

Cache Inc.

Charter of the Compensation and Plan Administration Committee of the Board of Directors

I. DEFINITIONS.

- A. **"Board"** means the Board of Directors of Cache.
- B. **"CEO"** means the Chief Executive Officer of Cache.
- C. **"Chairperson"** means the Chairperson of the Committee.
- D. **"Cache"** means Cache Inc., a Florida corporation.
- E. **"Committee"** means the Compensation and Plan Administration Committee of the Board.
- F. **"Employment Agreements"** means all employment, retention and similar agreements and any amendments there.
- G. **"Equity Awards"** means grants of equity securities, stock options, restricted stock, stock appreciation rights, stock units or any other award consisting of or relating to the stock or any security (or phantom stock or any other derivative security) of Cache under or pursuant to any present or future Equity Compensation Plan of Cache.
- H. **"Equity Compensation Plan"** means a plan or other arrangement that provides for the delivery of equity securities (either newly issued or treasury shares) of Cache to any employee, director or other service provider as compensation for services.
- I. **"Executive Officers"** means the officers of Cache designated as "executive officers" by the Board from time to time for purposes of Section 16 of the Securities Act of 1934, as amended, and the regulations adopted pursuant thereto.
- J. **"SEC"** means the United States Securities and Exchange Commission.

II. GENERAL.

- A. **Committee Purpose.** The Committee shall assist the Board in fulfilling its responsibilities and shall have the purpose and responsibilities, as more fully described in Section IV below, and without limiting the rights and responsibilities captured elsewhere in this Charter, to: (i) approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of such goals and objectives, and make a recommendation to all of the independent directors for their approval with respect to the CEO's compensation based on such evaluation; (ii) make recommendations to the Board with respect to compensation and benefits, incentive compensation plans and

Equity Compensation Plans applicable to Executive Officers; (iii) approve plans and programs pertaining to director compensation and benefits; (iv) assist in the maintenance of compensation practices that are consistent with applicable market standards and in full compliance with applicable regulatory requirements; and (v) produce a report on executive compensation for inclusion in Cache's annual proxy statement or in Cache's annual report filed on Form 10-K with the SEC, in accordance with applicable regulations.

- B. **Committee's Access to External Consultants and Advisers.** The Committee has the sole authority to retain (and approve the related terms of engagement and fees), at Cache's expense, independent legal, accounting, and other consultants, advisors, and experts that it determines to be necessary or appropriate to assist the Committee in the performance of its responsibilities. Such retention may be made without seeking the approval of the Board or management.
- C. **Review of Charter.** The Committee shall review and assess the adequacy of this Charter at least bi-annually and submit any proposed revisions to the Board for its consideration and approval.

III. **COMMITTEE COMPOSITION AND MEETINGS.**

- A. **Composition and Qualification of Members.** The Committee shall be comprised of three or more directors as designated by the Board, each of whom shall meet all applicable legal and Nasdaq listing qualifications as may exist from time to time and shall be an independent director as defined by the applicable Nasdaq listing qualifications. A director shall not serve as a member of the Committee if the CEO or another executive officer of Cache serves on the compensation committee of another company that employs that director.
- B. **Appointment and Removal.** The members of the Committee shall be appointed by the Board and shall serve until the applicable member's successor is duly elected and qualified or until such member's earlier resignation or removal by the Board.
- C. **Chairperson of the Committee.** The Board shall appoint one of the members of the Committee to serve as its Chairperson. The Chairperson shall chair all regular sessions of the Committee and set or review the agenda for Committee meetings.
- D. **Meetings.** The Committee shall meet at least four times a year, or more frequently as circumstances dictate, and as called by the Chairperson. The Committee may invite to (or exclude from) its meetings any director (who is not a member of the Committee), officer or employee of Cache, or such other persons as it deems appropriate to carry out its responsibilities.
- E. **Minutes.** Cache's Secretary (or the designee of the Secretary) will keep minutes of all of the Committee's meetings, and shall retain such minutes with Cache's corporate records.
- F. **Reports to the Board of Directors.** The Chairperson shall regularly, but not less than once per year, report to the Board on the Committee's activities and

shall review with the Board any significant issues that arise with respect to Cache's compliance with legal or regulatory requirements.

