

## **Nominating and Corporate Governance Committee**

### **Purpose**

The Nominating and Corporate Governance Committee is appointed by the Board of Directors (the “Board”) of The Steak n Shake Company (the “Company”) (1) to assist the Board by identifying individuals qualified to become Board members, and to recommend to the Board the director nominees for each annual meeting of shareholders; (2) to develop, review, revise and recommend to the Board the Corporate Governance Guidelines appropriate for the Company; (3) to develop, review, revise and recommend to the Board the Code of Business Conduct and Ethics and Whistleblower Policy appropriate for the Company; (4) to lead the Board in its annual review of the Board’s performance; (5) to recommend to the Board director nominees for each committee, and (6) to review the succession plans for the Chief Executive Officer of the Company.

### **Committee Membership**

The Nominating and Corporate Governance Committee shall consist of at least three directors. The members of the Nominating and Corporate Governance Committee shall meet the independence requirements of the New York Stock Exchange.

The members of the Nominating and Corporate Governance Committee and the Chair of the Nominating and Corporate Governance Committee shall be appointed and replaced by the Board.

### **Committee Authority and Responsibilities**

1. The Nominating and Corporate Governance Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search firm’s fees and other retention terms. The Nominating and Corporate Governance Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
2. The Nominating and Corporate Governance Committee shall assess the need for new directors of the Company on an ongoing basis, including identifying any specific needs

in terms of industry or professional background, or independence standards, for nominees. The Nominating and Corporate Governance Committee shall identify possible nominees who meet specified objectives in terms of the composition of the Board and may also take into account such factors as geographic, occupational, gender, race and age diversity. The Nominating and Corporate Governance Committee shall actively seek individuals qualified to become board members for recommendation to the Board.

3. The Nominating and Corporate Governance Committee shall review the qualifications for any candidates for director identified by the Committee or suggested by the Board members, stockholders, management or others in accordance with the criteria and objectives set by the Committee and the Board and shall make a recommendation to the Board regarding any such candidate.
4. The Nominating and Corporate Governance Committee shall approve and recommend to the Board the director nominees for each annual meeting of shareholders and the director to serve as Chairman of the Board. The Nominating and Corporate Governance Committee shall also recommend to the Board director nominees and the Chair for each committee of the Board.
5. The Nominating and Corporate Governance Committee shall make recommendations to the Board concerning the appropriate size, function, needs and composition of the Board.
6. The Nominating and Corporate Governance Committee shall receive comments from all directors and report annually to the Board with an assessment of the Board's performance, to be discussed with the full Board following the end of each fiscal year. The Nominating and Corporate Governance Committee shall lead the evaluation of Board members by examining such factors as experience, business judgment, integrity, time and commitment, teamwork and independence.
7. The Nominating and Corporate Governance Committee shall formulate, approve and recommend Corporate Governance Guidelines for the Company for adoption by the Board, and shall, on an annual basis, review and reassess the adequacy of such Corporate Governance

Guidelines and recommend any proposed changes to the Board for approval. The Nominating and Corporate Governance Committee shall perform the duties and functions set forth for the Committee in the Corporate Governance Guidelines.

8. The Nominating and Corporate Governance Committee shall formulate, approve and recommend a Code of Business Conduct and Ethics for the Company for adoption by the Board and shall, on an annual basis, review and reassess the adequacy of such Code and recommend any changes to the Board for approval.
9. The Nominating and Corporate Governance Committee shall meet as often as it deems appropriate to carry out its responsibilities, and shall meet at least once annually prior to the time when nominees for the Board are to be determined for inclusion in the proxy statement for the Company's annual meeting of shareholders. A majority of the members of the Committee shall constitute a quorum.
10. The Nominating and Corporate Governance Committee shall review and assist with the development of executive succession plans, and will evaluate and make recommendations to the Board regarding potential candidates to become Chief Executive Officer of the Company.
11. The Nominating and Corporate Governance Committee may delegate authority to subcommittees or to the Chair of the Committee when it deems appropriate.
12. The Nominating and Corporate Governance Committee shall make regular reports to the Board of its meetings and actions. At least annually, the Nominating and Corporate Governance Committee shall report to the Board on management succession planning.
13. The Nominating and Corporate Governance Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
14. The Nominating and Corporate Governance Committee shall annually evaluate its own performance and report to the Board on such evaluation.

15. The Nominating and Corporate Governance Committee shall perform such other duties consistent with this Charter and the purpose of the Committee as the Board shall deem appropriate.