

KRISPY KREME DOUGHNUTS, INC.
COMPENSATION COMMITTEE CHARTER
As of September 14, 2009

Purpose

The Compensation Committee of Krispy Kreme Doughnuts, Inc. (the “Company”) has been established by the Board of Directors (the “Board”) of the Company for the following purposes: (i) to review and approve goals and objectives relevant to the compensation of the Company’s Chief Executive Officer, evaluate the Chief Executive Officer’s performance in light of those goals and objectives and determine and approve the Chief Executive Officer’s compensation; (ii) annually to review and approve the compensation of executive officers of the Company other than the Chief Executive Officer; (iii) to administer the Company’s incentive-compensation plans and equity compensation plans; (iv) to review and make recommendations to the Board with respect to the compensation of directors; (v) to review and discuss with management the compensation discussion and analysis section on executive compensation to be included in the Company’s proxy statement, to determine whether to recommend to the Board that it be included in the proxy statement and to provide a report setting forth the basis for the Committee’s recommendation to the Board regarding its inclusion in the proxy statement; and (vi) to address any and all compensation-related issues that may arise in light of the authority described within this Charter.

Membership Requirements and Procedure

The Compensation Committee shall be comprised of three (3) or more directors as determined by the Board. Each member of the Compensation Committee shall: (i) qualify as an “independent director” under the applicable corporate governance rules of the New York Stock Exchange; (ii) meet the requirements of a “non-employee director” under Rule 16b-3 under the Securities Exchange Act of 1934, as amended; and (iii) meet the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

Compensation Committee members will be appointed by the Board in accordance with the Bylaws and Corporate Governance Guidelines of the Company based on the recommendation of the Nominating and Corporate Governance Committee and will serve at the pleasure of the Board for such term or terms as the Board may determine or until their earlier resignation, death or removal by the Board. The Board shall designate the Chairperson of the Compensation Committee based on the recommendation of the Nominating and Corporate Governance Committee. Except as expressly provided in this Charter, the Bylaws or the Corporate Governance Guidelines of the Company, the Compensation Committee shall fix its own rules of procedure.

The Compensation Committee may form and delegate authority to subcommittees when appropriate.

Structure and Meetings

The Compensation Committee shall meet at least four times annually in the manner the Chairperson determines to be necessary or appropriate. Special meetings may be convened by the Chairperson as deemed necessary or desirable. The Chairperson shall report to the Board at the next meeting of the Board following each Compensation Committee meeting. The Compensation Committee may invite to its meetings other directors, members of the Company’s management and

such others persons as the Compensation Committee deems appropriate to enable it to carry out its responsibilities. The Chairperson of the Compensation Committee shall preside at each meeting of the Compensation Committee and, in consultation with the other members of the Compensation Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting.

Authority and Responsibilities

The Compensation Committee shall have the following direct responsibilities and the power and authority of the Board to fulfill the following responsibilities:

- In consultation with the other independent directors of the Board, review and approve corporate goals and objectives relevant to the compensation of the Company's Chief Executive Officer, evaluate the Chief Executive Officer's performance in light of those goals and objectives and determine and approve the Chief Executive Officer's compensation level based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Compensation Committee shall consider the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the Company's Chief Executive Officer in past years.
- Oversee the evaluation of executive officers and annually review and approve the compensation of executive officers of the Company.
- Review and discuss with management the Compensation Discussion & Analysis ("CD&A") section on executive compensation to be included in the Company's proxy statement, and determine whether to recommend to the Board that the CD&A be included in the Company's proxy statement.
- Provide a report setting forth the basis for the Committee's recommendation to the Board regarding the inclusion of the disclosure set forth in the CD&A, to be included in the Company's proxy statement.
- Make recommendations to the Board with respect to actions that are subject to approval of the Board with respect to the Company's incentive-compensation plans and equity-based plans.
- Administer the Company's incentive-compensation plans and equity compensation plans, including fixing and determining grants to participants of stock, stock options and other awards pursuant to any of the Company's incentive-compensation and equity compensation plans in effect from time to time and exercising such other power and authority as may be permitted or required under such plans.
- Administer the Company's Equity Retention Policy and Compensation Recovery Policy.

- Conduct an annual self-evaluation of the performance of the Compensation Committee.
- Have sole authority to retain and terminate any compensation consultant used to assist in the evaluation of director, Chief Executive Officer or other executive officer compensation and have sole authority to approve the consultant's fees and other retention terms.
- From time to time review and make recommendations to the Board with respect to the compensation of directors.
- Have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
- Reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- Perform such other duties and responsibilities, consistent with this Charter, delegated to the Compensation Committee by the Board or required under the provisions of any compensation or benefit plan maintained by the Company.

Resources and Authority

The Compensation Committee shall have the resources and authority to discharge its duties and responsibilities including the authority to select, terminate, and approve the fees and other retention terms of counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management.

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