

**RARE HOSPITALITY INTERNATIONAL, INC.**

**Compensation Committee Charter**

**I. Purpose**

The Compensation Committee (the “Committee”) shall be responsible for reviewing and making decisions under a delegation of authority from the Board of Directors with respect to salaries, wages, bonuses, equity awards, and other benefits and incentives for executive officers of the Company. In performing this function, it shall be the objective of the Committee to: (i) encourage the achievement of the Company’s performance by providing compensation which directly relates to the performance of the individual and the achievement of internal business strategies and goals; (ii) establish compensation policies and guidelines that will attract and retain an outstanding group of executives through an overall level of compensation opportunity that is competitive within the Company’s industry; and (iii) promote a direct relationship between compensation and the Company’s performance by facilitating executive officer stock ownership through stock options or other equity-based awards.

**II. Composition of the Committee**

The members of the Committee shall be appointed by the Board of Directors on the recommendation of the Governance/Nominating Committee, shall not be officers or employees of the Company, and shall otherwise qualify as independent directors under the requirements of the Nasdaq National Market. It is intended that each director appointed to serve on the Committee shall meet the definition of “non-employee director” (within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) and of “outside director” (within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), and the regulations thereunder). The Chairman of the Committee shall be appointed by the Board, on the recommendation of the Committee. The Board of Directors may at any time remove one or more directors as members of the Committee and fill any vacancies on the Committee.

**III. Power and Authority**

The Committee is authorized to fix the compensation of executive officers of the Company, to administer the Company’s equity-based incentive compensation plans in accordance with the terms of such plans, and to administer and amend other benefit plans of the Company, as designated by the Board from time to time. To that end, the Committee shall have and may exercise all the powers and authority of the Board of Directors to the extent permitted under Section 14-2-825 of the Georgia Business Corporation Law.

Each member of the Committee shall, in the performance of such member's duties, be fully protected in relying on information, opinions, reports or statements prepared or presented by any of the Company's officers or employees, or committees of the Board of Directors or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence, all to the extent permitted by Section 14-2-830 of the Georgia Business Corporation Law.

#### **IV. Duties and Responsibilities**

The Committee is responsible for making decisions with respect to the Company's executive compensation policies. Pursuant to authority granted by the Board of Directors, the Committee shall determine on an annual basis the compensation to be paid to the Chief Executive Officer and each of the other executive officers of the Company. In addition, the Committee is responsible for producing an annual report on executive compensation for inclusion in the Company's proxy statement for the annual meeting of shareholders, in accordance with applicable rules and regulations.

The Committee shall:

- Annually review and approve all Company goals and objective relevant to the Chief Executive Officer's compensation.
- Annually evaluate the Chief Executive Officer's performance in light of the Company's goals and objectives
- Annually approve base salary and incentive bonus levels of the Chief Executive Officer;
- Annually approve base salary and incentive bonus levels of the other executive officers of the Company, as may be recommended to the Committee by the Chief Executive Officer;
- Annually evaluate and make recommendations to the Board of Directors with respect to the compensation of members of the Board of Directors and its Committee Chairmen;
- Administer the Company's equity-based incentive compensation plans, as well as any other stock option, stock purchase, incentive or other benefit plans of the Company so designated by the Board of Directors from time to time, fulfilling such duties and responsibilities as are set forth in such plans;

- Review and approve stock options or other equity-based incentive awards, as such are recommended to the Committee by the Chief Executive Officer; and
- Make regular reports to the Board of Directors concerning the activities of the Committee.

The Committee may determine, from time to time, the advisability of retaining a compensation consultant to assist in the evaluation of Chief Executive Officer or other executive officer compensation. The Committee has the authority to retain, at Company expense, and terminate a compensation consultant, including sole authority to approve the consultant's fees and other retention terms.

#### **V. Committee Meetings**

The Committee shall meet as many times as is required to perform its duties. One such meeting shall be held at a time when the Committee can review and recommend annual base salary and incentive awards as described above. Other meetings shall be held at the discretion of the Chairman of the Committee. Minutes of each meeting of the Committee shall be kept. The Chief Executive Officer will function as the management liaison officer to the Compensation Committee.