

## **LUBY'S, INC.**

### **PERSONNEL AND ADMINISTRATIVE POLICY COMMITTEE CHARTER**

#### **SCOPE AND PURPOSE:**

The Personnel and Administrative Policy Committee (the "Committee") of the Board of Directors (the "Board") of Luby's, Inc. (the "Company") is formed by the Board to monitor and evaluate the policies and practices of: human resource management and administration; senior management development; restaurant management development; nonexecutive compensation and benefits; savings and investment plan administration; marketing; customer management; public relations; risk management; shareholder relations and communication on matters other than financial reporting.

#### **FUNCTIONS:**

The duties and responsibilities of the Committee will include but are not limited to the following:

##### **Employment and Placement**

1. Periodically review and evaluate the employment opportunity policies and practices of the Company, including their compliance with applicable laws and regulations.
2. Review and approve officer appointments by the chief executive officer for the positions of senior vice president and above.

##### **Training and Development**

1. Periodically review and evaluate the Company's management development programs with regard to support of the Company's strategic plan.

##### **Sustainment**

1. Review annually the nonexecutive wage and salary policy for the ensuing fiscal year and report recommendations as appropriate to the Board.
2. Review annually the Company's non-executive officer benefits programs and policies and report appropriate recommendations to the Board.
3. Review and evaluate the Company's information technology systems, strategies, priorities, and resources, and relationship to the Company's strategic plan.
4. Review with management its senior management development and executive succession plan on a periodic basis, but no less than annually, and report to the Board any significant actions taken or proposed.

5. Review the investment policies and financial results of the Luby's Savings and Investment Plan and the performance of the administrative Committee of the plan.
6. Review and report, no less frequently than annually, to the Board a Committee assessment of such employee retention and satisfaction indicators as may be necessary to determine the health and morale of the organization.

### **Marketing and Public Relations Strategy**

1. Review and evaluate the Company's internal and external marketing strategies, priorities, and resources.
2. Review the Company's customer management plan including customer feedback processes and findings.
3. Review and evaluate the Company's public relations strategies and priorities, including: budgets and guidelines for the Company's corporate giving and community service activities.

### **Safety and Loss Control Policies**

1. Periodically review and evaluate the Company's loss control risk management policies and procedures.
2. Periodically review and evaluate operations quality assurance and food safety procedures and processes.

### **Shareholder Relations**

1. Review, evaluate, and recommend to the Board annual meeting matters and proxy solicitation materials including annual meeting and record dates, appointment of proxies and appointment of inspector of election.
2. Review and evaluate management's strategies for periodic communications with shareholders.
3. Review biannually the Company's investor profile and report findings to the Board.
4. Review and consider shareholder proposals (other than nominees for election to the Board, which shall be reviewed and considered by the Nominating and Corporate Governance Committee) submitted to the Company and make recommendations to the Board regarding the Company's response to such shareholder proposals.

## **Corporate Documents**

Review and evaluate the provisions of the Company's certificate of incorporation, bylaws, and other constituent governance documents in light of the structure of the Company's shareholder base and the Company's strategic plans.

## **Personnel and Administrative Policy Committee Performance**

1. At least annually, review and recommend to the Executive Committee revisions to the charter of the Committee and conduct a self-assessment of Committee performance.
2. Periodically, but no less frequently than annually, review and update the Committee addendum.
3. Monitor and guide the development and implementation of an appropriate orientation program for Committee members.
4. As necessary, recommend to the Board investigations into any matters under the Committee's cognizance.

### **DURATION:**

The Committee shall continue in existence on a permanent basis until dissolved by the Board.

### **CHAIR:**

The chair and vice chair of the Committee shall be appointed by the Nominating and Corporate Governance Committee subject to the approval of the Board. If the chair of this Committee is unable to attend a Committee meeting, the vice chair shall act as chair of the Committee.

### **MEMBERSHIP:**

Committee membership shall consist of at least four members. 75% of the members of the Committee shall constitute a quorum for the transaction of business.

The members of the Committee shall be appointed annually, and vacancies filled or members removed by the vote of a majority of the full Board. Committee members may resign by giving written notice to the Board. A Committee member may resign Committee membership without resigning from the Board, but a member shall cease automatically to be a member of the Committee upon either ceasing to be a member of the Board or ceasing to satisfy the requirements for membership stated above.

## **COMMITTEE OPERATIONS:**

### **Meetings**

The Committee shall meet at such times and shall conduct such business as is more specifically described at Attachment I entitled Addendum. Agendas and advance materials will be provided to Committee members at least one week in advance of regularly scheduled meetings. Special meetings may be held as called by the Committee chair.

Meetings are to be attended by members of the Committee or a substitute approved by the chair of the Committee, the appointed recorder, the Senior Vice President-Administration, and any guests whose attendance is approved by the chair.

The Senior Vice President and General Counsel will be the point of contact for the Committee.

### **Minutes and Reports**

The chair of the Committee shall designate a person to record the proceedings of the Committee's meetings. The records of the Committee meetings shall be confidential but shall be shared with other members of the Board and shall be retained as directed by the Board chair for a period of at least ten years.

The chair may authorize the creation and distribution of other reports or position papers as appropriate.

### **Reporting to the Board**

The Committee shall report to the Board the results of its meetings and any action taken by the Committee.

### **Delegation**

Except as prohibited by law or the certificate of incorporation or bylaws of the Company, the Committee may delegate its responsibilities to a subcommittee consisting of one or more of its members.

### **Resources**

In carrying out its responsibilities, the Committee may retain independent consultants, counsel, and other advisors, provided that approval of the full Board is required for the expenditure of \$5,000 or more in any twelve-month period for fees paid to such advisors.

### **EFFECTIVE DATE:**

This charter was reviewed by the Committee and approved by the Board on April 17, 2007, in order to govern the subsequent operation of the Committee.

**Note:** While the Committee has the responsibilities and powers set forth in this charter, it is the duty of management rather than the Committee to develop, implement, and assure that the Company complies with such policies. Further, management has responsibility for the collection and development of such data and presentations as are necessary for the Committee to exercise the responsibilities set forth in this charter and properly guide policy development and monitor implementation. Management must assure compliance with laws and regulations and the Company's Policy Guide on Standards of Conduct and Ethics and the Supplemental Standards of Conduct and Ethics.