- G. **Self-Evaluation.** The members of the Committee shall conduct an annual performance self-evaluation of the Committee, including reviewing compliance by the Committee with this Charter.

IV. **COMMITTEE RESPONSIBILITIES.**

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section II.A of this Charter.

- A. **Compensation of CEO.** The Committee shall (i) make recommendations to the independent directors with respect to the corporate goals and objectives relevant to the CEO's compensation, (ii) evaluate the CEO's performance in light of such goals and objectives, and (iii) make recommendations to the independent directors for the CEO's compensation, including annual salary and bonuses based on this evaluation.
- B. **Long Term Incentives Awarded to CEO.** The Committee shall recommend to the independent directors for their approval Equity Awards and any other long-term incentive component of the CEO's compensation and, in doing so, shall consider (at a minimum) Cache's performance and relative shareholder return, the value of similar incentive awards granted to CEOs at comparable companies, and long-term incentive awards granted to the CEO in past years.
- C. **Compensation of Executive Officers and Directors.** The Committee shall review and, if appropriate, approve, the CEO's recommendations with respect to the annual salary, bonus, and Equity Awards for all Executive Officers other than the CEO.
- D. **Director Compensation.** The Committee shall review, and, if appropriate, approve compensation plans and programs (including, without limitation, retainer fees, meeting fees, chairperson fees, long term compensation, benefits and perquisites) for directors.
- E. **Approve Compensation and Benefit Plans.** The Committee shall review and make a recommendation to the Board as to whether to approve any Equity Compensation Plan or any material amendments or revisions thereto or termination thereof. The Committee shall review and make a recommendation to the Board as to whether to approve any executive retirement plans, executive severance plans, plans permitting the deferral of compensation, or any similar form of compensation or executive benefits in which the directors, Executive

Officers, or any of them, are participants, and any material amendments or revisions thereto or the termination thereof.

- F. Administration of Plans.** The Committee shall perform the duties assigned to the Committee in any present or future Equity Compensation Plan or other compensation, retirement or employee benefit plan of Cache.
- G. Approval of Aggregate Equity Awards.** The Committee shall review and, if appropriate, approve the aggregate amount of Equity Awards that may be granted to employees of Cache and its subsidiaries, other than Executive Officers, and authorize the CEO (and his designees), to issue Equity Awards (subject to such aggregate limit) to employees.
- H. Grant of Equity Awards to New Hires and Promoted Employees.** The Committee authorizes the CEO to make Equity Awards to newly hired employees and employees who have been promoted; provided, that (1) such employees are neither Executive Officers nor directors, and (2) the amount and terms of such Equity Awards are reasonably consistent with Equity Awards made to employees in similar positions.
- I. Compensation Policies and Structure.** The Committee shall review Cache's executive compensation policies with Cache's Director of Human Resources. In addition, the Committee shall participate in the preparation and approval of the Report of the Compensation Committee contained in Cache's annual meeting proxy statement, which report describes the performance factors the Committee relied on in determining the compensation of the CEO, as well as a discussion of the Committee's general policies with respect to executive compensation. The Committee shall review and, if appropriate, approve any significant modifications to Cache's salary range structure, bonus and long-term incentive targets.
- J. Perquisites.** The Committee shall review and approve any plan or program which provides for the grant or payment of fringe benefits to or for the benefit of Executive Officers, except for plans or programs that are similarly offered to all or a large group of Cache's employees and are not expected to result in an annual cost to Cache in excess of \$1 million.
- K. Employment Agreements.** The Committee shall review and, if appropriate, approve all Employment Agreements to which an Executive Officer, other than the CEO, is a party. Any Employment Agreement to which the CEO is a party shall be reviewed by the Committee so that a recommendation may be made to the Board regarding the approval of such agreement.
- L. General.** The Committee shall counsel the Board on other compensation matters and undertake such other related responsibilities as the Board or its Chairperson may request.