

KRISPY KREME DOUGHNUTS, INC.

CHIEF EXECUTIVE OFFICER SUCCESSION POLICY

POLICY STATEMENT

A change in executive leadership is inevitable for all organizations and can be a very challenging time. Therefore, it is the policy of Krispy Kreme Doughnuts, Inc. (the “Company”) to be prepared for an eventual change in leadership – either planned or unplanned – to insure the stability and accountability of the Company until such time as new permanent leadership is identified.

RESPONSIBILITY

The Nominating and Corporate Governance Committee is responsible for annually reviewing the Company’s succession plan for the Company’s Chief Executive Officer (“CEO”) and other key executives and reporting its findings and recommendations to the Board of Directors of the Company (the “Board”). The Nominating and Corporate Governance Committee is also responsible for working with the Board to establish policies for use in evaluating potential successors to the CEO. In the event of an unplanned CEO departure, the Board is responsible for implementing the established policies.

PROCEDURES FOR CEO SUCCESSION

The Nominating and Corporate Governance Committee will work with the Board, on an ongoing basis, to assess the leadership needs of the Company and help insure the selection of a qualified and capable leader who is a good fit for the Company’s vision, values, goals and objectives and who has the necessary skills for the position. The Nominating and Corporate Governance Committee will work with the Board and the current CEO to assess the CEO’s current term and any retirement or resignation plans. The Nominating and Corporate Governance Committee will maintain a file of information on potential replacement candidates in preparation for any planned or unplanned departures by the CEO, which file will be reviewed and assessed annually so that the list of candidates remains current and viable.

The Nominating and Corporate Governance Committee will also work with the Board and the current CEO, on an ongoing basis, to focus on identifying and developing potential internal candidates to ensure that the right mix of skills and personality are being developed, monitor the development of these candidates and be positioned to assess the readiness of candidates. Appropriate resources shall be deployed and training shall be made available to give such candidates a chance for success. In addition, the Nominating and Corporate Governance Committee and the Board shall periodically monitor the Company’s general executive development program to determine if it is adequate and likely to produce the type of talent it takes to sustain effective leadership.

In the event of an unplanned CEO departure, the following procedures will be followed to insure that the Company's operations are not interrupted while the Board identifies a successor CEO:

1. Within five (5) business days, the Board will meet, either in-person or telephonically, and will appoint an interim CEO.
2. Within thirty (30) days, the Board will appoint an Executive Search Committee that shall be comprised of the Chairman of the Board and at least two other Directors as the Board shall designate. It shall be the responsibility of this Committee to implement the following transition plan:
 - a. Consider the need for consulting assistance (i.e., transition management or executive search consultant) based on the circumstances of the transition.
 - b. Review the Company's business plan and conduct a brief assessment of the Company's strengths, weaknesses, opportunities and threats in order to identify priority issues that may need to be addressed during the transition process and to identify attributes and characteristics that are important to consider in the selection of the next CEO.
 - c. Create a profile of a CEO candidate to meet the Company's then current needs.
 - d. Establish meaningful search criteria taking into consideration the Company's objectives, measures, targets and needs.
 - e. Establish a time frame and plan for the recruitment and selection process.
 - f. Interview the candidates and make recommendations to the Board.
3. A majority of all Directors (individually or collectively as the Board) will meet with one or more of the candidates on the short list to succeed as CEO. In accordance with the Bylaws, a formal vote of the Board shall be taken prior to election of a CEO.