

**RUBY TUESDAY, INC.**  
**EXECUTIVE COMPENSATION AND HUMAN RESOURCES**  
**COMMITTEE CHARTER**

**I. Purpose**

I.A. The Ruby Tuesday, Inc. (the “Company”) Executive Compensation and Human Resources Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) to discharge the Board’s responsibilities relating to compensation of the Company’s Chief Executive Officer (the “CEO”) and to assist the Board in discharging its responsibilities regarding compensation of the Company’s directors and executives. The Committee has overall responsibility for approving and evaluating the director and officer compensation plans, policies and programs of the Company such that the Company’s officers and directors are compensated effectively in a manner consistent with the stated compensation strategy of the Company, internal equity considerations, competitive practice, and the requirements of the appropriate regulatory bodies to enable the Company to attract and retain high-quality leadership.

I.B. The Committee shall discharge such duties and responsibilities as are assigned to it pursuant to the terms of the director and officer compensation plans, policies and programs maintained by the Company (the “Programs”).

I.C. The Committee shall perform such other functions which from time to time may be assigned by the Board.

I.D. The Committee may form, and delegate authority to, subcommittees when appropriate, as determined by the Committee.

I.E. Nothing in this charter should be constructed as precluding discussion of CEO compensation with the board generally, and it is not the intent of this charter to impair communication among members of the Board.

**II. Committee Membership**

II.A. The Committee shall consist of no fewer than three (3) members, including a chairperson, as determined by the Board annually on the recommendation of the Board’s Nominating & Governance Committee. The members of the Committee shall meet the independence and disinterested requirements, and any other requirements, of the New York Stock Exchange (“NYSE”) and other regulatory agencies.

II.B. The size of the Committee and its members shall be designated annually by a majority of the full Board on the recommendation of the Board’s Nominating & Governance Committee. Any Committee member may be removed at any time by majority vote of the full Board.

### **III. Committee Meetings**

III.A. The Committee shall meet as often as necessary to fulfill its duties upon the notice provided in the Company's bylaws for meetings of the full Board, but not less than as necessary to fulfill the responsibilities identified in this charter.

III.B. A majority of Committee members shall constitute a quorum for the transaction of business. The action of a majority of those present at a meeting, at which a quorum is present, shall be the act of the Committee.

III.C. The Committee shall keep a record of its actions and proceedings, and make a report thereof from time to time to the Board.

III.D. Notwithstanding the foregoing, the conduct of the business of the Committee shall conform to the procedures set forth by the express provisions of any of the Programs.

### **IV. Compensation Philosophy**

IV.A. The Company's compensation philosophy emphasizes performance-based executive compensation, is intended to closely align performance measures with current business strategy, and is designed to motivate executive behavior. Generally, the Company controls base salaries and compensates outstanding performance through more highly leveraged annual and longer-term incentive programs. The overall objectives of this strategy are to attract and retain the best possible executive talent and to motivate the Company's executives to achieve the goals inherent in the Company's business strategy. As a result, the following principles apply to executive compensation:

- Base salaries are generally consistent with competitive market practices;
- A significant portion of executive compensation is tied to the Company's success in meeting predetermined annual and long-term performance goals; and
- Executives are required to own specified amounts of Company common stock, resulting in direct linkage between executive and shareholder interests.

IV.B. The key components of the Company's executive compensation strategy are base salary, annual incentive opportunities, and equity devices. The Company's policies with respect to each of these elements are as follows:

- **Base Salaries:** the Company's general approach for base compensation of its executives, including the CEO, is to establish salary ranges that are consistent with the compensation strategy, and take into account market competitive practices as well as internal strategic considerations.
- **Annual Incentive Compensation:** the Company's annual incentive compensation philosophy directly links annual incentive payments to the accomplishment of predetermined and Board-approved financial and operating goals. Annual incentive opportunities are established for executives depending upon their respective organizational levels and responsibilities as well as competitive market

practices. Corporate and individual performance objectives are established at the beginning of each fiscal year.

