specifically designated to serve as plan administrators, shall direct the administration of the Plans in accordance with applicable law and the terms of such Plans.

c. The Committee shall report to the full Board at least once each year with respect to Senior Officer compensation, stock incentive plans including Company stock options and any other Plans affecting Senior Officers.

d. The Committee shall (i) review and discuss with management the Compensation Discussion and Analysis (“CD&A”) required to be included in the Company’s proxy statement and Annual Report on Form 10-K and, based on such review and discussion, determine whether to recommend to the Board that the CD&A be so included; and (ii) produce the annual Compensation Committee Report for inclusion in the Company’s Annual Report on Form 10-K/proxy statement, both (i) and (ii) to be in accordance with applicable rules and regulations of the SEC.

## **6. DELEGATIONS OF RESPONSIBILITIES**

The Committee shall have the authority to delegate such administrative responsibilities as the Committee may deem appropriate in its sole discretion to the extent permitted by law, the Company’s compensation and benefit plans and the applicable rules of the SEC, any exchange upon which the Company’s securities are listed and the Code.

## **7. ADDITIONAL RESOURCES**

The Committee shall have the responsibility and authority, in its sole discretion, to retain or obtain the advice of one or more compensation consultants, legal counsel or other advisors (each, a “Consultant”) and shall be directly responsible for the appointment, compensation and oversight of the work of any such Consultant retained by the Committee; provided, however, that the Company’s management may, with the Committee’s approval, assist in negotiating the Consultant’s contract terms and tracking related expenses. The Company will provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any Consultant or administrative support retained by the Committee; provided, however, that the Committee shall keep the CEO advised as to the general range of anticipated expenses for such Consultants.

The Committee may select or receive advice from any such Consultant that it prefers, including Consultants that are not independent; provided, however, that prior to selecting or receiving advice from the Consultant (other than in-house legal counsel), and on at least an annual basis thereafter, the Committee shall take into consideration the following factors (as well as any other factors that may be required under the NASDAQ market rules or SEC regulations): (i) the provision of other services to the Company by the person that employs the Consultant; (ii) the amount of fees received from the Company by the person that employs the Consultant, as a percentage of the total revenue of the person that employs the Consultant; (iii) the policies and procedures of the person that employs the Consultant that are designed to prevent conflicts of interest; (iv) any business or personal relationship of the Consultant with a member of the Committee; (v) any stock of the Company owned by the Consultant; and (vi) any business or personal relationship of the Consultant or the person employing the Consultant with an executive officer of the Company.

Amended: February 26, 2016