CRACKER BARREL OLD COUNTRY STORE, INC
Form PREC14A
September 05, 2013

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of

the Securities Exchange Act of 1934

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

x Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

¨ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to § 240.14a-12

CRACKER BARREL OLD COUNTRY STORE, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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PRELIMINARY COPY SUBJECT TO COMPLETION

Dear Shareholder:

We have enclosed with this letter the proxy statement for our 2013 Annual Meeting (the Annual Meeting) of shareholders of Cracker Barrel Old Country Store, Inc. (Cracker Barrel or the Company).

This year s Annual Meeting will be held on Wednesday, November 13, 2013, at [ ] Central Time, at our offices at 305 Hartmann Drive, Lebanon, Tennessee 37087, and you are most welcome to attend. You will find directions to the Annual Meeting on the inside back cover of the accompanying proxy statement.

At the Annual Meeting, you will have an opportunity to vote on the following proposals: (1) the election of nine directors, (2) approval, on an advisory basis, of the compensation of the Company s named executive officers as disclosed in the accompanying proxy statement, (3) ratification of the appointment of Deloitte & Touche LLP as the Company s independent registered public accounting firm and (4) a shareholder proposal, if properly presented at the Annual Meeting. Representatives from Deloitte & Touche LLP will be available at the Annual Meeting, and we will address questions that you may have.

Your vote will be especially important at the Annual Meeting. As you may be aware, The Lion Fund II, L.P. and certain affiliated entities (collectively, Lion Fund) have again proposed two alternative director nominees for election at the Annual Meeting: Sardar Biglari, the chairman and chief executive officer of Biglari Holdings Inc., an affiliate of Lion Fund (Biglari Holdings), and Philip Cooley, the vice chairman of Biglari Holdings.

We strongly urge you (1) to read the accompanying proxy statement carefully and vote FOR the nominees proposed by the Board of Directors and in accordance with the Board s recommendations on the other proposals by using the enclosed WHITE proxy card and (2) not to return any proxy card sent to you by Lion Fund or Biglari Holdings. If you vote using a COLOR proxy card sent to you by Lion Fund or Biglari Holdings, you can subsequently revoke it by following the instructions on the WHITE proxy card to vote by telephone, by Internet or by signing, dating and returning the WHITE proxy card in the postage-paid envelope provided. Only your last-dated proxy will count any proxy may be revoked at any time prior to its exercise at the Annual Meeting as described in the accompanying proxy statement.

We want your vote to be represented at the Annual Meeting. For those of you who plan to visit with us in person at the Annual Meeting, we look forward to seeing you, and please have a safe trip.

Sincerely,

Sandra B. Cochran
President and Chief Executive Officer

[ ], 2013

YOUR VOTE IS IMPORTANT

Please mark, sign and date your WHITE proxy card and return it promptly in the enclosed envelope, whether or not you plan to attend the meeting. If you own shares in a brokerage account, your broker cannot vote your shares on any of the proposals, unless you provide voting instructions to your broker. **THEREFORE, IT IS VERY IMPORTANT THAT YOU EXERCISE YOUR RIGHT AS A SHAREHOLDER AND VOTE ON ALL PROPOSALS.**

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PRELIMINARY COPY SUBJECT

TO COMPLETION

305 Hartmann Drive

Lebanon, Tennessee 37087

Notice of Annual Meeting of Shareholders

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

DATE OF MEETING:	November 13, 2013
TIME OF MEETING:	[ ] Central Time
PLACE OF MEETING:	305 Hartmann Drive Lebanon, Tennessee 37087
ITEMS OF BUSINESS:	(1) to elect nine directors;
	(2) to approve, on an advisory basis, the compensation of the Company s named executive officers as disclosed in the proxy statement that accompanies this notice;
	(3) to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the 2014 fiscal year;
	(4) to consider and vote upon a shareholder proposal, if properly presented at the meeting; and
	(5) to conduct other business properly brought before the meeting.
WHO MAY VOTE/RECORD DATE:	You may vote if you were a shareholder at the close of business on September 23, 2013.
DATE OF MAILING:	This proxy statement and the form of proxy are first being mailed or provided to shareholders on or about [ ], 2013.

YOUR VOTE IS IMPORTANT. The Company cordially invites all shareholders to attend the meeting in person. Whether or not you personally plan to attend, please take a few minutes now to vote by telephone or by Internet by following the instructions on the **WHITE** proxy card, or to sign, date and return the enclosed **WHITE** proxy card in the enclosed postage-paid envelope provided. If you are a beneficial owner or you hold your shares in street name, please follow the voting instructions provided by your bank, broker or other nominee. Regardless of the number of Company shares you own, your presence by proxy is helpful to establish a quorum and your vote is important.

Please note that The Lion Fund II, L.P. and certain affiliated entities (collectively, Lion Fund) have again nominated two alternative director candidates: Sardar Biglari, the chairman and chief executive officer of Biglari Holdings Inc., an affiliate of Lion Fund (Biglari Holdings), and Philip Cooley, the vice chairman of Biglari Holdings. **Our Board of Directors DOES NOT endorse the election of Lion Fund s nominees.** You may receive proxy solicitation materials from Lion Fund, including its proxy statements and proxy cards. We are not responsible for the accuracy of any information provided by or relating to Lion Fund or its nominees contained in any proxy solicitation materials filed or disseminated by, or on behalf of, Lion Fund or any other statements that Lion Fund may otherwise make.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE BOARD NOMINEES USING THE ENCLOSED <u>WHITE</u> PROXY CARD AND URGES YOU NOT TO SIGN OR RETURN OR VOTE ANY PROXY CARD SENT TO YOU BY LION FUND OR BIGLARI HOLDINGS.

If you have previously signed a proxy card sent by Lion Fund, you have the right to change your vote by telephone or by Internet by following the instructions on the **WHITE** proxy card, or by signing, dating and returning the enclosed **WHITE** proxy card in the postage-paid envelope provided. Only the latest dated proxy card you vote will be counted. If you are a beneficial owner or you hold your shares in street name, please follow the voting instructions provided by your bank, broker or other nominee to change your vote. We urge you to disregard any proxy card sent to you by Lion Fund or Biglari Holdings.

By Order of our Board of Directors,

Michael J. Zylstra
Secretary

Lebanon, Tennessee

[ ], 2013

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CRACKER BARREL OLD COUNTRY STORE, INC.

305 Hartmann Drive

Lebanon, Tennessee 37087

Telephone: (615) 444-5533

PROXY STATEMENT FOR 2013 ANNUAL MEETING OF SHAREHOLDERS

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GENERAL INFORMATION

What is this document?

This document is the proxy statement of Cracker Barrel Old Country Store, Inc. that is being furnished to shareholders in connection with our Annual Meeting of shareholders to be held on Wednesday, November 13, 2013 (the Annual Meeting). A form of **WHITE** proxy card also is being furnished with this document.

We have tried to make this document simple and easy to understand. The Securities and Exchange Commission (the SEC) encourages companies to use plain English, and we will always try to communicate with you clearly and effectively. We will refer to Cracker Barrel Old Country Store, Inc. throughout this proxy statement as we, us, the Company or Cracker Barrel.

Why am I receiving a proxy statement?

You are receiving this document because you were one of our shareholders at the close of business on September 23, 2013, the record date for our Annual Meeting. We are sending this proxy statement and the form of **WHITE** proxy card to you in order to solicit your proxy (i.e., your permission) to vote your shares of Cracker Barrel stock upon certain matters at the Annual Meeting. We are required by law to convene an Annual Meeting of our shareholders at which directors are elected. Because our shares are widely held, it would be impractical, if not impossible, for our shareholders to meet physically in sufficient numbers to hold a meeting. Accordingly, proxies are solicited from our shareholders. United States federal securities laws require us to send you this proxy statement and specify the information required to be contained in it.

What does it mean if I receive more than one proxy statement or WHITE proxy card?

If you receive multiple proxy statements or **WHITE** proxy cards, that may mean that you have more than one account with brokers or our transfer agent. Please vote all of your shares. We also recommend that you contact your broker and our transfer agent to consolidate as many accounts as possible under the same name and address. Our transfer agent is American Stock Transfer & Trust Company (AST), which may be contacted at (800) 485-1883.

Since Lion Fund has proceeded with its previously announced alternative director nominations and commenced a proxy contest, we will likely conduct multiple mailings prior to the Annual Meeting date to ensure shareholders have our latest proxy information and materials to vote. We will send you a new **WHITE** proxy card with each mailing, regardless of whether you have previously voted. The latest dated proxy you submit will be counted, and, IF YOU WISH TO VOTE AS RECOMMENDED BY THE BOARD OF DIRECTORS then you should only submit **WHITE** proxy cards.

What information is available on the Internet?

This proxy statement, our Annual Report on Form 10-K and other financial documents are available free of charge at the SEC s website, www.sec.gov. Our proxy statement and annual report to shareholders are available at the Investor Relations section of our corporate website, www.crackerbarrel.com.

Are you householding for shareholders sharing the same address?

Yes. The SEC s rules regarding the delivery of proxy materials to shareholders permit us to deliver a single copy of these documents to an address shared by two or more of our shareholders. This method of delivery is called householding, and it can significantly reduce our printing and mailing costs. It also reduces the volume of mail you receive. This year, we are delivering only one set of proxy materials to multiple shareholders sharing an address, unless we receive instructions to the contrary from one or more of the shareholders. We will still be required, however, to send you and each other Cracker Barrel shareholder at your address an individual WHITE proxy voting card. If you would like to receive more than one set of proxy materials, we will promptly send you additional copies upon written or oral request directed to our transfer agent, AST, at toll free (800) 485-1883, or our Corporate

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Secretary at Cracker Barrel Old Country Store, Inc., 305 Hartmann Drive, Lebanon, Tennessee 37087. The same phone number and address may be used to notify us that you wish to receive a separate set of proxy materials in the future, or to request delivery of a single copy of our proxy materials if you are receiving multiple copies.

Is there any other information that I should be receiving?

Yes. You should have already received a copy of our 2013 annual report to shareholders, which contains financial and other information about the Company and our most recently completed fiscal year, which ended August 2, 2013. References in this document to a year (e.g., 2013), unless the context clearly requires otherwise, mean and will be deemed a reference to our fiscal year that ended on the Friday closest to July 31 of that year.

Who pays for the Company s solicitation of proxies?

We will pay for the entire cost of soliciting proxies on behalf of the Company. We will also reimburse brokerage firms, banks and other agents for the cost of forwarding the Company s proxy materials to beneficial owners. In addition, our directors and employees may solicit proxies in person, by mail, by telephone, via the Internet, press releases or advertisements. Directors and employees will not be paid any additional compensation for soliciting proxies, but MacKenzie Partners, Inc. (MacKenzie), our proxy solicitor, will be paid a fee, estimated to be about [ ], for rendering solicitation services.

MacKenzie expects that approximately [ ] of its employees will assist in the solicitation. MacKenzie will ask brokerage houses and other custodians and nominees whether other persons are beneficial owners of our common stock.

Our aggregate expenses, including those of MacKenzie, related to our solicitation of proxies in excess of those normally spent for an Annual Meeting as a result of the proxy contest initiated by Lion Fund, and excluding salaries and wages of our regular employees, are expected to be approximately [ ], of which the Company estimates it has incurred approximately [ ] to date. Annex A sets forth information relating to our director nominees as well as certain of our directors, officers and employees who are considered participants in our solicitation under the rules of the SEC by reason of their position as directors or director nominees of the Company or because they may be soliciting proxies on our behalf.

An independent inspector of election will receive and tabulate the proxies and certify the results.

Who may attend the Annual Meeting?

The Annual Meeting is open to all of our shareholders. To attend the meeting, you will need to register upon arrival. We also may check for your name on our shareholders list and ask you to produce valid identification. If your shares are held in street name by your broker or bank, you should bring your most recent brokerage account statement or other evidence of your share ownership. If we cannot verify that you own Cracker Barrel shares, it is possible that you will not be admitted to the meeting.

May shareholders ask questions at the Annual Meeting?

Yes. Our officers will be available to respond to shareholder questions at the end of the meeting. In order to give a greater number of shareholders the opportunity to ask questions, we may impose certain procedural requirements, such as limiting repetitive or follow-up questions or requiring questions to be submitted in writing.

What if I have a disability?

If you are disabled and would like to participate in the Annual Meeting, we can provide reasonable assistance. Please send any request for assistance to Cracker Barrel Old Country Store, Inc., 305 Hartmann Drive, Lebanon, Tennessee 37087, Attention: Corporate Secretary, at least two weeks before the meeting.

