

**Chicago Pizza & Brewery, Inc.
Compensation Committee Charter
June 8, 2004**

Purpose of Committee

The purpose of the Chicago Pizza & Brewery, Inc. (the “Company”) Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) is to: 1) oversee the administration of the Company’s compensation programs; 2) review the compensation of the executive officers; 3) administer the Stock Option/Incentive Based Plans; 4) review Co-CEOs performance; and 5) prepare any report on executive compensation required by the rules and regulations of the Securities and Exchange Commission (the “SEC”).

Membership

The Committee shall consist of no fewer than three members of the Board each of whom the Board has determined has no material relationship with the Company and each of who meet the independence requirements of NASDAQ Stock Market Section 16 of the Securities Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code. Members shall be appointed by the Board based on nominations recommended by the Company’s Governance and Nominating Committee, and shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

Structure and Operations

The Board shall designate one member of the Committee as its chairperson. The Committee shall meet in person or telephonically at least two times a year at a time and place determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written and/or oral consent, when deemed necessary or desirable by the Committee or its chairperson.

The Committee may invite such members of management to its meetings, as it may deem desirable or appropriate, consistent with the maintenance of the confidentiality of compensation discussions. The Company’s Chief Executive Officers (“Co-CEOs”) should not attend any portion of a meeting where their performance or compensation is discussed, unless specifically invited by the Committee.

Duties and Responsibilities

The following are the duties and responsibilities of the Committee.

In consultation with senior management, the Committee shall establish the Company’s general compensation philosophy, and oversee the development and implementation of compensation programs.

The Committee shall review and approve corporate goals and objectives relevant to the compensation of the Co-CEOs, evaluate the performance of the Co-CEOs in light of those goals and objectives, and either as a committee or together with the other independent directors (as directed by the Board), determine and approve the Co-CEOs compensation level based on this evaluation. In determining the long-term incentive component of the Co-CEOs compensation, the Committee shall consider, among other factors, 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 Co-CEOs in past years.

The Committee shall conduct an annual evaluation of the performance of the Co-CEOs.

The compensation of all officers shall be subject to approval by the Board. The Co-CEOs shall, at their discretion, have the authority to alter compensation for executives below the officer level without Committee approval, provided the revised compensation does not exceed the competitive market place. New officer hires, and the compensation for such officer(s), other than the President, Chief Operating Officer ("COO") and Chief Financial Officer ("CFO") may be made without Committee approval, provided their compensation is within competitive guidelines, and the Chair is promptly notified. The Committee shall be responsible for approving new compensation plans or other material perquisites benefiting officers or senior officers.

The Committee shall have the sole authority to retain and terminate any compensation consultant to assist it in the evaluation of director, Co-CEOs or senior executive compensation and shall have sole authority to approve the consultant's fees and other retention terms.

The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

The Committee shall review and approve grants and awards to executive officers and other participants under the Company's Stock Option Plan.

The Committee shall periodically evaluate compensation for members of the Board and its committees and review and approve changes in such compensation plans relating to director compensation. Directors who are employees of the Company shall not be compensated for their service as a director (other than reimbursement of expenses incurred in attending board and committee meetings). In establishing compensation for directors, the Committee may take into account the responsibilities of directors in serving on the Board and its Committees and the compensation provided to directors of other publicly traded companies.

The Committee shall review and report on any additional compensation matters as the Board requests.

The Committee shall review, modify and adopt succession planning for the Co-CEOs and all executive officers.

The Committee shall review and approve the Company's retirement, welfare benefits and equity based programs, including their administration and the service provided those by any outside consultants.

The Committee may form and delegate authority to subcommittees when appropriate, including the annual Co-CEOs' evaluations. The Committee may not delegate any decisions with respect to equity compensation for any Executive Officer of the Company.

The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

The Committee shall annually review its own performance and report thereon to the Board.

Available Resources

The Committee shall have the resources and appropriate authority to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel and other experts or consultants as it deems appropriate to assist in the evaluation of director, Co-CEOs or executive compensation.