

## ANGELICA CORPORATION

### Compensation and Organization Committee of the Board of Directors

#### AMENDED AND RESTATED CHARTER

This charter (the “Charter”) shall govern the operations of the Compensation and Organization Committee (the “Committee”) of the Board of Directors of Angelica Corporation (the “Company”).

#### **Composition, Qualifications and Meetings**

The Committee shall be appointed by the Board and shall be comprised of at least two directors, each of whom is an “independent” director. An independent director is a member of the Board of Directors of the Company who:

- the Board of Directors of the Company has affirmatively determined has no material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with the Company, either individually or as a partner, shareholder or officer of an organization or entity having such a relationship with the Company;
- is not, and has not been, for the three years prior to the date of determination, an employee of the Company and who has no immediate family member who is or has been, for the three years prior to the date of determination, an executive officer of the Company;
- is not a current partner or employee of a firm that is the Company’s internal or external auditor, and who has no immediate family member who is a current employee of such a firm who participates in the firm’s audit, assurance or tax compliance (but not tax planning) practice, or, in the event the director or an immediate family member was within the last three years (but is no longer) a partner or employee of such a firm, the director or the immediate family member did not personally work on the Company’s audit within that time;
- is not, and has not been (and who has no immediate family member who is or has been), for the three years prior to the date of determination, part of an interlocking directorship in which an executive officer of the Company serves on the compensation committee of the company that concurrently employed the director (or immediate family member) as an executive officer;
- has not (and who has no immediate family member who has), during any twelve-month period in the three years prior to the date of determination, received more than \$100,000 in direct compensation from the Company, other than director and committee fees and receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service to the Company (provided that such compensation is not contingent in any way on continued service);
- is not a current employee (and who has no immediate family member who is a current executive officer) of another company that, prior to the date of determination, has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of such other company’s consolidated gross revenues; and

- meets all other applicable standards for independence established by the New York Stock Exchange, the Securities and Exchange Commission or other regulatory agencies.

For the purpose of determining independence, “immediate family member” means such director’s: spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and anyone (other than domestic employees) who shares the director’s home. The Committee may determine a director to be independent if the disqualifying issue relates to an immediate family member who is no longer an immediate family member as a result of legal separation or divorce or if the relevant immediate family member has died or become incapacitated. References to any company include any parent or subsidiary in a consolidated group with the company.

Committee members shall serve until such member’s successor is appointed and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority vote of the Board of Directors. The Committee shall have the authority to delegate, in its sole discretion, any of its responsibilities to subcommittees as it deems appropriate.

The Committee shall meet at least two times annually, or more frequently as circumstances dictate. The Committee shall maintain minutes of meetings and report its actions and any recommendations to the Board of Directors after each Committee meeting. The report may take the form of an oral report by the Committee Chair or by any other member of the Committee designated by the Committee to make such report.

### **Purpose**

The purpose of the Committee is to discharge such responsibilities of the Board of Directors of the Company that the Board of Directors delegates to the Committee, relating to compensation of the Company’s executives and directors.

In addition, the Committee will prepare a report of the compensation policies of the Committee that is required by the rules and regulations of the Securities and Exchange Commission to be included in the Company’s proxy statement for the annual meeting of shareholders or its annual report filed on Form 10-K with the Securities and Exchange Commission.

### **Responsibilities and Duties**

In carrying out its responsibilities with respect to executive and director compensation, the Committee shall, subject to the review and approval of the Board of Directors:

- review and approve on an annual basis the Company’s goals and objectives relevant to the compensation of the Chief Executive Officer (the “CEO”) of the Company;
- evaluate at least annually the CEO’s performance in light of the Company’s goals and objectives;
- determine the CEO’s compensation, including salary, bonus, incentive and equity compensation, based on its evaluation of the CEO’s performance relative to objectives outlined in the CEO’s employment agreement and other performance measures established by the Board of Directors (including those specified for performance based compensation programs in which the CEO participates) and taking into account the Company’s performance, relative shareholder return, the value of similar incentive awards to CEOs at similarly situated companies and the awards given to the CEO in past years;

- develop and maintain a succession plan for the CEO, establish criteria for evaluating and selecting potential CEO candidates and recommend CEO succession candidates to the Board of Directors;
- make recommendations to the Board of Directors with respect to the compensation of the Company's other executive officers;
- make recommendations to the Board of Directors with respect to the compensation of the Company's directors, including retainer amounts and meeting fees; and
- review and approve the Company's incentive-compensation and equity-based plans, review and approve the selection of participants in such plans, approve recommended awards to such participants, establish performance criteria, interpret the conditions of such plans and recommend changes to such plans as needed.

The Committee shall have the sole authority to retain and terminate any compensation consultant and any legal, accounting or other outside advisors that it deems necessary in connection with the performance of its duties and to approve the consultant's fees and retention terms.

#### **Annual Review**

The Committee shall annually perform a review and evaluation of the performance of the Committee and its members and report its conclusions to the Board of Directors. In addition, the Committee shall assess the adequacy of the Charter and the Committee's own performance under the Charter. The Committee will determine whether any changes to the Charter are advisable or any corrective actions should be undertaken to correct any deficiencies or weaknesses noted in the review and evaluation. The Committee shall present any amendments to the Charter or corrective actions that the Committee deems necessary or appropriate to the Board of Directors for its approval.

#### **Adoption and Publication**

As adopted by the Board of Directors on April 13, 2004, amended and restated on January 18, 2005, and amended and restated on January 17, 2006.

The Charter shall be published on the Company's Internet website and will otherwise be filed or reported as may be required by applicable law.

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