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What is Cracker Barrel Old Country Store, Inc. and where is it located?

We are the owner and operator of the Cracker Barrel Old Country Store® restaurant and retail concept. We operate over 620 Cracker Barrel stores in 42 states through a number of related operating companies. Our corporate headquarters are located at 305 Hartmann Drive, Lebanon, Tennessee 37087. Our telephone number is (615) 444-5533.

Where is Cracker Barrel Old Country Store, Inc. common stock traded?

Our common stock is traded and quoted on the Nasdaq Global Select Market (Nasdaq) under the symbol CBRL.

Who will count the votes cast at the Annual Meeting?

The Board of Directors will appoint an independent inspector of election to serve at the Annual Meeting. The independent inspector of election for the Annual Meeting will determine the number of votes cast by holders of common stock for all matters. Preliminary voting results will be announced at the Annual Meeting, if practicable, and final results will be announced when certified by the independent inspector of election, which we expect will occur within a few business days after the date of the Annual Meeting.

How can I find the voting results of the Annual Meeting?

We will include the voting results in a Current Report on Form 8-K, which we will file with the SEC no later than four business days following the completion of the Annual Meeting. We will amend this filing to include final results if the independent inspector of election has not certified the results when the original Current Report on Form 8-K is filed.

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VOTING MATTERS

What am I voting on?

You will be voting on the following matters:

- the election of nine directors;
- the approval, on an advisory basis, of the compensation of the Company s named executive officers as disclosed in this proxy statement;
- the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the 2014 fiscal year; and
- a shareholder proposal, if properly presented at the Annual Meeting.

Has the Company been notified that a shareholder intends to propose alternative director nominees at the Annual Meeting?

Yes. Lion Fund has again notified the Company of its proposal of two alternative director nominees, Sardar Biglari, the chairman and chief executive officer of Biglari Holdings Inc. (Biglari Holdings), and Philip Cooley, the vice chairman of Biglari Holdings, for election at the Annual Meeting. Our Board of Directors unanimously recommends a vote **FOR** each of the Board s nominees for director on the enclosed **WHITE** proxy card. **Lion Fund nominees have NOT been endorsed by our Board of Directors.** We are not responsible for the accuracy of any information provided by or relating to Lion Fund or its nominees contained in any proxy solicitation materials filed or disseminated by, or on behalf of, Lion Fund or Biglari Holdings or any other statements that Lion Fund, Biglari Holdings or their representatives may otherwise make.

Who is entitled to vote?

You may vote if you owned shares of our common stock at the close of business on September 23, 2013. As of September 23, 2013, there were [ ] shares of our common stock outstanding.

How many votes must be present to hold the Annual Meeting?

In order to lawfully conduct the Annual Meeting, a majority of our outstanding common shares as of September 23, 2013 must be present at the meeting either in person or by proxy. This is called a quorum. Your shares are counted as present at the meeting if you attend the meeting and vote in person or if you properly return a proxy by one of the methods described below under the question How do I vote before the meeting? Abstentions and broker non-votes (as explained below under the question What is a broker non-vote ?) also will be counted for purposes of establishing a quorum.

How many votes do I have and can I cumulate my votes?

You have one vote for every share of our common stock that you own. Cumulative voting is not allowed.

May I vote my shares in person at the Annual Meeting?

Yes. You may vote your shares at the meeting if you attend in person, even if you previously submitted a proxy card or voted by Internet or telephone. Whether or not you plan to attend the meeting in person, however, in order to assist us in tabulating votes at the Annual Meeting, we encourage you to vote by returning your **WHITE** proxy card or by using the telephone or Internet.

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How do I vote before the meeting?

Before the meeting, you may vote your shares in one of the following three ways by following the directions on your **WHITE** proxy card:

- by completing, signing and returning the enclosed **WHITE** proxy card in the postage-paid envelope;
- by using the telephone (within the United States and Canada) by calling (800) 690-6903; or
- by using the Internet by visiting the following website: www.proxyvote.com.

Please use only one of the three ways to vote. If you hold shares in the name of a broker, your ability to vote those shares by Internet or telephone depends on the voting procedures used by your broker, as explained below under the question How do I vote if my broker holds my shares in street name ? The Tennessee Business Corporation Act provides that a shareholder may appoint a proxy by electronic transmission, so we believe that the Internet or telephone voting procedures available to shareholders are valid and consistent with the requirements of applicable law.

How do I vote if my broker holds my shares in street name ?

If your shares are held in a brokerage account in the name of your bank or broker (this is called street name), your bank or broker will send you a request for directions for voting those shares. Many (but not all) brokerage firms and banks participate in a program provided through Broadridge Financial Solutions, Inc. that offers Internet and telephone voting options.

What is a broker non-vote ?

If you own shares through a broker in street name, you may instruct your broker how to vote your shares. A broker non-vote occurs when you fail to provide your broker with voting instructions at least ten days before the Annual Meeting and the broker does not have the discretionary authority to vote your shares on a particular proposal because the proposal is not a routine matter under applicable rules. See How will abstentions and broker non-votes be treated? and Will my shares held in street name be voted if I do not provide my proxy? below. Because Lion Fund has initiated a proxy contest, there will be no routine matters at the Annual Meeting.

How will abstentions and broker non-votes be treated?

Abstentions and broker non-votes will be treated as shares that are present and entitled to vote for purposes of determining whether a quorum is present, but will not be counted as votes cast either in favor of or against a particular proposal, except in the limited circumstances outlined above.

Will my shares held in street name be voted if I do not provide my proxy?

On certain routine matters, brokerage firms have the discretionary authority to vote shares for which their customers do not provide voting instructions. Because Lion Fund has initiated a proxy contest, it is likely that none of the proposals at the Annual Meeting is considered a routine matter, and, therefore, your shares will not be voted on any matter unless you instruct your brokerage firm to vote in a timely manner.

How will my proxy be voted?

The individuals named on the **WHITE** proxy card will vote your proxy in the manner you indicate on the **WHITE** proxy card.

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What if I return my WHITE proxy card or vote by Internet or telephone but do not specify my vote?

If you sign and return your **WHITE** proxy card or complete the Internet or telephone voting procedures but do not specify how you want to vote your shares, we will vote them:

- **FOR** the election of each of the nine nominees named in this proxy statement;
- **FOR** the approval, on an advisory basis, of the compensation of the Company s named executive officers as disclosed in this proxy statement;
- **FOR** ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our 2014 fiscal year; and
- **FOR** the shareholder proposal, if properly presented at the Annual Meeting.

Can I change my mind and revoke my proxy?

Yes. To revoke a proxy given pursuant to this solicitation, you must:

- sign another proxy with a later date and return it to our Corporate Secretary at Cracker Barrel Old Country Store, Inc., 305 Hartmann Drive, Lebanon, Tennessee 37087 at or before the Annual Meeting;
- provide our Corporate Secretary with a written notice of revocation dated later than the date of the proxy at or before the Annual Meeting;
- re-vote by using the telephone and calling (800) 690-6903;
- re-vote by using the Internet and visiting the following website: www.proxyvote.com; or
- attend the Annual Meeting and vote in person note that attendance at the Annual Meeting will not revoke a proxy if you do not actually vote at the Annual Meeting.

If you have previously signed a COLOR proxy card sent to you by Lion Fund, you may change your vote by marking, signing, dating and returning the enclosed **WHITE** proxy card in the accompanying postage-paid envelope or by voting by telephone or via the Internet by following the instructions on your **WHITE** proxy card. Submitting a Lion Fund proxy card will revoke votes you have previously made via the Company s **WHITE** proxy card.

What vote is required to approve each proposal?

Proposal 1: Election of nine directors.

As a result of Lion Fund s intention to propose Sardar Biglari and Philip Cooley as alternative director nominees, and assuming these nominees have not been withdrawn by on or prior to the tenth day before we mail the Notice of Meeting in this proxy statement to our shareholders, there will be more than nine nominees. This means that the nine candidates receiving the highest number of FOR votes will be elected. This number is called a plurality. A properly executed proxy card marked WITHHOLD with respect to the election of a director nominee will be counted for purposes of determining if there is a quorum at the Annual Meeting, but will not be considered to have been voted for the director nominee. Broker non-votes will also not be considered to have been voted for any director nominee.

THE ONLY WAY TO SUPPORT ALL NINE OF YOUR BOARD OF DIRECTORS NOMINEES IS TO VOTE FOR THE BOARD S NOMINEES ON THE WHITE PROXY CARD. PLEASE DO NOT SIGN OR RETURN A COLOR PROXY CARD FROM LION FUND OR BIGLARI HOLDINGS, EVEN IF YOU VOTE AGAINST OR WITHHOLD ON THEIR DIRECTOR NOMINEES. DOING SO MAY CANCEL ANY PREVIOUS VOTE YOU CAST ON THE COMPANY S WHITE PROXY CARD.

Proposal 2: Approval, on an advisory basis, of the compensation of the Company s named executive officers as disclosed in the proxy statement that accompanies this notice.

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The approval of the compensation of the Company s named executive officers as described in this proxy statement will be approved if the number of shares of Company common stock voted FOR the proposal exceeds the number of shares of Company common stock voted AGAINST. If you vote ABSTAIN on this proposal via a properly executed **WHITE** proxy card, the Internet or telephone, your vote will not be counted as cast FOR or AGAINST this proposal. Broker non-votes likewise will not be treated as cast FOR or AGAINST this proposal. Accordingly, neither abstentions nor broker non-votes will have any legal effect on whether this proposal is approved.

Proposal 3: Ratification of appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal 2014.

Shareholder ratification of the appointment of our independent registered public accounting firm is not required, but the Board of Directors is submitting the appointment of Deloitte & Touche LLP for ratification in order to obtain the views of our shareholders. This proposal will be approved if the votes cast FOR the proposal exceed the votes cast AGAINST the proposal. If you submit a properly executed **WHITE** proxy card or use the Internet or telephone to indicate ABSTAIN on this proposal, your vote will not be counted as cast on this proposal. Since Lion Fund has initiated a proxy contest, broker non-votes likewise will not be treated as cast on this proposal. Accordingly, neither abstentions nor broker non-votes will have any legal effect on whether this matter is approved. If the appointment of Deloitte & Touche LLP is not ratified, the Audit Committee will reconsider its appointment.

Proposal 4: Shareholder proposal supporting certain animal welfare policies of the Company.

The shareholder proposal supporting certain animal welfare policies of the Company will be approved if the number of shares of Company common stock voted FOR the proposal exceeds the number of shares of Company common stock voted AGAINST. If you vote ABSTAIN on this proposal via a properly executed **WHITE** proxy card, the Internet or telephone, your vote will not be counted as cast FOR or AGAINST this proposal. Broker non-votes likewise will not be treated as cast FOR or AGAINST this proposal. Accordingly, neither abstentions nor broker non-votes will have any legal effect on whether this proposal is approved.

How do you recommend that I vote on these items?

The Board of Directors recommends that you vote:

FOR the election of each of the nine director nominees named in this proxy statement;

FOR the approval, on an advisory basis, of the compensation of the Company s named executive officers as disclosed in the proxy statement that accompanies this notice;

FOR ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our 2014 fiscal year; and

FOR the shareholder proposal, if properly presented at the Annual Meeting.

What should I do if I receive a proxy card from Lion Fun or Biglari Holdings?

Lion Fund has again proposed Sardar Biglari and Philip Cooley as alternative director nominees for election at the Annual Meeting. We expect that you will receive proxy solicitation materials from Lion Fund or Biglari Holdings, including an opposition proxy statement and COLOR proxy card. **Our Board of Directors unanimously**

recommends that you disregard it. We are not responsible for the accuracy of any information provided by or relating to Lion Fund or Biglari Holdings or their nominees contained in any proxy solicitation materials filed or disseminated by, or on behalf of, Lion Fund or Biglari Holdings or any other statements that Lion Fund or Biglari Holdings may otherwise make. If you have already voted using the COLOR proxy card, you have every right to change your vote by executing and returning the enclosed **WHITE** proxy card or by voting by telephone or via the Internet by following the instructions provided on the enclosed **WHITE** proxy card. Only the latest dated proxy you submit will be counted. If you vote against Lion Fund nominees using the COLOR proxy card, your vote will not be counted as a vote for all nine of the Board s nominees and will result in the revocation of any previous vote you may have cast on the Company s **WHITE** proxy card. If you wish to vote pursuant to the recommendation of the Board of Directors, you should disregard any proxy card that you receive other than the **WHITE** proxy card. **If you have any questions or need assistance voting, please call MacKenzie Partners, Inc., our proxy solicitor, at (800) 322-2885.**

May other matters be raised at the Annual Meeting; how will the meeting be conducted?

