

LUBY'S, INC.
FINANCE AND AUDIT COMMITTEE CHARTER

SCOPE AND PURPOSE:

The Finance and Audit Committee (the "Committee") of the Board of Directors (the "Board") of Luby's, Inc. (the "Company") is formed by the Board to monitor and evaluate corporate financial plans and performance and to assist the Board in monitoring:

1. The accounting and financial reporting practices of the Company.
2. The integrity of the financial statements of the Company.
3. The compliance by the Company with legal and regulatory requirements.
4. Audits of the Company's financial statements, including without limitation the performance of the Company's internal controls and internal audit function and the independent auditors' qualifications, independence and performance.
5. The operational performance of the Company.
6. The establishment of and adherence to operating and capital budgets.

The Committee shall regularly and fully report its actions and findings to the Board.

The Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the "Commission") to be included in the Company's annual proxy statement and other required filings.

The Committee shall have the sole authority to retain special legal, accounting, or other advisors to advise the Committee, as the Committee deems necessary or appropriate. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any special legal, accounting, or other advisors employed by the Committee.

The Committee may request any officer or employee of the Company, the Company's outside counsel or independent auditor(s) to attend a Committee meeting or to meet with any members of, or advisors to, the Committee.

While certain duties and responsibilities of the Committee are more specifically set forth below, the general function of the Committee is oversight. It is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Nor is it the duty of the Committee to conduct investigations or to assure compliance with laws and regulations and the Company's Policy Guide on Standards of Conduct and Ethics and the Supplemental Standards of Conduct and Ethics. Management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements. In addition, management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to assure compliance with accounting and auditing standards and applicable laws and regulations. Further, it is management's responsibility to ensure that appropriate reports are made to the Board.

Each member of the Committee may rely on (i) the integrity of those persons and organizations within and outside the Company from which it receives information; and (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall promptly be reported to the Board of Directors).

FUNCTIONS:

The duties and responsibilities of the Committee include the following:

Financial Statements

1. Review and discuss with management and the independent auditor major issues regarding accounting principles and financial statement presentations, including without limitation the selection, application and disclosure of critical accounting principles, policies and practices, any significant changes in the Company's selection or application of accounting principles and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies.

2. Review and discuss with management and the independent auditor quarterly reports from the independent auditor addressing:
 - a. all critical accounting policies and practices used by the Company;
 - b. all alternative accounting treatments of financial information within generally accepted accounting principles that have been discussed with management, including the ramifications of the use of such alternative disclosures and treatments and the treatment recommended by the independent auditor; and
 - c. other material written communications between the accounting firm and management of the Company.

Review any reports on such topics or similar topics prepared by management. Discuss with the independent auditor any material issues raised in such reports.

3. Review and discuss with management and the independent auditor the Company's annual audited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board each year whether or not the audited consolidated financial statements should be included in the company's annual report on Form 10-K.
4. Review and discuss with management and the independent auditor the Company's quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing of its Form 10-Q, including the results of the independent auditor's review of the quarterly financial statements.
5. Review and discuss with management and the independent auditor the effect of any off-balance sheet transactions, arrangements, obligations (including contingent obligations) and any other relationships of the Company with unconsolidated entities that may have a current or future material effect on the Company's financial statements.
6. Review and discuss with management the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
7. Review the asset/liability valuation methods used by management. Such review should include, but not be limited to, a review of reports concerning nonproducing assets and the adequacy of reserve balances.
8. Review an analysis prepared by management and the independent auditor of significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements.
9. Review the Company's tax status, including the status of tax reserves and significant tax planning issues.
10. Review legal, regulatory, and tax matters that may have a material impact on the financial statements, related compliance policies and programs and reports received from regulators and provide a summary to the Board.
11. Discuss generally the types of information to be disclosed and the presentation to be made in earnings releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance (if any) given to analysts and rating agencies.
12. Review and discuss with management the audits of other financial statements filed by the Company, including the audit of the Luby's Savings and Investment Plan.

Oversight of the Relationship with the Independent Auditors

1. Appoint, retain, terminate and replace the independent auditors, subject, if applicable, to shareholder ratification. The independent auditors shall report directly to the Committee.

