



Compensation Committee Charter

PURPOSE

The Compensation Committee (the "Committee") shall have the authority to (i) assist the Board of Directors of Frozen Food Express Industries, Inc. (the "Company") relating to the Company's benefit plans, compensation programs and compensation of the Company's directors and executive officers (ii) to fulfill the responsibilities set forth in this Charter and (iii) to prepare the report of the Committee for inclusion in the Company's annual proxy statement.

ORGANIZATION

The members of the Committee shall be appointed by the Board of Directors and shall consist of at least three (3) members of the Board of Directors, each of whom shall meet the independence criteria prescribed by Nasdaq. In addition, the members of the Committee shall be (i) "non-employee directors" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (ii) "outside directors" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"). The Board of Directors shall also designate a Committee Chairperson.

The Chairperson of the Committee will preside at each meeting and shall be responsible for establishing the agenda. The agenda, together with supporting material shall be circulated to Committee members in advance of the meeting.

The Committee will cause to be kept adequate minutes of its proceedings, and will report on its actions and activities at the next meeting of the Board of Directors.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Compensation Committee of the Board of Directors are as follows:

Compensation of Directors

- The Committee shall review periodically (i) the in-person and telephonic meeting fees paid to non-employee member of the Board of Directors for board meetings and meetings of the various committees of the board; and (ii) annual fees paid to each Chairman of the various committees of the board and the Audit Committee Financial Expert. The Committee shall determine the number of shares of restricted stock or other equity compensation awards to be awarded periodically to eligible non-employee members of the Board of Directors under the Company's 2005 Non-Employee Director Restricted Stock Plan (as amended from time to time) (the "Plan") or any successor equity compensation plan adopted by the Board of Directors and approved by the Company's shareholders.
- The Committee shall administer the Plan or any successor equity compensation plan for non-employee members of the Board of Directors adopted by the Board of Directors and approved by the Company's shareholders.

Setting Compensation of Executive Officers

- The Committee shall review the structure and competitiveness of the Company's executive compensation programs to attract and retain superior Executive Officers, motivate Executive Officers to achieve business goals and objectives, and align the interests of Executive Officers with the long-term interests of the Company's shareholders.
- The Committee shall review and evaluate the performance of Executive Officers in light of the goals and objectives of the Company and annually approve their compensation packages, including base salaries, long-term incentive and stock-based compensation, perquisites and any other benefits for Executive Officers.
- The Committee shall monitor the effectiveness of the Company's equity-based and incentive bonus plans and approve financial targets for Executive Officers bonuses and make changes or recommend changes to the shareholders where appropriate.
- The Committee shall administer the Company's equity compensation plans for Executive Officers and other employees.
- The Committee will determine whether to award incentive bonuses that qualify as "performance-based compensation" for Executive Officers whose compensation is covered by Code Section 162(m), determine the elements of such compensation, determine whether performance goals have been attained and, if appropriate, certify in writing prior to payment of such compensation that the performance goals have been met.

Review Procedures and Other

- The Committee shall review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") for the Company's proxy statement and annual report on Form 10-K, in compliance with and to the extent required by applicable Securities and Exchange Commission and Nasdaq rules and regulations. The Committee shall review the executive compensation sections to be included in the Company's proxy statement or other filings. The Committee shall also (i) recommend to the Board of Directors that the CD&A be included in the Company's proxy statement and annual report on Form 10-K and (ii) provide the Compensation Committee Report for inclusion in any such statement and filing.

ACCESS TO CONSULTANTS

The Committee shall have the resources and authority to discharge its duties and responsibilities as described herein, including the authority to select, retain and terminate counsel, consultants and other experts. The Committee shall have the sole authority to select, retain and terminate a compensation consultant and approve the consultant's fees.