We have not received proper notice of, and are not aware of, any business to be transacted at the Annual Meeting other than as indicated in this proxy statement. Under Tennessee law and our governing documents, no other business aside from procedural matters may be raised at the Annual Meeting unless proper notice has been given to us by the shareholders seeking to bring such business before the meeting. If any other item or proposal properly comes before the Annual Meeting, the proxies received will be voted on such matter in accordance with the discretion of the proxy holders.

The Chairman has broad authority to conduct the Annual Meeting so that the business of the meeting is carried out in an orderly and timely manner. In doing so, he has broad discretion to establish reasonable rules for discussion, comments and questions during the meeting. The Chairman is also entitled to rely upon applicable law regarding disruptions or disorderly conduct to ensure that the Annual Meeting proceeds in a manner that is fair to all participants.

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BOARD OF DIRECTORS AND COMMITTEES

Directors

The names and biographies of each member of our Board of Directors are set forth in this proxy statement under PROPOSAL 1: ELECTION OF DIRECTORS, beginning on page [ ] of this proxy statement. Except for Martha M. Mitchell, who has informed Cracker Barrel of her decision to retire and not to stand for election, all of the current members of our Board of Directors are nominees for re-election to the Board. Ms. Mitchell s decision is not due to any disagreement with the Company on any matter relating to the Company s operations, policies, or practices. Prior to the Annual Meeting Ms. Mitchell will resign, and the size of our Board of Directors will be set at nine directors by action of our Board of Directors pursuant to our Bylaws.

Board Meetings

Our Board of Directors met 11 times during 2013. Each director attended at least 75% of the aggregate number of meetings of the full Board of Directors that were held during the period he or she was a director during 2013 and all meetings of the committee(s) on which he or she served that were held during the period he or she served on such committee in 2013.

Board Committees

Our Board of Directors has the following standing committees: Audit, Compensation, Nominating and Corporate Governance, Public Responsibility, and Executive. All members of the Audit, Compensation, and Nominating and Corporate Governance committees are independent under the Nasdaq Marketplace Rules and our Corporate Governance Guidelines. Our Board of Directors has adopted a written charter for each of the committees, with the exception of the Executive Committee. Copies of the charters of each of the Audit, Compensation, and Nominating and Corporate Governance committees, as well as our Corporate Governance Guidelines, are posted on our website, www.crackerbarrel.com. Current information regarding all of our standing committees is set forth below.

Name of Committee and Members	Functions of the Committee	Number of Meetings in 2013
AUDIT:	Acts as liaison between our Board of Directors and independent auditors	7
Richard J. Dobkin, Chair		
Glenn A. Davenport	Reviews and approves the appointment, performance, independence and compensation of independent auditors	
Norman E. Johnson		
William W. McCarten	Has authority to hire, terminate and approve payments to the independent registered public accounting firm and other committee advisors	

Responsible for developing procedures to receive information and address complaints regarding our accounting, internal accounting controls or auditing matters

Reviews internal accounting controls and systems, including internal audit plan

Reviews results of the internal audit plan, the annual audit and related financial reports

Reviews quarterly earnings press releases and related financial reports

Reviews our significant accounting policies and any changes to those policies

Reviews policies and practices with respect to risk assessment and risk management

Reviews and pre-approves directors and officers related-party transactions and annually reviews ongoing arrangements with related parties and potential conflicts of interest

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Name of Committee and Members	Functions of the Committee	Number of Meetings in 2013
	Reviews the appointment, performance and termination or replacement of the senior internal audit executive	
	Determines financial expertise and continuing education requirements of members of the committee	
COMPENSATION:	Reviews management performance, particularly with respect to annual financial goals	6
Coleman H. Peterson, Chair Glenn A. Davenport Richard J. Dobkin Andrea M. Weiss	Administers compensation plans and reviews and approves salaries, bonuses and equity compensation grants of executive officers, excluding the Chief Executive Officer for whom the Committee makes a recommendation to the Board of Directors for its approval	
	Monitors compliance of directors and officers with our stock ownership guidelines	
	Evaluates the risk(s) associated with our compensation plans	
	Selects and engages independent compensation consultants and other committee advisors	
	Reviews, in conjunction with the Nominating and Corporate Governance Committee, a succession plan with the Chairman of the Board and the Chief Executive Officer and provides insights with respect to succession planning to the Nominating and Corporate Governance Committee	

NOMINATING AND CORPORATE GOVERNANCE:	Identifies and recruits qualified candidates to fill positions on our Board of Directors	7
James W. Bradford, Chair William W. McCarten Martha M. Mitchell Coleman H. Peterson	Considers nominees to our Board of Directors recommended by shareholders in accordance with the nomination procedures set forth in our bylaws Reviews corporate governance policies and makes recommendations to our Board of Directors Reviews and recommends candidates to serve on committees of our Board of Directors Oversees annual performance review of our Board of Directors and the Committees thereof Reviews, on behalf of our Board of Directors, a succession plan with the Chairman of the Board and the Chief Executive Officer and reports to our Board of Directors on that issue	
PUBLIC RESPONSIBILITY:	Oversees the identification, evaluation and monitoring of social, legislative, regulatory and public policy issues that affect our business reputation, business activities and performance	3
Martha M. Mitchell, Chair Thomas H. Barr Norman E. Johnson Andrea M. Weiss	Monitors our activities as a responsible corporate citizen, and in that role, reviews and makes recommendations with respect to social responsibility and public policy issues as they affect us, our employees, guests, vendors, shareholders and the communities in which we operate	

Oversees external relations and public affairs activities and the manner in which we conduct our public policy and government relations activities

Offers advice and makes recommendations to assist us in responding appropriately to our social responsibilities and the public interest in our affairs

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Name of Committee and Members	Functions of the Committee	Number of Meetings in 2013
EXECUTIVE: James W. Bradford, Chair Sandra B. Cochran Richard J. Dobkin William W. McCarten Martha M. Mitchell Coleman H. Peterson	Meets at the call of the Chief Executive Officer or Chairman of the Board Meets when the timing of certain actions makes it appropriate to convene the committee rather than the entire Board of Directors May carry out all functions and powers of our Board of Directors subject to certain exceptions under applicable law Advises senior management regarding actions contemplated by the Company whenever it is not convenient or appropriate to convene the entire Board of Directors	0

In addition to the current directors listed above, during the portion of 2013 from the beginning of our fiscal year until immediately prior to the 2012 annual meeting of shareholders (the 2012 Annual Meeting), our former directors Robert V. Dale served on the Audit, Compensation, Nominating and Corporate Governance and Executive Committees, Charles E. Jones, Jr. served on the Compensation Committee, B.F. Jack Lowery served on the Public Responsibility Committee and Michael A. Woodhouse served on the Executive Committee. Our three independent directors that joined the Board in 2012, Messrs. Barr, Davenport and Johnson, began serving on our standing committees as set forth above following our 2012 Annual Meeting.

Board Leadership Structure

Our Board of Directors regularly considers the appropriate leadership structure for the Company. The Board of Directors has concluded that it is important to retain flexibility in determining whether the same individual should serve as both Chief Executive Officer and Chairman at any given point in time based on what the Board of Directors believes will provide the best leadership structure for the Company at that time, rather than by adhering to a formal standing policy on the subject. This approach allows our Board of Directors to use its considerable experience and knowledge to elect the most qualified director as Chairman, while maintaining the ability to separate the Chairman and Chief Executive Officer roles when appropriate. Accordingly, at different points in time, the Chief Executive Officer and Chairman roles may be held by the same person. At other times, as currently, they may be held by different individuals. In each instance, the decision on whether to combine or separate the roles is determined by what the Board of Directors believes is in the best interests of our shareholders, based on the circumstances at the time. By way of example, in the event of a departure of either our Chief Executive Officer or Chairman, the Board of Directors could reconsider the leadership structure and whether one individual was then suited to fulfill both roles, based on a candidate s experience and knowledge of our business and whether the directors considered it in the best interest of the Company to combine the positions.

Our Board of Directors believes that its current leadership structure, with Mr. Bradford serving as Chairman, and Ms. Cochran serving as the Chief Executive Officer, is the most appropriate structure for fostering the achievement of the Company s corporate goals and objectives and establishes a favorable balance between effective Company leadership and oversight by non-employee directors. Our Board of Directors believes that the current leadership structure best serves (i) the objectives of the Board of Directors oversight of management, (ii) the ability of the Board of Directors to carry out its roles and responsibilities on behalf of the shareholders and (iii) the Company s overall corporate governance. Our Board of Directors will continue to evaluate the Company s leadership structure on an ongoing basis to ensure that it is appropriate at all times.

Board Oversight of Risk Management

It is the responsibility of our senior management to develop and implement our strategic plans, and to identify, evaluate, manage and mitigate the risks inherent in those plans. It is the responsibility of our Board of

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Directors to understand and oversee our strategic plans, the associated risks, and the steps that senior management is taking to manage and mitigate those risks. Our Board of Directors takes an active approach to its risk oversight role. This approach is bolstered by our Board of Directors leadership and committee structure, which ensures: (1) proper consideration and evaluation of potential enterprise risks by the full Board of Directors under the auspices of the Chairman; and (2) further consideration and evaluation of discrete risks at the committee level.

Our Board of Directors is comprised predominantly of independent directors (nine of our ten current directors, and eight of our nine nominees), and all directors who served on the key committees of our Board of Directors (Audit, Compensation, Nominating and Corporate Governance and Public Responsibility) during 2013 are independent under applicable Nasdaq listing standards and our Corporate Governance Guidelines. This system of checks and balances ensures that key decisions made by the Company s most senior management, up to and including the Chief Executive Officer, are reviewed and overseen by the non-employee directors of our Board of Directors.

Risk management oversight by the full Board of Directors includes a comprehensive annual review of our overall strategic plans, including the risks associated with these strategic plans. Our Board of Directors also conducts an annual review of the conclusions and recommendations generated by management s enterprise risk management process. This process involves a cross-functional group of our senior management that, on a continual basis, identifies current and future potential risks facing us and ensures that actions are taken to manage and mitigate those potential risks. Our Board of Directors also has overall responsibility for leadership succession for our most senior officers and reviews succession plans each year.

In addition, our Board of Directors has delegated certain risk management oversight responsibilities to certain of its committees, each of which reports regularly to the full Board of Directors. In performing these oversight responsibilities, each committee has full access to management, as well as the ability to engage independent advisors. The Audit Committee has primary overall responsibility for overseeing our risk management. It oversees risks related to our financial statements, the financial reporting process, accounting and legal matters. The Audit Committee oversees the internal audit function and our ethics and compliance program. It also regularly receives reports regarding our most significant internal control and compliance risks, along with management s processes for maintaining compliance within a strong internal control environment. In addition, the Audit Committee receives reports regarding potential legal and regulatory risks and management s plans for managing and mitigating those risks. Representatives of our independent registered public accounting firm attend Audit Committee meetings, regularly make presentations to the Audit Committee and comment on management presentations. In addition, our Chief Financial Officer, Vice President of Internal Audit and representatives of our independent registered public accounting firm individually meet in private sessions with the Audit Committee to raise any concerns they might have with the Company s risk management practices.

The Compensation Committee is responsible for overseeing our incentive compensation arrangements, for aligning such arrangements with sound risk management and long-term growth and for verifying compliance with applicable regulations. The Compensation Committee conducted an internal assessment of our executive and non-executive incentive compensation programs, policies and practices. The Compensation Committee reviewed and discussed: the various design features and characteristics of the Company-wide compensation policies and programs; performance metrics; and approval mechanisms of all incentive programs. Based on this assessment and after discussion with management and the Compensation Committee s independent compensation consultant, the Compensation Committee has concluded that our incentive compensation arrangements and practices do not create risks that are reasonably likely to have a material adverse effect on the Company.

Finally, the Nominating and Corporate Governance Committee oversees risks associated with its areas of responsibility, including, along with the Audit Committee, our ethics and compliance program. The Nominating and

Corporate Governance Committee also reviews annually our key corporate governance documents to ensure they are in compliance with the changing legal and regulatory environment and appropriately enable our Board of Directors to fulfill its oversight duties. In addition, our Board of Directors is routinely informed of developments at the Company that could affect our risk profile and business in general.