2. Resolve disagreements between management and the independent auditors.
3. Approve all audit engagement fees and terms and all significant non-audit engagements with the independent auditors.
4. Preapprove all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditors, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which are approved by the Committee prior to the completion of the audit.
5. Review annually a report by the independent auditor describing:
 - a. The firm’s internal quality-control procedures.
 - b. Any material issues raised by the most recent internal quality-control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firms and any steps taken to deal with such issues.
 - c. All relationships between the independent auditors and the Company.

Discuss with the independent auditor any issues or relationships disclosed in such report that, in the judgment of the Committee, may have an impact on the competence or independence of the independent auditor.

6. Review the external and internal audit scopes and plans and the coordination of internal and external audit efforts to ensure completeness, reduction of redundant efforts and the effective use of audit resources. Review any changes required in the planned scope of the internal audit plan.
7. Review and evaluate independent audit reports, including the matters related to the conduct of the audits which are to be communicated to the Committee under generally accepted auditing standards.
8. Review and evaluate the lead partners of the independent auditor teams.
9. Ensure the regular rotation of the audit partners as required by law and consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firms themselves.
10. Actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and recommend that the Board take appropriate action in response to the independent auditor’s report to satisfy itself of the independent auditors’ independence.
11. Review and discuss with the independent auditors:
 - a. Accounting adjustments that were identified or proposed by the independent auditors and were not implemented.
 - b. Any problems or difficulties the independent auditors encountered in the course of the audit work and management’s response thereto, including without limitation any restrictions on the scope of the independent auditors’ activities or on access to requested information and any significant disagreements with management.
 - c. The responsibilities, budget, and staffing of the Company’s internal audits.
 - d. Assurance from the independent auditor that section 10A(b) of the Exchange Act, which refers to “Required Response to Audit Discoveries,” has not been implicated.

- e. Communications between the audit teams and the firms' national offices relating to auditing or accounting issues presented by the engagements.
 - f. Any "management letter" or "internal control letter" issued or proposed to be issued by the independent auditors to the Company and any other material written communications between the independent auditors and the management.
 - g. Internal audit compliance with the Institute of Internal Auditors' Standards for the Professional Practice of Internal Auditing (Standards).
12. Taking into consideration the views of the internal auditors and management, annually review and evaluate the qualifications, performance and independence of the independent auditors and the senior members of the independent auditor teams. The Committee's review and evaluation shall take into consideration, among other things, the rotation of the lead audit and reviewing partners, the disclosures of the independent auditors required by Independent Standards Board Standard No. 1, the adequacy of the auditor's quality controls and whether the provision of non-audit services is compatible with maintaining the auditors' independence. The Committee shall report its conclusions to the Board.
 13. Periodically meet with the engagement partners having responsibility for the Company's account and, in all cases, meet with the managing partner when such responsibility passes to another partner.
 14. Set clear hiring policies for employees and former employees of the independent auditors. At a minimum, ensure compliance with the "cooling-off" period required by the rules and regulations of the Commission.
 15. Discuss with the national offices of the independent auditors issues on which they were consulted by the Company's audit team and matters of audit quality and consistency, if needed.
 16. Meet with the independent auditors prior to the audit to discuss the planning and staffing of the audit.

Oversight of the Internal Audit Function

1. Review the independence of the internal audit department and the ability of the department to raise issues to the appropriate level of authority, including direct access to the chief executive officer.
2. Ensure that the internal audit function, in addition to its support of the chief financial officer and chief executive officer, is responsive to the needs of the Committee and ultimately the Board; direct access between the Board and the Committee and the director of internal audit must be preserved by the Committee and recognized by management.
3. Review the responsibilities, organizational structure, budget, and qualifications of the internal audit function. Discuss with the independent auditor and management, the internal audit department's responsibilities, budget, and staffing and any changes in the planned scope of the internal audit.
4. Review and approve any recommendation from management to reassign, appoint, replace, or dismiss the director of internal audit.
5. Review the significant reports to management prepared by the internal auditing department and management's responses.
6. At least annually, review and assess the adequacy of the internal audit charter and recommend any proposed revisions to the Board for approval.

