

HOOKER FURNITURE CORPORATION COMPENSATION COMMITTEE CHARTER

Purpose

The purpose of the Compensation Committee (the “Committee”) of the board of directors (the “Board”) of Hooker Furniture Corporation (the “Company”) is to carry out the Board’s responsibilities with respect to compensation of the Company’s executives.

Membership

The Committee shall consist of at least three members of the Board, each of whom shall (i) meet the independence requirements established by the Board and applicable laws, regulations and the listing requirements of the Nasdaq Stock Market, Inc.; (ii) be a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended; and (iii) be an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”).

Members of the Committee shall be appointed annually by the Board and may be removed or replaced by the Board at any time in its sole discretion. The Board shall designate one member of the Committee as its chairperson.

Operations

The Committee shall meet at least twice annually and shall hold such additional meetings as it deems necessary or appropriate to carry out its responsibilities. At each meeting, the Committee shall have the opportunity to meet in executive session, without Company management or non-independent directors present. The Committee shall cause minutes to be kept of its proceedings and shall regularly report to the Board on its actions and activities.

The Committee shall be governed by the same rules regarding meetings (including meetings by conference telephone or other similar equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as apply to the Board. The Committee may adopt its own rules of procedure not inconsistent with (i) this charter; (ii) the articles or bylaws of the Company; or (iii) the laws of the Commonwealth of Virginia.

Authority

The Committee shall have the resources and authority necessary to discharge its duties and responsibilities.

The Committee may delegate any of its duties and responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee shall have authority to retain and terminate compensation consultants, outside counsel and other advisors as the Committee deems appropriate in its sole

discretion. The Committee shall have sole authority to approve the fees and retention terms for such persons.

Responsibilities

The Committee's principal duties and responsibilities will be to:

1. Establish (and subsequently review and approve, on an annual basis) a compensation philosophy containing the core principles of the Company's overall executive compensation program.
2. Oversee the development and implementation of the Company's overall executive compensation program and, when necessary, recommend to the Board new executive compensation plans to be adopted by the Company and any amendment, termination or discontinuance of existing plans, in furtherance of the Company's stated compensation philosophy.
3. Monitor and evaluate the competitiveness of the Company's overall executive compensation program, considering the Company's peer group of companies.
4. Establish policies and procedures that shall govern the Company's practices with respect to the granting of stock options and other stock-based compensation awards.
5. Evaluate the performance of the chief executive officer ("CEO") in light of corporate goals and objectives, and approve the CEO's annual compensation, including salary, bonus, and equity and non-equity incentive compensation.
6. Review and approve on an annual basis the compensation structure for the Company's other executive officers. The Committee shall oversee an evaluation of the performance of the Company's executive officers and shall approve the annual compensation, including salary, bonus, and equity and non-equity incentive compensation, for such executive officers. The Company's executive officers shall be determined in accordance with the listing requirements of the Nasdaq Stock Market, Inc.
7. Provide oversight of management's decisions concerning the performance and compensation of other officers of the Company.
8. Assist the Board in developing and evaluating potential candidates for executive positions and oversee the development of executive succession plans.
9. Administer the equity compensation, incentive and benefit plans of the Company that have been, or may in the future be, adopted by the Company and that require (by their terms, by delegation from the Board or by applicable law) administration by the Committee or by a committee of independent directors.
10. Oversee, in consultation with management, compliance with tax, accounting and regulatory requirements with respect to the Company's overall executive compensation program, including, as and when required, the establishment of performance goals and certification that performance goals have been met for purposes of preserving tax deductibility under Section 162(m) of the Code.

11. Review and approve the terms of any severance, change in control, employment, indemnification, post-termination, perquisite and other material agreements with executive officers or other key officers of the Company.
12. Review and discuss with management the Company's compensation discussion and analysis (the "CD&A") and recommend to the Board that the CD&A be included in the Company's annual report and proxy statement;
13. Produce an annual report of the Committee on executive compensation for the Company's annual proxy statement in compliance with and to the extent required by applicable rules and regulations.
14. Conduct and present to the Board an annual performance evaluation of the Committee and annually review and recommend to the Board any proposed changes to the charter of the Committee.

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