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Compensation of Directors

During 2013, each outside director was paid an annual cash retainer of $50,000. Each outside director also was paid a director s fee of $1,500 for each committee meeting attended, other than the Audit Committee and the Compensation Committee members, who were paid $2,000 for each committee meeting attended. The Chairman of each committee, other than the Audit Committee and the Compensation Committee, was paid an additional annual retainer of $13,000, while the Chairman of the Audit Committee and Compensation Committee each was paid an additional annual retainer of $18,000. Directors also receive $2,000 for each meeting of our Board of Directors attended, in addition to the annual retainer described above. We reimburse all non-employee directors for reasonable out-of-pocket expenses incurred in connection with attendance at meetings.

Non-employee directors are also offered the option to participate in our deferred compensation plan. The deferred compensation plan allows a participant to defer a percentage or sum of his or her compensation and earn interest on that deferred compensation at a rate equal to the 10-year Treasury bill rate (as in effect at the beginning of each calendar month) plus 1.5%. Additionally, our non-employee directors have an option to participate in our medical, prescription and dental group insurance programs.

Each non-employee director who is elected at an annual meeting also receives a grant of shares of restricted stock having a value equal to $90,000, with the number of shares of restricted stock included in such grant to be determined based on the closing price of our common stock on the date of the applicable annual meeting, as reported by Nasdaq, and to be rounded to the nearest whole share. These awards vest at the earlier of one year from date of grant or at the next annual meeting of shareholders.

In addition to the compensation set forth above with respect to each outside director, our independent Chairman James W. Bradford was paid an annual cash retainer of $35,000 and received a grant of shares of restricted stock having a value equal to $65,000, based on the closing price of our common stock on the date of the grant, as reported by Nasdaq, and rounded to the nearest whole share. These shares of restricted stock vest one year from the date of grant.

The compensation of our directors during 2013 is detailed in the Director Compensation Table, which can be found on page [ ] of this proxy statement.

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EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

This portion of the proxy statement, called Compensation Discussion and Analysis or CD&A, provides a description of the objectives and principles of Cracker Barrel s executive compensation programs. It explains how compensation decisions are linked to Cracker Barrel s performance relative to our strategic goals and efforts to drive shareholder value. It is also meant to give our shareholders insight into the deliberative process and the underlying compensation philosophy that are the foundation of the design of the pay packages of our executive officers. Generally, Cracker Barrel s executive compensation programs apply to all executive officers, but this CD&A focuses on the compensation decisions relating to our executive officers who qualified as named executive officers under applicable SEC rules (the Named Executive Officers) during fiscal 2013.

EXECUTIVE SUMMARY

Company Performance in 2013 and Impact on Executive Compensation

We believe the success of fiscal 2013 is evident in the Company s operating and financial results. We built upon the strong performance of fiscal 2012, and as a result, many of the key metrics by which our business performance is measured improved.

Shareholder Returns [ ]: We delivered total shareholder return or TSR, which we believe is an appropriate measure of value returned on our shareholders investment, of approximately 65% for fiscal 2013, compared to 45% for the S&P 600 restaurant index. Also during fiscal 2013, we declared an 87.5% increase in the quarterly dividend paid to our shareholders, bringing it to $0.75, and reduced our debt by [ ] million.

Guest Experience: We believe the success of our efforts is reflected not only in our financial results but also in our guests responses when asked about their dining experience in our restaurants. Based on the analysis of consumer ratings, Technomic Inc., a well-recognized industry research firm, named Cracker Barrel the inaugural winner of its Chain Restaurant Consumers Choice Awards in the food and beverage category for full service restaurants. In addition, for the third year in a row, we took top honors in the family dining segment of the Consumer Picks survey produced by *Nation s Restaurant News*. In the family dining segment, Cracker Barrel ranked first in nine of the survey s ten categories: Food Quality, Cleanliness, Service, Menu Variety, Craveability, Atmosphere, Reputation, Likely to Return, and Likely to Recommend.

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At the beginning of fiscal 2013, our Chief Executive Officer, Sandra B. Cochran, announced six key business priorities that steered our strategic focus and operational execution over the course of the fiscal year. These initiatives were based on our previously announced long-term strategy to Enhance the Core Business, Expand the Footprint of Cracker Barrel Old Country Stores, and Extend the Brand beyond the four walls of our stores. We believe the successful implementation of these six priorities positively impacted our performance during this fiscal year. The initiatives were as follows:

1) ***Refresh select menu categories that will reinforce our value and provide healthier options to our guests.*** Having analyzed our marketplace, guests feedback and brand positioning, we focused our menu initiatives on satisfying our guests needs for affordable options, healthier items and customizable choices. As part of our fall and holiday promotions, we introduced new sides to meet guests preferences for lighter and healthier options to customize their meals. These sides later transitioned to our core menu. During the spring, we reinforced the affordability of our menu by refreshing and highlighting our Country Dinner Plates, which include over 10 entrée choices at a $7.69 price point. Seasonal promotions included limited time offerings of additional entrée choices. Throughout the year, we tested a new category for our menu, Wholesome Fixin s®. The category will provide flavorful and fresh meals with under 600 calories. We will introduce Wholesome Fixin s in the first quarter of fiscal 2014.

2) ***Grow retail sales with unique merchandise.*** Further defining the distinctive Cracker Barrel experience, we focused on merchandising our stores with unique and nostalgic items. We developed collections with broad generational appeal and unique product assortments, such as our horse-theme merchandise and our American pride assortment. One of our strongest categories, women s apparel and accessories, continued to see growth throughout the year.

3) ***Build on the successful Handcrafted by Cracker Barrel advertising campaign.*** During the first quarter, we refreshed our billboards to our Handcrafted by Cracker Barrel advertising theme. Many of the billboards highlight our made-from-scratch cooking with slogans like Homemade Doesn t Cost Extra and Fresh Meals. Friendly Prices. Other billboards highlighted our brand s value and affordability. Of our 1,600 billboards, approximately 300 display sharp price-point messaging around our $5.99 Daily Lunch Specials or $7.69 Country Dinner Plates. In addition, we continued with our Handcrafted by Cracker Barrel media advertising and maintained the approach that we adopted in fiscal 2012, using national cable to drive brand awareness and spot radio to deliver product news during our busy holiday and summer seasons. We updated the radio spots with current menu and product offerings and ran new TV commercials during the summer campaign.

4) ***Invest in and leverage technology and equipment to support operations and reduce costs.*** In our ongoing effort to improve operations, we focused on initiatives to lower expenses and improve the guest experience. We made changes to our labor system to increase productivity within hourly labor while reducing the administrative work of the management teams and allowing them more time for guest interaction. We also implemented a new merchandise planning system to better manage product purchasing for our retail stores. During the third and fourth quarters, we delivered the second phase of our food production planning tool and system which continues our efforts to reduce food waste. Additionally, we invested in new equipment at our stores to better hold and prepare fresh ingredients, an important component for our menu expansion with Wholesome Fixin s.

5) ***Continued focus on shareholder return.*** We returned capital to our shareholders directly through quarterly dividend payments. Our dividend payout ratio was [ ] of fiscal 2013 adjusted earnings per share. We also declared a dividend increase to $0.75 in the fourth quarter to be paid in the first fiscal quarter of 2014. This increase will mark the third increase since November 2011 and represents a tripling of our quarterly dividend over that time period. During fiscal 2013, we repaid $[ ] million in long term debt, opened eight new stores, and reinvested approximately [ ] million in the Company through capital expenditures.

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6) ***Expand the brand through ecommerce and licensing.*** [ ] Throughout the year, we engaged with our guests through multiple website and digital promotions. Also, during the year, we announced a multi-year licensing agreement with John Morrell Food Group, a subsidiary of Smithfield Foods. We look forward to the future potential of this partnership.

Summary of 2013 Compensation Actions

Pay actions for our Named Executive Officers in 2013 reflected:

Short term awards (annual bonus plan) for Named Executive Officers were [ ];

Long term awards (2012 LTPP Awards) for Named Executive Officers were [ ]; and

Long term awards (2011 MSU Grants) for Named Executive Officers were [ ].

Advisory Vote on Executive Compensation

Last year, we held our annual advisory vote to approve Named Executive Officer compensation, commonly known as Say on Pay. Approximately 70% of the votes cast were in favor of our executive compensation as disclosed in our 2012 Proxy Statement. MacKenzie informed the Company that MacKenzie determined that Biglari Holdings cast 4,091,037 votes against our executive compensation as disclosed in our 2012 Proxy Statement. Excluding these votes cast by Biglari Holdings while running an opposing slate of nominees in a proxy contest, approximately 89% of the remaining votes cast were in favor of our executive compensation as disclosed in our 2012 Proxy Statement. The Compensation Committee considered these results, as well as other feedback the Company has received from shareholders as part of its ongoing review of our executive compensation programs, and determined not to make material changes to our executive compensation programs because the Compensation Committee believes this advisory vote, particularly that of our disinterested shareholders, indicates considerable shareholder support for continuing the Company s strong pay-for-performance philosophy.

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ELEMENTS OF COMPENSATION PROGRAM

Compensation Philosophy

Our central compensation objective is to develop a program that will ultimately drive long-term total return to our shareholders and build a better company by implementing compensation programs that reward both company-wide and individual performance, align our executives interests with those of our shareholders and allow us to attract and retain talented executives.

We have a strong pay for performance philosophy designed to reward executive officers for maximizing our success, as determined by our performance relative to our financial and operational goals. One hundred percent of the at-risk compensation payable to our executives is tied to the Company s achievement of measurable performance goals (operating income and ROIC) that we believe directly relate to our ability to return value to our shareholders and thereby translate into higher TSR over time. In furtherance of our overall philosophy, we seek to reward our executives for both near-term and sustained longer-term financial and operating performance as well as leadership excellence. Compensation opportunities are intended to align the economic interests of executives with those of our shareholders and encourage them to remain with the Company for long and productive careers.

The Company s compensation philosophy is to target total direct compensation paid to our executive officers at the median of our peer group and other market comparisons. While the Compensation Committee strives to deliver a target total compensation package approximating the market median, judgment is applied to recognize individual performance, experience, and value to the organization when establishing compensation opportunities. The Compensation Committee believes it utilizes elements of compensation that create appropriate flexibility and help focus and reward executives for both near-term and long-term performance while aligning the interests of executive officers with the interests of our shareholders.

Role of the Compensation Committee

The Compensation Committee s primary responsibility is the establishment and approval of compensation and compensation programs for our executive officers that further the overall objectives of our executive compensation program. In fulfilling this responsibility, the Compensation Committee:

- Reviews and approves corporate performance goals for our executive officers, sets cash- and equity-based compensation and administers our equity incentive arrangements;

- Assesses (together with management) potential risks to the Company associated with our compensation programs and reviews and approves employment and change in control agreements of our executive officers; and

- Periodically conducts or authorizes studies of matters within its scope of responsibilities and may retain, at the Company s expense, independent counsel or other consultants necessary to assist the Compensation Committee in connection with any such studies.

The Compensation Committee makes compensation decisions after reviewing the performance of the Company and carefully evaluating both quantitative and qualitative factors such as an executive s performance during the year against established goals, leadership qualities, operational performance, business responsibilities, long-term potential to enhance shareholder value, current compensation status as shown on tally sheets reflecting current and historical compensation for each executive, and tenure with the Company.

In addition, for any Named Executive Officers who are subject to employment agreements, the Compensation Committee, with the assistance of Frederic W. Cook & Co., the Compensation Committee s outside compensation consultant (Cook & Co.), and the Company s outside counsel, is responsible for negotiating and reviewing the terms of such employment agreements.

Role of Management

Management plays the following roles in the compensation process:

Management recommends to our Board of Directors business performance targets and objectives for the annual plan and provides background information about the underlying strategic objectives;

Management evaluates employee performance;

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- Management recommends cash compensation levels and equity awards;
- Management works with the Compensation Committee Chairman to establish the agenda for Compensation Committee meetings;
- The Chief Executive Officer generally makes recommendations to the Compensation Committee regarding salary increases for other executive officers during the regular merit increase process;
- The Chief Executive Officer provides her perspective on recommendations provided by the consulting firm hired by the Compensation Committee regarding compensation program design issues;
- The Chief Executive Officer does not play a role in setting her own compensation; and
- Other members of management, at the request of the Compensation Committee, work with the outside consultants hired by the Compensation Committee to provide data about past practices, awards, costs and participation in various plans, as well as information about our annual and longer-term goals. When requested by the Compensation Committee, selected members of management may also review consultant recommendations on plan design and structure and provide a perspective to the Compensation Committee on how these recommendations may affect recruitment, retention and motivation of our employees as well as how they may affect us from an administrative, accounting, tax or similar perspective.

