

**BIGLARI HOLDINGS INC.**  
**COMPENSATION COMMITTEE CHARTER**

**ROLE**

The role of the Compensation Committee (the “Committee”) of Biglari Holdings Inc. is to assist the Board of Directors (the “Board”) of the Company by:

1. Setting the compensation of the Chief Executive Officer and performing other compensation oversight; and
2. Assisting the Board with other related tasks, as assigned from time to time.

**MEMBERSHIP**

1. The Committee shall consist of at least three directors, each of whom is to be free of any relationship that, in the opinion of the Board, would interfere with his or her exercise of independent judgement. Committee members shall meet the independence requirements of the New York Stock Exchange, as well as all applicable laws and regulations.
2. Committee members shall be generally acquainted with corporate compensation issues.
3. The members of the Committee, including the chairperson of the Committee, shall be appointed annually by the Board. Members may be replaced by the Board at any time, but shall otherwise serve until their successor has been named.

**OPERATIONS**

1. The Committee shall meet at least once a year at the call of the Chair. Additional meetings may occur as any members of the Committee request or its Chair deems advisable.
2. The Committee shall be governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.
3. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the Bylaws of the Corporation, or (c) the laws of the state of Indiana.

**AUTHORITY**

1. The Committee shall have the sole authority to retain and terminate (or obtain the advice of) any advisor to assist it in the performance of its duties, but only after taking into consideration all factors relevant to the adviser’s independence from management, including those specified in Section 303A.05(c) of the NYSE Listed Company Manual. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser retained by the Committee, and shall have sole authority to approve the adviser’s fees and other terms and conditions of the adviser’s retention. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.

2. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications.
3. The Committee shall have the authority to form and delegate responsibilities to subcommittees as appropriate.

#### **DUTIES AND RESPONSIBILITIES**

The Compensation Committee shall have the following duties and responsibilities, in addition to any others that may be assigned by the Board from time to time:

1. Review and approve corporate goals and objectives relevant to the Chief Executive Officer's compensation and evaluate the Chief Executive Officer's performance relative to those goals and objectives and set the Chief Executive Officer's compensation;
2. Produce a report concerning compensation in compliance with SEC requirements;
3. Consider and approve, ratify or reject any transaction or proposed transaction, based on whether such transaction or proposed transaction is in the best interests of the Company and its stockholders, in which (i) the Company was or is to be a participant, (ii) the amount involved exceeds \$120,000, and (iii) a "related person" is a party as that term is defined by the federal securities laws (such transaction or proposed transaction is a "Related Person Transaction"); and
4. Oversee, as appropriate, the disclosure by the Company concerning Related Person Transactions as required by United States securities laws.