

**CKE RESTAURANTS, INC.  
COMPENSATION COMMITTEE CHARTER**

**I. Purpose**

The Compensation Committee is appointed by the Board of Directors (the "Board") of CKE Restaurants, Inc. (the "Company") and has direct responsibility for reviewing, approving and evaluating the director and officer compensation plans, policies and programs of the Company. The Compensation Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company's proxy statement, which report shall comply with applicable governmental laws and regulations and New York Stock Exchange ("NYSE") listing standards.

**II. Composition**

The Compensation Committee shall consist of three or more members as determined by the Board. Committee members shall be "independent" within the meaning of the Rules of the NYSE and applicable federal law. The Company's criteria for director independence are set forth in the Company's Corporate Governance Guidelines, a copy of which is available under the section titled "Corporate Governance" on the Company's website at [www.ckr.com](http://www.ckr.com). The members of the Compensation Committee shall be appointed by the Board on the recommendation of the Nominating & Corporate Governance Committee. The members of the Compensation Committee shall be elected by the Board and served at its pleasure for such term or terms as it shall determine in its sole discretion.

**III. Meetings**

The Committee shall meet at least two times annually, or more frequently as circumstances require. The Committee Chairman shall prepare and/or approve an agenda in advance of each meeting and, whenever reasonably practicable, circulate the agenda to each member prior to the meeting date.

**IV. Procedural Matters**

A majority of the then-acting members of the Committee shall constitute a quorum. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Committee. Unless the Board elects a Chairman for the Committee, the members of the Committee may designate a Chairman by majority vote. The Chairman shall preside, when present, at all meetings of the Committee. The Committee will keep a record of its meetings and report on them to the Board. The Committee may meet by telephone or video conference and may take action by unanimous written consent. On all procedural matters not specifically addressed in this Charter, the provisions of the Bylaws of the Company relating to actions by the Board shall apply to the Committee.

**V. Authority and Responsibilities**

The Compensation Committee shall have direct responsibility to perform the following:

I. Compensation Consultants. Have the sole authority to retain, pay and terminate any compensation consultant to be used to assist in the evaluation of the compensation of any director or executive officer of the Company and shall have sole authority to approve the consultant's fees and other retention terms. The Compensation Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors, which may be different from the Company's day-to-day advisors.

A. Executive Compensation.

1. CEO Compensation. Annually review and approve corporate goals and objectives relevant to compensation of the CEO, evaluate the CEO's performance in light of those goals and objectives, establish the CEO's compensation levels based on this evaluation and administer the compensation plans for the CEO. In determining the long-term incentive component of CEO compensation, the Compensation Committee will consider the Company's performance and relative stockholder return versus comparable companies (based on size, industry, geographic location, and other factors as deemed appropriate by the Committee), the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.

2. Other Director and Officer Compensation. Annually review and approve, for the directors and the senior executives of the Company, (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits. The Committee shall also administer the executive compensation policies and management incentive programs of the Company.

B. Evaluate Employee Benefit Plans. Review and approve any new employee benefit plan or change to an existing plan that creates a material long-term financial commitment by the Company or any subsidiary. The Committee may review periodically the Company's material benefit plans, the appropriateness of the allocation of benefits under such plans, and the extent to which such plans are meeting their intended objectives.

C. Consult with Management Regarding Human Resource Issues. Consult with and seek advice from the Company's senior management concerning the appropriateness and usefulness of the Company's human resource policies and compensation plans, and consult with senior management and other appropriate persons, including external consultants, regarding appropriate human resources planning and incentives for a higher-performing workforce.

D. Compensation Committee Report. Produce an annual report on executive compensation for inclusion in the Company's proxy statement, which report shall comply with applicable governmental laws and regulations, including Item 402(k) of

Regulation S-K of the Securities Act of 1933 and NYSE listing standards. This report shall include the Committee's policies regarding the specific relationship of corporate performance to executive compensation, and the factors and criteria on which the CEO's compensation was based.

E. Delegation of Authority. Form and delegate authority to subcommittees when appropriate.

F. Minutes; Report to Board. Maintain minutes of meetings and periodically report to the Board on significant results of the foregoing activities.

G. Evaluation and Publication of Committee Charter. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. Request the Board to cause the then-current Charter to be published in accordance with the rules of the NYSE.

H. Evaluation of Committee Performance. The Compensation Committee shall annually review its own performance.