Role of Independent Compensation Consultant

To assist the Compensation Committee with establishing executive compensation, the Compensation Committee retains Cook & Co., a nationally recognized executive compensation consulting firm, to provide competitive market data, assist in establishing a peer group of companies and provide guidance to compensation structure as well as levels of compensation for our senior executives and the Board. The Compensation Committee consulted with Cook & Co. in determining the compensation to be awarded to all of the Named Executive Officers, including Ms. Cochran, in 2013. Cook & Co. reports directly to the Compensation Committee. The Compensation Committee has assessed the independence of Cook & Co. pursuant to applicable SEC and NASDAQ rules and concluded that no conflict of interest exists that would prevent Cook & Co. from serving as an independent consultant to the Compensation Committee.

Analysis of Peer Group

The Compensation Committee evaluates a variety of factors in establishing an overall compensation program that best fits our overarching goals of maximizing shareholder return and building a stronger company. As one element of this evaluative process, the Compensation Committee, with the assistance of Cook & Co., considers competitive market compensation paid by other similarly situated companies and attempts to maintain compensation levels and programs that are comparable to and competitive with those of a peer group of similarly situated companies. Although we do not benchmark our compensation relative to peers, we do use the peer group data as an additional check-point to ensure relative consistency at the median level of our peers. The peer group is reviewed annually by the Compensation Committee, working with Cook & Co., and is comprised of the following:

Organizations of similar business characteristics (i.e., publicly traded organizations in the restaurant and retail industries);

Organizations against which we compete for executive talent;

Organizations of comparable size to Cracker Barrel (measured by sales); and

Organizations with similar geographic dispersion and workforce demographics.

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After detailed analysis, the peer group approved and used by the Compensation Committee during 2013 was comprised of the following 16 publicly-traded companies:

ANN, Inc.	Jack-in-the-Box, Inc.
Big Lots, Inc.	Panera Bread Co.
Bob Evans Farms, Inc.	Petsmart Inc.
Brinker International, Inc.	PF Chang s China Bistro, Inc.
Cheesecake Factory, Inc.	RadioShack Corp.
Chipotle Mexican Grill, Inc.	Ruby Tuesday, Inc.
Darden Restaurants, Inc.	Tractor Supply, Inc.
DineEquity, Inc.	The Wendy s Company

The peer group used in 2013 is the same as the peer group used in 2012.

Management and the Compensation Committee, with Cook & Co. s assistance, regularly evaluate the marketplace to ensure that our compensation programs remain competitive. In addition to its review of data from the peer group, the Compensation Committee also from time to time consults data from published compensation surveys to assess more generally the competitiveness and the reasonableness of our compensation programs. To the extent that the Compensation Committee benchmarks compensation, it relies only on comparisons to the enumerated peer group and survey data. The Compensation Committee, however, does not believe that compensation levels and design should be based exclusively on benchmarking and, therefore, considers various business factors and each executive s individual circumstances and role within our organization.

Overview of Compensation Elements

We strive to achieve an appropriate mix between cash payments and equity incentive awards in order to meet our objectives by rewarding recent results, motivating long-term performance and strengthening alignment with shareholders. The Compensation Committee evaluates the overall total direct compensation package relative to market conditions, but does not specifically target any percentile for each element of total direct compensation. In conducting this evaluation, the Compensation Committee s goal is to ensure that a significant majority of each executive officer s total direct compensation opportunity is contingent upon Company performance and shareholder value creation. The Compensation Committee reviews the compensation mix of each executive on a comprehensive basis to determine if we have provided the appropriate incentives to accomplish our compensation objectives.

In general, our compensation policies have provided for a more significant emphasis on long-term equity compensation than on annual cash compensation for our executive officers. Our long-term equity compensation consists of (i) a long-term performance plan (LTPP) that provides for awards of performance shares tied to successful achievement of pre-determined ROIC goals over a two year period, and (ii) performance-based market stock units (MSU Grants) tied to change in cumulative TSR over a three year period. The Compensation Committee believes that the Company s 2013 pay mix supports the Company s strong pay for performance culture, as demonstrated by approximately [ ]% of our Chief Executive Officer s target total direct compensation and approximately [ ]% of our other named executive officers target total direct compensation in 2013 were contingent upon the Company s measurable performance to have any realizable value.

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The following table summarizes the basic elements of our compensation programs and describes the behavior and/or qualities exhibited by our executive officers that each element is designed to encourage as well as the underlying purpose for that element of our compensation program:

Pay Element	What the Pay Element Rewards	Purpose of the Pay Element
Base Salary	Skills, experience, competence, performance, responsibility, leadership and contribution to the Company	Provide fixed compensation for daily responsibilities
Annual Bonus Plan	Rewards annual achievement of profitability (operating income) targets	Focus attention on meeting annual performance targets and our near-term success, provide additional cash compensation and incentives based on our annual performance
Long-Term Incentives	Achieving multi-year: (i) ROIC targets and (ii) change in cumulative TSR	Focus attention on meeting longer-term performance targets and our long-term success, create alignment with shareholders by focusing efforts on longer-term financial and shareholder returns, and retain management in a competitive marketplace
Health and welfare benefits	Provides medical coverage as well as death/disability benefits	Designed to provide a level of safety and security for executives and their families (as applicable) that allows executives to focus their efforts on running the business effectively
Severance and change-in-control provisions/agreements	Provides payments and other benefits upon termination of employment	Designed to ensure that executive officers remain focused on maximizing shareholder value even during transitions or potential transactions

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We believe our compensation programs are consistent with best practices for sound corporate governance.

We **DO**:

- Maintain robust stock ownership guidelines for executives and non-executive directors;
- Only accelerate equity upon change-in-control AND termination (i.e., double trigger); and
- Maintain anti-hedging and recoupment (or clawback) polices.

We do **NOT**:

- Execute employment agreements containing multi-year guaranties for salary increases, non-performance bonuses or automatic renewals (i.e., evergreen agreements) for those executive officers that have employment agreements currently only our Chief Executive Officer;
- Provide material perquisites for executives;
- Offer gross-up payments to cover personal income taxes or excise taxes that pertain to executive or severance benefits; or
- Provide special executive retirement programs.

Base Salary

The Compensation Committee reviews our executive officers base salaries annually at the end of the fiscal year and establishes the base salaries for the upcoming fiscal year. Base salary for our executive officers is determined after consideration of numerous factors, including, but not limited to: scope of work, skills, experience, responsibilities, performance and seniority of the executive, peer group salaries for similarly-situated positions and the recommendation of the Chief Executive Officer (except in the case of her own compensation). Ms. Cochran s salary is set per her employment agreement, subject to increases at the discretion of the Compensation Committee. The Company views base salary as a fixed component of executive compensation that compensates the executive officer for the daily responsibilities assumed in operating the Company throughout the year.

Base salaries for 2012 and 2013 for the Named Executive Officers were as follows:

NAMED EXECUTIVE OFFICER	2012 BASE SALARY	2013 BASE SALARY	PERCENT CHANGE
Sandra B. Cochran	$869,792(1)	$925,000	6.3%(1)
Lawrence E. Hyatt	$475,000	$490,000	3.2%

Douglas E. Barber	$435,000	$445,000	2.3%
Edward A. Greene	$364,619	$375,000	2.8%
Nicholas V. Flanagan	$314,792(2)	$360,000	14.4%
Michael A. Woodhouse (3)	$788,447(4)	$201,705(5)	-74.4%

(1) Reflects a prorated amount based on Ms. Cochran s service during fiscal 2012 as both our President and Chief Operating Officer (for six weeks), with a base salary of $625,000, and our President and Chief Executive Officer (for the remainder of the fiscal year), with a base salary of $900,000. Ms. Cochran s 2013 base salary reflects a 3% increase from her base salary for the portion of fiscal 2012 during which she served as our President and Chief Executive Officer.

(2) Reflects a prorated amount based on Mr. Flanagan s service during fiscal 2012 as both our Senior Vice President, Restaurant Operations (for approximately nine months) with a base salary of $300,000 and, following a promotion, our Senior Vice President, Operations (for the remainder of the year) with a base salary of $350,000. Mr. Flanagan s 2013 base salary reflects a 2.9% increase from his base salary for the portion of fiscal 2012 during which he served as our Senior Vice President, Operations.

(3) Our former Executive Chairman, Mr. Woodhouse, retired and ceased to serve as an executive officer of the Company effective November 7, 2012.

(4) Reflects a prorated amount based on Mr. Woodhouse s service during fiscal 2012 as both our Chief Executive Officer (for six weeks), with a base salary of $1,100,000, and our Executive Chairman (for the remainder of the fiscal year) with a base salary of $750,000.

(5) Reflects a prorated amount based on Mr. Woodhouse s service during fiscal 2013 as our Executive Chairman until his retirement.

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Annual Bonus Plan

The annual bonus plan generally provides our executive officers with the opportunity to receive additional cash compensation based on a targeted percentage of base salary, but only if the Company successfully meets established performance targets. For 2013, executive officers were eligible to receive a bonus, depending upon the Company s operating income performance relative to a target set at the beginning of the fiscal year. The following graph reflects the various potential payout levels at different levels of performance:

In determining whether the operating income performance metrics were satisfied in 2013, the Compensation Committee used adjusted operating income of [ ] million rather than operating income calculated according to GAAP of [ ] million. [ ]

For 2013, the Company s target operating income was [ ] million and the Company achieved an adjusted operating income of [ ] million (see page [ ] for calculation of applicable adjustments), which [ ]. As a result of the Company s performance, annual bonus payouts were [ ]% of the target percentage of base salary (see table below).

	2013 Operating Income Goals		Actual 2013 Operating	2013 Annual
	Performance Range ($000)	Payout Range (% of target)	Income Performance ($000)	Bonus Plan Payout
Threshold	[ ]	30%		
Target	[ ]	100%	[ ]	[ ]%
Maximum	[ ]	200%		

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The following table sets forth (i) target bonuses during 2013 for the Named Executive Officers, expressed both as a percentage of base salary and in absolute amounts, and (ii) the actual bonuses received by the Named Executive Officers under the 2013 annual bonus plan:

NAMED EXECUTIVE OFFICER	2013 BASE SALARY	2013 BONUS TARGET PERCENTAGE	2013 BONUS TARGET	ACTUAL PAYOUT PERCENTAGE	2013 ACTUAL BONUS
Sandra B. Cochran	$ 925,000	100%	$ 925,000	[ ]	$ [ ]
Lawrence E. Hyatt	$ 490,000	70%	$ 343,000	[ ]	$ [ ]
Douglas E. Barber	$ 445,000	70%	$ 311,500	[ ]	$ [ ]
Edward A. Greene	$ 375,000	50%	$ 187,500	[ ]	$ [ ]
Nicholas V. Flanagan	$ 360,000	60%	$ 216,000	[ ]	$ [ ]
Michael A. Woodhouse(1)	$ 750,000	0%	$ 0		$ 0

(1) Our former Executive Chairman, Mr. Woodhouse, retired and ceased to serve as an executive officer of the Company effective November 7, 2012 and therefore became ineligible to participate in the annual bonus plan.

The above 2013 annual bonuses are reflected in the 2013 Non-Equity Incentive Plan Compensation column of the Summary Compensation Table on page [ ] of this proxy statement.

Long-Term Incentives

The Compensation Committee believes that long-term incentives, particularly equity-based awards, provide a strong alignment of the interests of shareholders and executives. Therefore, a significant portion of our executive officers total compensation is provided in the form of equity awards. Since the adoption of the 2010 Omnibus Stock and Incentive Plan (the 2010 Omnibus Plan), our long-term incentive programs have concentrated on awards of performance-based share units, which are aimed at delivering rewards in return for our executives contributions to generating long-term shareholder returns through business-building efforts and successful strategic planning. By using two equally weighted performance-based equity vehicles, the Compensation Committee reinforces its commitment towards a pay-for-performance philosophy and long-term alignment between management pay outcomes and shareholder value creation.

