

LENOX GROUP INC.

CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

1. Composition of Compensation Committee

The Compensation Committee of the Board of Directors shall comprise at least three non-employee members of the Board. Each of the Compensation Committee members shall meet the independence and other requirements of the NYSE, the rules and regulations of the Securities and Exchange Commission, and other applicable laws. For these purposes, the NYSE independence standards shall be those set out in its Listed Company Manual and in the full Board's Governance Principles adopted by the Company's Board of Directors as in effect from time to time. At least two members must qualify as "outside directors" under Section 162(m) of the Internal Revenue Code.

The Committee, and the designation of one of its members as chairperson of the Committee, shall be elected by the Board at the meeting of the Board held on the date of the Annual Stockholders Meeting in each fiscal year.

2. Role of Compensation Committee

The role of the Compensation Committee is to serve in an oversight capacity with respect to general compensation policies of the Company, to establish the Company's policy, levels and design of officer cash and equity compensation, to recommend to the Board the levels and design of Board member compensation, and to coordinate processes and make recommendations to the Board with respect to CEO performance evaluation, compensation amounts and awards, and succession planning.

The Compensation Committee shall have the resources (including, without limitation, funding) and authority appropriate, as the Compensation Committee in its sole judgment shall determine, to discharge its responsibilities, including the resources and authority to engage any compensation consultant to assist in the evaluation of officer or Board member compensation, and to retain independent counsel and other advisors, experts or consultants.

3. Authority and Responsibilities

The Compensation Committee shall have the following direct authority and responsibilities:

Review and recommend to the Board with respect to

- corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those goals and objectives, and the determination of the CEO's compensation based on this evaluation;
- the establishment, amendment and design of any director or officer compensation plan or other employee benefit plan which requires stockholder approval;
- the establishment, amendment and design of significant long-term director or officer compensation or benefit plans that are subject to Board approval;
- any other matter, such as severance agreements, change in control agreements, or special or supplemental officer benefits, within the Committee's authority which in the Committee's judgment should appropriately be decided by the full Board; and

- the establishment and amendment of a succession plan for the CEO and other senior officers.

Review and approve

- the Company's overall officer compensation policy;
- the annual base salary, annual bonus, and annual long-term equity-based or other incentives of each corporate officer other than the CEO; and
- the design and material amendment of employee benefit plans and policies, including proposals to establish, freeze, close off or terminate employee benefit plans and related trusts.

Administer

- the annual process for the Board's evaluation of CEO performance;
- the Company's director and officer equity incentive plans; and
- the executive annual bonus and other officer cash incentive plans.

4. Other Compensation Committee Responsibilities

Discuss with the Board the activities and findings of the Compensation Committee on a regular basis. Distribute final minutes of each Committee meeting to the full Board.

Annually prepare a report on executive officer compensation as required by the Securities and Exchange Commission to be included in the Company's annual proxy statement.

Review and reassess the adequacy of this Charter at least annually. Submit the charter to the Board for approval and have the document published on the Company's investor website.

Conduct an evaluation of the Committee's performance on an annual basis.