- Long Term Incentive Compensation: awards under the Company's stock-based compensation plans directly link potential participant rewards to increases in shareholder value. The Company's stock incentive plans may provide for grants of a variety of stock incentives, including stock options, restricted stock, stock appreciation rights, stock purchase rights and performance shares or units.

## **V. Committee Authority and Responsibilities**

V.A. The Committee shall have the exclusive authority to annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (if so directed by the Board), determine and approve the CEO's compensation levels based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee will consider, without limitation, the Company's performance and relative shareholder return, the value of incentive awards to CEOs at comparable companies, and the awards given to the Company's CEO in past years.

V.B. The Committee shall annually determine and approve, or make recommendations to the Board with respect to, the compensation of all non-employee directors and executives, including: (1) annual base salaries, (2) annual incentive (bonus) payments, (3) annual incentive (bonus) opportunity levels, (4) employment agreements, severance agreements, and change in control agreements/provisions, in each case as, when and if appropriate, (5) any special or supplemental benefits, (6) annual stock option grants, (7) annual retainer and meeting fees, (8) evaluating of the achievement of performance objectives for incentive compensation; (9) establishing performance objectives for incentive compensation, and (10) other awards under any executive compensation plan or program of the Company whose participants include executives whose salaries are determined by the Committee. Notwithstanding the foregoing, the Committee shall evaluate on its own initiative with exclusive authority, the compensation of the CEO, long term incentive compensation and other matters within its jurisdiction pursuant to the terms of any of the Programs. The actions and recommendations of the Committee shall (1) support the Company's overall business strategy and objectives; (2) be designed to attract and retain directors and executives; (3) link compensation with business objectives and organizational performance in good and bad times; and (4) provide competitive compensation among peer group companies.

V.C. The Committee shall at least each three (3) years evaluate the competitiveness of the cash and stock compensation programs, benefits and perquisites offered to the Company's non-employee directors and executives, and initiate actions or recommend changes to the full Board as appropriate, consistent with the Company's compensation philosophy.

V.D. The Committee shall review and approve, subject, where appropriate, to submission to shareholders, all new compensation, benefit, or equity-related incentive plans. The Committee shall review and approve, subject, where appropriate, to submission to shareholders, all amendments or modifications to the provisions of any compensation, benefit, or equity-related incentive plan. The Committee shall make recommendations to the Board with respect to incentive-compensation and any equity-based plans that are subject to Board approval.

V.E. The Committee shall have the sole and exclusive authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or other executive compensation. The Committee shall have the sole and exclusive authority to (1) retain and terminate the consulting firm, (2) approve the consultant's fees and other retention terms, and (3) obtain advice and assistance from internal or external legal, accounting or other advisors, in each case, at the Company's expense and without further approval from the Board.

V.F. The Committee shall keep a record of its actions and proceedings, and make regular reports to the Board.

V.G. The Committee shall produce a compensation committee report on executive compensation as required by the SEC to be included in the Company's proxy statement or annual report on Form 10-K.

V.H. Except where the Committee is expressly noted as having exclusive authority or in such areas where required by the rules of the NYSE, the authority delegated to the Committee is non-exclusive. Whenever the Board determines that action by the Board is necessary or desirable as determined by the Board, the Board may act in lieu of, or to ratify, reverse, or change any prior actions of the Committee.

V.I. The CEO of the Company is given full authority, which may be delegated, to establish the compensation and salary ranges for all other employees of the Company and its subsidiaries whose salaries are not subject to approval or review by the Committee.

## **VI. REVIEW OF CHARTER AND COMMITTEE**

VI.A. The Committee shall review and reassess the adequacy of this Charter annually and recommend changes with respect thereto.

VI.B. The Committee shall annually review its own performance and recommend changes with respect thereto.