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Long-Term Incentive Arrangements for 2013

Overview. In 2013, the Company s equity compensation to executive officers was governed by the 2013 Long-Term Incentive Program. The 2013 Long-Term Incentive Program, which was adopted at the start of the 2013 fiscal year, consists of two components, both contingent upon achievement of predetermined performance goals, of substantially equal value at the time of grant: (i) the LTPP that provides for awards of performance shares tied to successful achievement of pre-determined ROIC goals over a two year performance period, and (ii) MSU Grants tied to TSR over a three year performance period. For the 2013 Long-Term Incentive Program, the award types, performance periods and metrics for each of the two plan components are as follows:

Each year the Compensation Committee approves equity grants to executive officers in the Long-Term Incentive Program. The grant date value of these grants for 2013 (to be earned based on future performance) was calculated as a function of each executive officer s LTPP Percentage and MSU Percentage which represent the target opportunities, expressed as a percentage of the executive officer s base salary. The LTPP Percentage and MSU Percentage for the executive officers were established by the Compensation Committee simultaneously with the establishment of the 2013 Long-Term Incentive Program. The LTPP Percentage and MSU Percentage were then used to derive a target award, expressed as a number of shares, that would be awardable depending on whether and to what extent the Company meets or exceeds targets for the relevant performance metrics for each of the plan components.

2013 LTPP. Under the 2013 LTPP, the executive officer is eligible to receive an award (a 2013 LTPP Award) of up to 200% of a target number of shares that is calculated by dividing (i) the product of (y) the executive officer s LTPP Percentage for the plan year multiplied by (z) his or her base salary at the time the LTPP target award is determined by (ii) the average closing price of the Company s common stock during the last 30 calendar days of fiscal 2012 and the first 30 calendar days of fiscal 2013, which was $62.76. Actual awards based on these LTPP targets are determined at the end of the applicable performance period and are forfeited (with the exception of awards granted to Ms. Cochran) if, prior to that time, a participant is terminated or voluntarily resigns (other than as a result of retirement by an individual who meets the retirement-eligible conditions of 60 years of age and at least five years of service, for which such awards will be prorated for time served and based on actual performance determined at the end of the performance period).

The performance target for LTPP performance is ROIC, measured over a two-year performance period. For the 2013 LTPP, the Compensation Committee set a target of cumulative ROIC over fiscal years 2013 and 2014.

At the end of the performance period, the Compensation Committee determines final award amounts based on Company performance relative to these targets. Awards under the 2013 LTPP will be determined after the conclusion of the 2013 LTPP s performance period covering the 2013 and 2014 fiscal years. The following table summarizes targets and maximum eligible awards under the 2013 LTPP for each of our Named Executive Officers:

NAMED EXECUTIVE OFFICER	LTPP PERCENTAGE	BASE SALARY	LTPP TARGET VALUE	LTPP TARGET SHARES	LTPP MAX. AWARD
Sandra B. Cochran	148.6%	$ 925,000	$ 1,374,946	21,908	43,816
Lawrence E. Hyatt	70%	$ 490,000	$ 342,983	5,465	10,930
Douglas E. Barber	65%	$ 445,000	$ 289,198	4,608	9,216
Edward A. Greene	37.5%	$ 375,000	$ 140,582	2,240	4,480
Nicholas V. Flanagan	37.5%	$ 360,000	$ 134,997	2,151	4,302
Michael A. Woodhouse(1)	13.1%	$ 750,000	$ 73,491	1,171	2,342

(1) Our former Executive Chairman, Mr. Woodhouse, retired and ceased to serve as an executive officer of the Company effective November 7, 2012. As a result, his participation in the 2013 LTPP was prorated for his service period relative to the two-year performance period.

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2013 MSU Grant. Under the 2013 MSU Grant, the executive officer is eligible to receive a target award of MSUs that is calculated by dividing (i) the product of (x) the executive s MSU Percentage for the plan year multiplied by (y) his or her base salary at the time the MSU Grant target award is determined by (ii) the average closing price of the Company s common stock during the last 30 calendar days of fiscal 2012 and the first 30 calendar days of fiscal 2013, which was $62.76. Under the 2013 MSU Grant, our executive officers are eligible to receive an award of MSU Grants in an amount of up to 150% of these targets on the basis of the change in the Company s cumulative TSR over the three-year performance period for the plan. Actual awards based on these targets are distributable at the end of the performance period and are forfeited (with the exception of awards granted to Ms. Cochran) if, prior to that time, a participant is terminated or voluntarily resigns (other than as a result of retirement by an individual who meets the retirement-eligible conditions of 60 years of age and at least five years of service, for which such awards will be prorated for time served and based on actual performance determined at the end of the performance period). No MSUs will be earned unless a pre-established operating income performance threshold is achieved.

Each Named Executive Officer s target and maximum eligible award under the 2013 MSU Grant are as follows:

NAMED EXECUTIVE OFFICER	MSU PERCENTAGE	BASE SALARY	MSU TARGET VALUE	MSU GRANT TARGET	MSU GRANT MAX. AWARD
Sandra B. Cochran	148.6%	$ 925,000	$ 1,374,946	21,908	32,862
Lawrence E. Hyatt	70%	$ 490,000	$ 342,983	5,465	8,198
Douglas E. Barber	65%	$ 445,000	$ 289,198	4,608	6,912
Edward A. Greene	37.5%	$ 375,000	$ 140,582	2,240	3,360
Nicholas V. Flanagan	37.5%	$ 360,000	$ 134,997	2,151	3,227
Michael A. Woodhouse(1)	8.7%	$ 750,000	$ 48,953	780	1,170

(1) Our former Executive Chairman, Mr. Woodhouse retired and ceased to serve as an executive officer of the Company effective November 7, 2012. As a result, his participation in the 2013 MSU Grant was prorated for his service period relative to the three-year performance period.

Burn Rate Related to Long-Term Incentive Equity Grants

In connection with the approval of the 2010 Omnibus Plan by the Company s shareholders, our Board of Directors committed to the Company s shareholders that, in order to address potential shareholder concerns regarding the number of performance shares we intend to grant in a given year, during fiscal years 2011, 2012 and 2013 the Board would not grant a number of performance shares to employees or non-executive directors at an average rate greater than 3.06% of the weighted-average number of shares of the Company s common stock outstanding over such three year period. The annual burn rate is a ratio in which the numerator is equal to the sum of all shares awarded during the fiscal year (including any form of equity that depletes the plan reserve) and the denominator is equal to the weighted-average basic common shares outstanding for that fiscal year. For purposes of calculating the number of shares granted in a year, any full-value awards (e.g., performance shares) will count as equivalent to 2.5 shares. During 2013, the Company s burn rate calculated according to this formula was [ ]% of the outstanding shares of common stock.

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Payment of 2011 MSU Grants

On [ ], 2013, the Compensation Committee reviewed and certified the awards granted to executive officers under the 2011 MSU (the 2011 MSU Grants). The performance target for MSU awards is the change in the Company s cumulative TSR, which is calculated as follows:

(Change in price of our common stock during 3-year performance period + dividends paid during 3-year performance period)

Price of our common stock at the start of the performance period

The Company achieved a positive change in cumulative TSR of [ ]% for the three-year performance period of fiscal years 2011, 2012 and 2013, resulting in 2011 MSU Grants that were [
][ ]% of the target number of 2011 MSU Grants originally allocated in fiscal 2011.

Payment of 2012 LTPP Awards

On [ ], 2013, the Compensation Committee reviewed and certified the awards granted to executive officers under the 2012 LTPP (the 2012 LTPP Awards). The Compensation Committee set a cumulative ROIC target under the 2012 LTPP of [ ]% for the two-year performance period of fiscal years 2012 and 2013. The Company achieved a cumulative ROIC of [ ]% for this two-year performance period, resulting in 2012 LTPP Awards that were [ ]% of the target number of 2012 LTPP Awards originally granted in fiscal 2012.

The performance target for LTPP awards is an internal ROIC based metric to measure effective returns from working capital and capital investments. For the purposes of the 2012 LTPP Awards, the Company achieved a [ ]% ROIC during the applicable two-year performance period. The Company calculates ROIC as follows:

The average fiscal year end balance for 2012 and 2013 adjusted operating incomes + rents

The average for fiscal years 2011, 2012 and 2013 of

(Inventory + Net Property Held for Sale Accounts Payable + Net PP&E + Capitalized leases)

Restricted Stock Awards

In recognition of the Company s strong operational and financial performance in 2013, the Board of Directors approved the issuance in July 2013 of 12,000 shares of restricted stock to Ms. Cochran and the Compensation Committee approved the issuance in July 2013 of 3,000 shares of restricted stock to Mr. Hyatt.

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These shares of restricted stock shall vest on the third year anniversary of the date of grant, subject to continuous employment with the Company on the vesting date. These shares of restricted stock also receive dividend equivalent rights, paid upon vesting of the restricted stock, in respect of the restricted stock at the time of any payment of dividends to Company s outstanding common stock.

Health and Welfare Benefits

We offer a group insurance program consisting of life, disability and health insurance benefit plans that cover all full-time management and administrative employees and a supplemental group term life insurance program, which covers our Named Executive Officers and certain other management personnel. Aside from the annual recalibration of benefit costs and the associated premium changes that affect all participants, no significant changes were made to our health and welfare benefits for our Named Executive Officers during 2013.

Severance and Change in Control Provisions

None of our current Named Executive Officers has an employment agreement, other than Ms. Cochran, whose agreement is described on page [ ] of this proxy statement and governs her arrangement relating to severance and/or a change in control of the Company.

All of our other Named Executive Officers have entered into management retention agreements. Under these agreements, which have a three-year term expiring in May 2015, such Named Executive Officers receive severance benefits of 12-18 months base salary, depending on their position and length of service. These management retention agreements require a double trigger (change-in-control coupled with termination of employment without cause or for good reason (as defined in the agreements)) before the Named Executive Officer will receive the following benefits:

- 3.0 (for those holding the title of Executive Vice President) or 2.0 (for all other Named Executive Officers) times the sum of (i) their average base salary during the three years prior to termination and (ii) their average bonus payments during the three years prior to termination;

- 18 months continuation of benefits under COBRA, reimbursed by the Company; and

- Acceleration of all unvested equity awards.

These agreements do not contain an evergreen feature (i.e. they do not automatically renew) and do not provide for excise tax gross-up protection.

Potential payments pursuant to these agreements under various termination scenarios are more fully described under COMPENSATION TABLES AND INFORMATION Potential Payments Upon Termination or Change in Control below, including the table on pages [ ] and [ ] of this proxy statement.

Additionally, these agreements obligate such Named Executive Officers (i) not to work as an employee or consultant for any multi-unit restaurant business that offers full service family or casual dining for a period of one year following the severance event and (ii) not to solicit the employees of the Company for a period of 18 months following the severance event.

These agreements are intended to ensure that the Company will have the continued dedication, undivided loyalty, and objective advice and counsel from these key executives in the event of a proposed transaction, or the threat of a transaction, which could result in a change in control of the Company. When establishing our management retention agreements, the Compensation Committee intended to provide our Named Executive Officers with adequate financial security so that they could focus on achieving successful business continuity. We believe that the provision of severance and benefits and change in control protection for our Named Executive Officers is consistent with market practice, is a valuable executive talent retention provision, and is consistent with the objectives of our overall executive compensation program.

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Perquisites/Retirement Benefits

We provide very limited perquisites and other benefits to our Named Executive Officers aside from participation in benefit plans that are broadly applicable to our employees. Any perquisites that are received by Named Executive Officers are reflected in the Summary Compensation Table on page [ ] of this proxy statement under the All Other Compensation column and related footnote. In particular:

- Named Executive Officers do not have use of a Company vehicle;
- Named Executive Officers may not schedule the Company aircraft for personal travel;
- We do not have a defined benefit pension plan or SERP; and
- With the exception of certain limited payments that were provided for Ms. Cochran in partial reimbursement for legal fees incurred in negotiating her employment agreement and for Mr. Barber and Ms. Cochran in reimbursement of expenses relating to home security, we do not provide a number of perquisites that are provided by other companies, such as club memberships or drivers.

Employment Agreement Amendment with Michael A. Woodhouse

On August 6, 2012, Michael A. Woodhouse, at that time the Executive Chairman of the Company, entered into an amendment (the Amendment) to his Employment Agreement, dated September 12, 2011. This Amendment addressed matters associated with his agreed upon retirement as Executive Chairman on November 7, 2012. The Amendment set forth and clarified that Mr. Woodhouse, upon his termination of employment, (i) received a cash payment of $900,000, (ii) forfeited (regardless of corporate achievement or performance milestones) all awards of MSU Grants under the Company s 2011 MSU Grant that vested in August 2013, (iii) agreed to a pro rata award of performance shares and MSU Grants under the Company s 2012 and 2013 Long-Term Incentive Programs based on service through his retirement date, and (iv) provided a release of claims. The Company also provided reimbursement of $25,000 in legal fees, incurred by Mr. Woodhouse in connection with negotiation of the Amendment and related matters, and COBRA premium payments for up to 18 months following his resignation date.

