

**Duties and Responsibilities of the
Organization and Compensation Committee**

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Revised May 12, 2000
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Organization

The Committee shall consist of at least three members appointed by the Board who shall serve until their successors are appointed and qualify. Each member shall be an independent director in compliance with the requirements of the New York Stock Exchange (NYSE) and Section 10A of the Securities Exchange Act of 1934, as amended by the Sarbanes-Oxley Act of 2002 (the “Act”). The chairperson of the Committee shall be appointed by the Board pursuant to its bylaws.

Duties and Responsibilities

1. Company’s Stock Purchase Plan and Stock Incentive Plan

- The role of the Committee is to ensure all Company stock- related plans recommended and administered by management meet legal and board guidelines.
- The Committee shall have the authority as delegated by the Board to review management’s recommendations and to authorize management to administer the Franklin Covey Second Amended and Restated 1992 Employee Stock Purchase Plan (the “Purchase Plan”) and to grant stock options and stock appreciation rights and administer the Franklin Covey Amended and Restated 1992 Stock Incentive Plan (the “Option Plan”) upon approval of the Board.
- The Committee shall have concurrent authority with the Board to approve non-material amendments to the Employee Stock Purchase Plan and/or the Stock Incentive Plan.

2. Compensation Programs

- The role of the Committee is to ensure that compensation systems/programs recommended and administered by management support achievement of the Board-approved strategic plan. The Committee shall make annual recommendations to the Board concerning the establishment and application of compensation levels, the adoption of bonus programs and the grant of equity incentives to maintain competitiveness and further corporate-wide performance objectives.
- The Committee shall provide one-over approval of the compensation payable to the direct reports of the Chief Executive Officer, including the adjustment of base salary each year, and shall approve all bonus and other incentive compensation programs for such executive officers and the authorization of all awards to such individuals under those programs.

- The Committee shall have authority to commission periodic studies and surveys concerning the levels of executive compensation payable in the industry in which the Company is engaged and in other related industries with whom the Company competes for human resources talent and obtain recommendations from outside consultants concerning competitive pay programs.
- The Committee shall review and approve all management-recommended perquisites, equity incentive awards, and special cash payments (including relocation expenses) or loans made or paid to the Company's executive officers.

3. Employee Benefit Programs

- The role of the Committee is to review management's recommendations for and administration of the Company's benefit programs to ensure they are appropriate and competitive.
- The Committee shall have responsibility for the review of all Company employee benefit plans, including any Internal Revenue Code Section 401(k) savings plan, any Internal Revenue Code Section 125 cafeteria benefit plan, any profit-sharing program, whether payable on a current or deferred basis, and all pension and other deferred compensation plans. Company management is responsible for administration of such plans.

4. Executive Development and Succession Planning.

- The Committee will work with the CEO to develop succession plans for executives reporting to the CEO and report annually thereon to the Board.
- Annually the Committee shall receive from the CEO a report reviewing the executive structure and the CEO's plans for executive development and succession.

5. CEO Performance Planning and Evaluation.

- The role of the Committee is to ensure that the CEO has an annual performance plan approved by the Board and that Board perceptions of performance to plan are communicated to the CEO at least annually.
- The Committee shall review the CEO's annual performance plan prior to presentation to the full Board at the fall quarterly meeting.
- The Committee shall coordinate the Board process to evaluate the CEO's performance to plan resulting in feedback to the CEO within two months of the completion of each fiscal year.
- The Committee shall request that the CEO deliver a mid-year performance report to the Board at the spring quarterly meeting.

6. Report on Executive Compensation

- The Committee shall have responsibility for preparing the report on executive compensation and the report on option repricings required by Item 402 of Regulation S-K.

7. Committee Resources

- The Committee shall have the authority to obtain advice and seek assistance from internal and external legal, accounting and other advisors. The Committee shall determine the extent of funding necessary for the payment of compensation to any consultant retained to advise the Committee.

Meetings

The Compensation Committee shall meet regularly, at least once during each quarter of the Company's fiscal year, in person or by telephone, to carry out its assigned responsibilities. The Committee shall meet with the President and Chief Executive Officer as needed. The Committee shall convene as necessary to act upon any other matters within its jurisdiction under these duties and responsibilities, and may take action by unanimous written consent.

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Minutes

Minutes shall be kept of each meeting of the Committee and will be provided to each member of the Board. Any action of the Committee, other than option grants, shall be subject to revision or rescission by the Board.