OTHER EXECUTIVE COMPENSATION POLICIES AND GUIDELINES

Stock Ownership Guidelines

We have stock ownership guidelines (the Ownership Guidelines) covering all executive officers, which are posted on our website at www.crackerbarrel.com. The Ownership Guidelines emanate from the Compensation Committee s belief that executives and directors should accumulate a meaningful level of ownership in Company stock to align their interests with shareholders. In 2012, the Compensation Committee revised the Ownership Guidelines to be based on a multiple of base salary for executive officers and the total annual cash retainer for non-employee directors. The Chief Executive Officer s guideline is five times base salary, the Chief Financial Officer s and any Executive Vice President s guideline is three times base salary and any other executive officer s guideline is two times base salary. No officer may sell or otherwise dispose of any shares until his or her aggregate ownership satisfies these requirements. Similarly, our non-employee directors are subject to a guideline of the greater of (i) 5,000 shares and (ii) five times the annual cash retainer paid to such non-employee director. Calculations to determine compliance with the Ownership Guidelines are made during the first quarter of each fiscal year, and are based upon (i) each executive officer s base salary applicable at the time of such calculation and (ii) the average closing price of the Company s common stock, as reported by NASDAQ, for each trading day during the last 30 calendar days of the preceding fiscal year and the first 30 calendar days of the fiscal year in which the calculation is performed. For fiscal 2013, the Ownership Guidelines for our named executive officers were as follows:

Executive Officer	Multiple of Base Salary
Sandra B. Cochran	5X
Lawrence E. Hyatt	3X
Douglas E. Barber	3X
Edward A. Greene	2X
Nicholas V. Flanagan	2X

Executive officers and non-employee directors must retain 100% of the net number of shares of common stock acquired (after payment of exercise price, if any, and taxes) upon the exercise of stock options and the vesting

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of restricted stock or restricted stock units granted until they achieve the guideline. Once achieved, ownership of the guideline amount must be maintained for as long as the executive officers and non-employee directors are subject to the Ownership Guidelines. Executive officers and non-employee directors who do not comply with the Ownership Guidelines may not be eligible for future equity awards. If an executive officer or non-employee director falls below the required ownership threshold, he or she will be prohibited from selling shares of Company common stock until he or she meets the ownership thresholds.

Anti-Hedging Policy

In 2012, the Compensation Committee adopted an anti-hedging policy (the Anti-Hedging Policy) to prohibit directors and officers from directly or indirectly engaging in hedging against future declines in the market value of the Company s securities through the purchase of financial instruments designed to offset such risk. The Compensation Committee considers it improper and inappropriate for directors and officers of the Company to hedge or monetize transactions to lock in the value of the Company s securities. When that occurs, the director s or officer s incentives and objectives may be less closely aligned with those of the Company s other shareholders, and the director s or officer s incentive to improve the Company s performance may be (or may appear to be) reduced.

Under the Anti-Hedging Policy, no director of officer may, directly or indirectly, engage in any hedging transaction that reduces or limits the director s or officer s economic risk with respect to the director s or officer s holdings, ownership or interest in the Company s securities, including outstanding stock options, stock appreciation rights or other compensation awards the value of which are derived from, referenced to or based on the value or market price of the Company s securities.

Prohibited transactions include the purchase by a director or officer of financial instruments, including, without limitation, prepaid variable forward contracts, equity swaps, collars, puts, calls or other derivative securities that are designed to hedge or offset a decrease in market value of the Company s securities.

Compensation Risk Analysis

The Compensation Committee is responsible for overseeing our incentive compensation arrangements, for aligning such arrangements with sound risk management and long-term growth and for verifying compliance with applicable regulations. The Compensation Committee conducted an internal assessment of our executive and non-executive incentive compensation programs, policies and practices. The Compensation Committee reviewed and discussed: the various design features and characteristics of the Company-wide compensation policies and programs; performance metrics; and approval mechanisms of all incentive programs. Based on this assessment and after discussion with management and Cook & Co., the Compensation Committee has concluded that our incentive compensation arrangements and practices do not create risks that are reasonably likely to have a material adverse effect on the Company.

Recoupment Provisions

The Company may recover any incentive compensation awarded or paid pursuant to an incentive plan based on (i) achievement of financial results that were subsequently the subject of a restatement due to material noncompliance with any financial reporting requirement under either GAAP or the federal securities laws, other than as a result of changes to accounting rules and regulations, or (ii) a subsequent finding that the financial information or performance metrics used by the Compensation Committee to determine the amount of the incentive compensation were materially inaccurate, in each case regardless of individual fault. In addition, the Company may recover any incentive compensation awarded or paid pursuant to any incentive plan based on a participant s conduct which is not in good faith and which materially disrupts, damages, impairs or interferes with the business of the Company and its affiliates.

Impact of Tax and Accounting Treatments on Compensation

Although the accounting and tax treatment of executive compensation generally has not been a factor in the Compensation Committee s decisions regarding the amounts of compensation paid to our executive officers, it has been a factor in the compensation mix as well as the design of compensation programs. We have attempted to structure our compensation to maximize the tax benefits to the Company (e.g., deductibility for tax purposes) and to

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appropriately reward performance. The accounting treatment of differing forms of equity awards presently used to compensate our executives vary. However, the accounting treatment is not expected to have a material effect on the Compensation Committee s selection of differing types of equity awards.

Sections 280G and 4999

As described above, we provide our Named Executive Officers with management retention agreements. These agreements provide for severance payments following a termination in connection with a change in control of the Company under certain circumstances. None of our Named Executive Officers has a right under these management retention agreements or otherwise to receive any gross-up payment to reimburse such executive officer for any excise tax under Sections 280G and 4999 of the Internal Revenue Code of 1986, as amended (the Code).

Section 162(m)

Section 162(m) of the Code imposes a $1.0 million limit on the amount a public company may deduct for compensation paid to its Chief Executive Officer or any of our four other most highly compensated executive officers (excluding our chief financial officer, who the Internal Revenue Service has indicated may be excluded) who are employed by the Company as of the end of the fiscal year. However, the limit described in Section 162(m) does not apply to compensation that satisfies the requirements of Section 162(m) for qualifying performance-based compensation. The Compensation Committee attempts to maximize deductibility of compensation under Section 162(m) to the extent practicable while maintaining a competitive, performance-based compensation program. However, the Compensation Committee also believes that it must (and does) reserve the right to award compensation which it deems to be in our best interest and our shareholders, but which may not be fully tax deductible under Section 162(m).

The Company intends for payments under the annual bonus plan to qualify as performance based compensation under Section 162(m) of the Code. For 2013, the Compensation Committee approved the establishment of the bonus pool which is funded based on the achievement of operating income. If the Company achieved an operating income of less than [ ] million then the bonus pool would not fund and no payouts would be made under the bonus plan. Actual bonus payments to individual executives are based on the achievement of performance criteria set forth under ELEMENTS OF COMPENSATION PROGRAM Annual Bonus Plan, on pages [ ] and [ ].

Likewise, the Company also intends for awards made under its various long-term incentive plans to qualify as performance based compensation under Section 162(m) of the Code to the maximum extent permitted under the 2010 Omnibus Plan. As with the annual bonus plan, eligibility to receive awards under the long-term incentive plans is dependent upon the Company s operating income performance during the applicable performance period. As with the annual bonus plan, eligibility to receive awards under the long-term incentive plans is dependent upon the Company s operating income performance during the applicable performance period. For example, for the 2013 MSU Grant, the operating income threshold is [ ] million over the three-year performance period. If these operating income performance goals are not met, then no award will be made under the applicable plan to any executive officer participating in the plan. If, however, the applicable operating income performance goal is met, then each participant in the applicable plan will become eligible to receive an equity award determined according to the performance criteria described under ELEMENTS OF COMPENSATION PROGRAM Long-Term Incentives, above.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis (CD&A) included in this proxy statement. Based on its review and discussions of the CD&A with management, the Compensation Committee recommended to the Board of Directors that the CD&A be included in this proxy statement and incorporated by reference into our Annual Report on Form 10-K for 2013.

This report has been submitted by the members of the Compensation Committee:

Coleman H. Peterson, Chair

Glenn A. Davenport

Richard J. Dobkin

Andrea M. Weiss

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COMPENSATION TABLES AND INFORMATION

Summary Compensation Table

The following table sets forth information regarding the compensation for the Named Executive Officers during 2011, 2012 and 2013.

Name and Principal Position	Year	Salary ($)	Stock Awards(2) ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation(3) ($)	Total ($)
Sandra B. Cochran,	2013	$ 925,000	$ 4,112,207	[ ]	$ 51,478	[ ]
President and Chief Executive	2012	$ 869,792	$ 2,421,606	$ 1,051,144	$ 83,692	$ 4,426,234
Officer	2011	$ 593,750	$ 1,659,163	$ 542,984	$ 258,209	$ 3,054,106
Lawrence E. Hyatt,	2013	$ 490,000	$ 1,026,438	[ ]	$ 7,151	[ ]
Senior Vice President and Chief	2012	$ 475,000	$ 703,624	$ 401,826	$ 2,160	$ 1,582,610
Financial Officer	2011	$ 277,083	$ 963,863	$ 177,375	$ 50,975	$ 1,469,296
Douglas E. Barber,	2013	$ 445,000	$ 619,730	[ ]	$ 9,751	[ ]
Executive Vice President, Chief	2012	$ 435,000	$ 644,390	$ 367,988	$ 49,001	$ 1,496,379
People Officer	2011	$ 451,250	$ 967,331	$ 323,160	$ 39,719	$ 1,781,460
Nicholas V. Flanagan,	2013	$ 360,000	$ 289,288	[ ]	$ 10,424	[ ]
Senior Vice President, Operations	2012	$ 314,792	$ 1,155,544	$ 228,256	$ 6,623	$ 1,705,215
Edward A. Greene,	2013	$ 375,000	$ 301,258	[ ]	$ 8,433	[ ]
Senior Vice President, Strategic	2012	$ 364,619	$ 311,583	$ 220,322	$ 18,007	$ 914,531
Initiatives	2011	$ 364,619	$ 640,045	$ 166,722	$ 15,349	$ 1,186,735
Michael A. Woodhouse,	2013	$ 201,705(1)	$ 131,295	[ ]	$ 940,034	[ ]
former Executive Chairman	2012	$ 788,447	$ 883,150	$ 994,096	$ 137,227	$ 2,752,919
	2011	$ 1,100,000	$ 2,183,373	$ 1,257,437	$ 133,756	$ 4,674,566

(1) Reflects a prorated amount based on Mr. Woodhouse s service during fiscal 2013 as our Executive Chairman until his retirement effective November 7, 2012.

(2) The amounts disclosed in this column reflect the aggregate grant date fair value of (a) performance based awards made in fiscal 2011, 2012 and 2013 and (b) time based awards made in July 2013 to Ms. Cochran and Mr. Hyatt, each calculated in accordance with Financial Accounting Standards Board Accounting Standard Code Topic 718 (ASC Topic 718). For the performance-based awards, the aggregate grant date fair value has been determined assuming the probable outcome of the performance condition on the date of the grant (i.e., the achievement of the target performance level). Assuming an outcome of the performance conditions at the maximum level, the aggregate grant date fair values of the awards made in fiscal 2013 are as follows:

Name	Year

		Aggregate Grant Date Fair Value at Maximum Performance Level
Sandra B. Cochran	2013	$6,324,806
Lawrence E. Hyatt	2013	$1,578,375
Douglas E. Barber	2013	$1,085,115
Nicholas V. Flanagan	2013	$ 506,528
Edward A. Greene	2013	$ 527,487
Michael A. Woodhouse	2013	$ 236,463

For information regarding the compensation cost of the awards and the assumptions used to calculate the grant date fair value of the awards, see Note to the Consolidated Financial Statements included or incorporated by reference in the Company s Annual Reports on Form 10-K for fiscal 2013, 2012 and 2011.

(3) The table below sets forth information regarding each component of compensation included in the All Other Compensation column of the Summary Compensation Table above.

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	Year	Life Insurance	Long-term Disability	Dividend Equivalents on Shares of Restricted Stock	Company Match Under Non-Qualified Deferred Compensation Plan	Company Match Under 401(k) Plan	Other (1)	Total
Sandra B. Cochran	2013	$ 19,740	$ 1,728	$ 0	$ 28,486	$ 1,056	$ 468	$ 51,478
Lawrence E. Hyatt	2013	$ 1,135	$ 1,728	$ 0	$ 4,288	$ 0	$ 0	$ 7,151
Douglas E. Barber	2013	$ 1,114	$ 1,728	$ 0	$ 6,675	$ 0	$ 234	$ 9,751
Nicholas V. Flanagan	2013	$ 1,073	$ 1,728	$ 0	$ 1,288	$ 6,335	$ 0	$ 10,424
Edward A. Greene	2013	$ 1,080	$ 1,728	$ 0	$ 5,625	$ 0	$ 0	$ 8,433
Michael A. Woodhouse	2013	$ 263	$ 360	$ 0	$ 0	$ 0	$ 939,411	$ 940,034

(1) Includes (a) security system expenses as follows: Ms. Cochran $468 and Mr. Barber $234; (b) reimbursement of legal fees in connection with Mr. Woodhouse s employment amendment $25,000; (c) a matching charitable gift for Mr. Woodhouse of $1,000 under our Board of Directors matching grant program; and (d) $900,000 severance payment and $13,411 for reimbursement of COBRA-related premiums.

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Grants of Plan-Based Awards Table

The following table sets forth information regarding grants of plan-based awards made to the Named Executive Officers during 2013.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Possible Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	Grant Date Fair Value of Stock and Option Awards(4)
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**		
Sandra B.		$ 277,500	$ 925,000	$ 1,850,000					
Cochran	09/27/12				10,954	21,908	43,816		$ 1,478,790
	09/27/12					21,908	32,862		$ 1,467,617
	07/30/13							12,000	$ 1,165,800
Lawrence E.		$ 102,900	$ 343,000	$ 686,000					
Hyatt	09/27/12				2,733	5,465	10,930		$ 368,888
	09/27/12					5,465	8,198		$ 366,100
	07/30/13							3,000	$ 291,450
Douglas E.		$ 93,450	$ 311,500	$ 623,000					
Barber	09/27/12				2,304	4,608	9,216		$ 311,040
	09/27/12					4,608	6,912		$ 308,690
Nicholas V.		$ 64,800	$ 216,000	$ 432,000					
Flanagan	09/27/12				1,076	2,151	4,302		$ 145,193
	09/27/12					2,151	3,227		$ 144,095
Edward A.		$ 56,250	$ 187,500	$ 375,000					
Greene	09/27/12				1,120	2,240	4,480		$ 151,200
	09/27/12					2,240	3,360		$ 150,058
Michael A.		$ 0	$ 0	$ 0					
Woodhouse	09/27/12				586	1,171	2,342		$ 79,043
	09/27/12					780	1,170		$ 52,252

(1) The amounts shown reflect the possible aggregate payouts in respect of fiscal 2013 under the 2013 annual bonus plan at the threshold, target and maximum levels. Actual payouts for fiscal 2013 are disclosed in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table. For a discussion of the 2013 annual bonus plan and the fiscal 2013 payouts, see Compensation Discussion and Analysis Elements of Compensation Program Annual Bonus Plan.

(2) The amounts shown reflect the possible payouts (at grant date fair value) for the LTPP Awards granted under the 2013 LTPP and MSU Grants awarded under the 2013 MSU Grant. The grant date fair value of these awards, based on the probable outcome of the relevant performance conditions as of the grant date (computed in accordance with ASC Topic 718) is the amount reported in the Stock Awards column of the Summary Compensation Table. No awards will be earned unless the Company s operating income Section 162(m) threshold

for the performance period is met. For a description of the Section 162(m) thresholds, see COMPENSATION DISCUSSION AND ANALYSIS OTHER EXECUTIVE COMPENSATION POLICIES AND GUIDELINES Section 162(m). Once the threshold is met, the Named Executive Officers will be eligible to receive up to 200% of his or her 2013 LTPP target and up to 150% of his or her 2013 MSU Grant target. For a discussion of the 2013 Long-Term Incentive Program, see COMPENSATION DISCUSSION AND ANALYSIS ELEMENTS OF COMPENSATION PROGRAM Long-Term Incentives.

(3) In recognition of the Company s strong operational and financial performance in 2013, the Board of Directors approved the issuance in July 2013 of 12,000 shares of restricted stock to Ms. Cochran and the Compensation Committee approved the issuance in July 2013 of 3,000 shares of restricted stock to Mr. Hyatt. These shares of restricted stock shall vest on the third year anniversary of the date of grant, subject to continuous employment with the Company on the vesting date. These shares of restricted stock also receive dividend equivalent rights, paid upon vesting of the restricted stock, in respect of the restricted stock at the time of any payment of dividends to the Company s outstanding common stock.

(4) The amounts disclosed in this column reflect the aggregate grant date fair value of the awards calculated in accordance with ASC Topic 718. For the performance-based awards (i.e., the LTPP Awards and MSU Grants), the aggregate grant date fair value has been determined assuming the probable outcome of the performance condition on the date of the grant (i.e., the achievement of the target performance level), excluding the effect of estimated forfeitures. For information regarding the compensation cost of the awards and the assumptions used to calculate grant date fair value of the awards, see Note [ ] to the Consolidated Financial Statements included or incorporated by reference in the Company s Annual Report on Form 10-K for fiscal 2013.

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Outstanding Equity Awards at Fiscal Year-End Table

The following table sets forth information regarding equity awards held by the Named Executive Officers as of August 2, 2013.

	Stock Awards			
Name	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Market Value of Shares of Stock That Have Not Vested ($)(9)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(13)**
Sandra B. Cochran			10,954(10)	$ 1,105,806
			36,009(11)	$ 3,635,109
			21,908(12)	$ 2,211,613
	12,000(1)	$ 1,211,400		
Lawrence E. Hyatt			2,732(10)	$ 275,795
			10,462(11)	$ 1,056,139
			5,465(12)	$ 551,692
	8,000(2)	$ 807,600		
	3,000(3)	$ 302,850		
Douglas E. Barber			2,304(10)	$ 232,589
			9,582(11)	$ 967,303
			4,608(12)	$ 465,178
Nicholas V. Flanagan			1,075(10)	$ 108,521
			3,811(11)	$ 384,720
			2,151(12)	$ 217,143
	10,000(4)	$ 1,009,500		
	10,000(5)	$ 1,009,500		
Edward A. Greene			1,120(10)	$ 113,064
			4,633(11)	$ 467,701
			2,240(12)	$ 226,128
	1,000(6)	$ 100,950		
	1,500(7)	$ 151,425		
	2,500(8)	$ 252,375		
Michael A. Woodhouse			585(10)	$ 59,056
			9,531(11)	$ 962,154
			780(12)	$ 78,741

(1) Vests on July 30, 2016.
(2) Vests on January 3, 2014.
(3) Vests on July 30, 2016.
(4) Vests on September 12, 2014.
(5) Vests on May 7, 2015.
(6) Vests on November 1, 2013.
(7) Vests on November 1, 2014.
(8) Vests on November 1, 2015.
(9) Reflects the aggregate market value determined based on a per share price of $100.95, the closing price for our common stock on August 2, 2013.
(10) This award represents the 2013 LTPP Awards. The 2013 LTPP Award has a two year performance period, which ends on August 1, 2014. Actual awards are distributable, if at all, following the end of the performance period. The number of shares reflected assumes a threshold level of payout.
(11) This award represents the 2012 MSU Grant. The 2012 MSU Grant has a three year performance period, which ends on August 1, 2014. Actual awards are distributable, if at all, following the end of the performance period. The number of shares reflected assumes the maximum payout of 150% of target.
(12) This award represents the 2013 MSU Grant. The 2013 MSU Grant has a three year performance period, which ends on July 31, 2015. Actual awards are distributable, if at all, following the end of the performance period. The number of shares reflected assumes a target level of payout.
(13) Reflects the aggregate market value of the LTPP Awards and MSU Grants determined based on a per share price of $100.95, the closing price for our common stock as quoted on the Nasdaq Global Select Market on August 2, 2013.

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Option Exercises and Stock Vested

The following table sets forth information, for the Named Executive Officers, regarding (1) stock option exercises during 2013, including the number of shares acquired upon exercise and the value realized and (2) the number of shares acquired upon the vesting of restricted stock and the value realized, each before payment of any applicable withholding tax and broker commissions.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)(1)**	**Number of Shares Acquired On Vesting (#)**	**Value Realized on Vesting ($)(2)**
Sandra B. Cochran	62,442	$ 2,313,849	18,585	$ 1,229,769
Lawrence E. Hyatt		$	5,789	$ 383,058
Douglas E. Barber	14,264	$ 491,911	10,835	$ 716,952
Nicholas V. Flanagan		$	3,500	$ 224,455
Edward A. Greene	3,715	$ 132,469	4,395	$ 290,817
Michael A. Woodhouse	35,659	$ 1,285,047	44,204	$ 2,924,979

(1) Value is based on the closing price of a share of the Company s common stock as quoted by the Nasdaq Global Select Market on the exercise date, minus the cost of the option (i.e., the exercise price).

(2) Value is based on the closing price of a share of the Company s common stock as quoted by the Nasdaq Global Select Market on the vesting date.

Equity Compensation Plan Information

The following table sets forth information with respect to our equity plans as of August 2, 2013.

Plan category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights** (a)	**Weighted-average exercise price of outstanding options, warrants and rights** (b)	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))** (c)
Equity compensation plans approved by security holders(1)	Options 89,055 Full Value 344,679	$36.74	1,487,830

Equity compensation plans not approved by security holders(3)	Options	12,083	$39.97	0
	Full Value	0		
Total	Options	101,138	$37.12	1,487,830
	Full Value	344,679(2)		

(1) As of August 2, 2013, options to purchase (i) 43,107 shares of our common stock at a weighted average exercise price of $39.79 per share were outstanding under the Amended and Restated Stock Option Plan, and (ii) 45,948 shares of our common stock at a weighted average exercise price of $33.87 per share were outstanding under the Cracker Barrel 2002 Omnibus Incentive Compensation Plan. No options have been granted under the 2010 Omnibus Plan.

(2) Includes target awards under the 2012 and 2013 LTPP and 2012 and 2013 MSU Grants, representing a total of 261,825 shares of common stock. Actual share awards, if any, will be made at the end of the applicable performance period for each of these plans.

(3) As of August 2, 2013, options to purchase 12,083 shares of our common stock at a weighted average exercise price of $39.97 per share were outstanding under the CBRL Group, Inc. 2000 Non-Executive Stock Option Plan.

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Non-Qualified Deferred Compensation

We maintain a non-qualified deferred compensation plan for our executive officers and certain employees. The deferred compensation plan permits participants to voluntarily defer receipt of up to 50% of their compensation and up to 100% of their performance-based compensation. These deferrals are fully funded from deductions from the participants applicable payroll or bonus checks. Amounts deferred under the deferred compensation plan are payable in cash on the date or dates selected by the participant in accordance with the terms of the plan or on such other dates specified in the plan. Deferred amounts earn rates of return based on the performance of several investment alternatives selected by the participant. These investment alternatives mirror those available to all eligible employees under our 401(k) plan. We also provide a 25% match of the participants contributions up to 6% of their compensation (or, a maximum of 1.5% of their compensation, the same matching formula used in our 401(k) plan). The following table provides additional information regarding the deferred compensation accounts for each Named Executive Officer, including the voluntary contributions made by the Named Executive Officers and by us to the non-qualified deferred compensation plan during 2013 and the aggregate deferred compensation balance as of the end of our fiscal year ended August 2, 2013.

Name	Aggregate Balance at Beginning FYE ($)	Executive Contributions in Last FY ($)(1)	Registrant Contributions in Last FY ($)(2)	Aggregate Earnings in Last FY ($)(3)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)(4)
Sandra B. Cochran	$ 326,968	$ 118,491	$ 28,486	$ 80,599	$ 0	$ 554,544
Lawrence E. Hyatt	$ 0	$ 17,150	$ 4,288	$ 0	$ 0	$ 21,438
Douglas E. Barber	$ 251,184	$ 26,669	$ 6,675	$ 38,296	$ 0	$ 322,824
Nicholas V. Flanagan	$ 237,255	$ 35,283	$ 6,335	$ 58,403	$ 0	$ 337,276
Edward A. Greene	$ 94,811	$ 22,468	$ 5,625	$ 80	$ 0	