Risk Management

1. Review, analyze and recommend for approval to the Board, management's policies and plans regarding:

- a. Financial management, including but not limited to major acquisitions, investments, capital expenditures, and credit facilities; and
 - b. Business risk management, including credit risks, control risks, asset/liability management risks (such as nonproducing assets), regulatory risks (such as tax exposure items), operations risks, and management risks.
2. Review with the Company's counsel:
 - a. Any legal matter that could have a significant impact on the Company's financial statements or the Company's compliance policies.
 - b. The effectiveness of the Company's compliance program in detecting and preventing violations of law and the Company's code of conduct.
3. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submissions by employees or contractors of concerns regarding questionable accounting or auditing matters.
4. Review the Company's code of ethics for senior officers.
5. Review disclosures made to the Committee by the Company's CEO and CFO during their certification process for Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of disclosure controls and internal controls over financial reporting or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.
6. At least annually, review and assess the adequacy of the charter of the Disclosure Committee and recommend proposed revisions to the CEO and CFO.

Corporate Financial Status and Performance

1. Review management's financial plans, projections and forecasts and report (with appropriate recommendations) to the Board.
2. Review and evaluate corporate financial performance on a periodic basis and ensure that management provides appropriately definitive periodic summaries to the Board.
3. Review proposed operating and capital budgets and propose such approval actions as are appropriate to the Board.
4. Review the Company's balance sheet at least quarterly and report findings to the Board.
5. Review and recommend approval to the Board of any planned issuance of debt and equity and the repurchase of any Company equity.
6. Review and approve adequacy and significant changes in the Company's bank credit agreement and report such findings and actions to the full Board.
7. Review plans to acquire or dispose of assets that in aggregate exceed \$5,000,000 in any fiscal year or any individual assets that exceed \$3,000,000.

Finance and Audit Committee Performance

1. Annually review and assess the adequacy of the Committee's charter and recommend any proposed revisions to the Board for approval.
2. Annually review and update the working Addendum, and ensure it is used during the year.
3. At least annually, perform a self-assessment of Committee performance with assistance from and share results with the Nominating and Corporate Governance Committee.

4. Perform any other activities consistent with this charter, the Company's by-laws and certificate of incorporation as the Committee or the Board deems necessary or appropriate.

SEC Reports

1. Review all financial reports required by the rules of the Commission and/or the New York Stock Exchange to be included in the Company's annual proxy statement.
2. Review the periodic filings required under the rules of the Commission with management and the independent auditor prior to filing.
3. Review with management and the independent auditor any correspondence with regulators or government agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies.
4. Review and discuss with management and the independent auditor any pro forma information proposed to be included in the Company's financial statements or any other public disclosure.
5. Obtain reports from management, the Director of Internal Audit and the independent auditor that the Company and its subsidiary/affiliated entities are in conformity with applicable legal requirements. Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations.

Other Responsibilities

1. Perform any other activities consistent with this Charter, the Company's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

DURATION

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

CHAIR

The chair of the Committee shall be appointed by the Board with due consideration given to nominee(s) presented by the Nominating and Corporate Governance Committee.

MEMBERSHIP AND ORGANIZATION

The Committee shall consist of at least three members. Each member shall meet the independence, experience, and financial literacy requirements of applicable rules and regulations, including, without limitation, the listing standards of the New York Stock Exchange, Section 10A(m)(3) of the Exchange Act and the rules and regulations of the Commission, as such are amended from time to time. In addition, at least one member shall qualify as an "audit committee financial expert" as that term is defined by rules and regulations of the Commission. Members shall not simultaneously serve on the audit Committees of more than two other public companies.

The members of the Committee shall be appointed by the Board following a recommendation of the Nominating and Corporate Governance Committee, at its next meeting following the annual meeting of shareholders and shall serve until the first meeting of the Board following the annual meeting of shareholders and until their successors are elected or until their earlier death, resignation, or removal, with or without cause, in the discretion of the Board. The Board shall elect a chair.

The Committee may form and delegate authority to a subcommittee or subcommittees, when appropriate, including the authority to preapprove the retention of the independent auditor for performance of audit and non-audit services not prohibited under Section 10A(g) of the Exchange

Act and not subject to the de minimis exception under Section 10A(i)(1)(B) of such Act, provided that the terms of the engagement and fee for such services shall be presented to the full Committee at the next scheduled meeting following the preapproval.

The Committee shall regularly inform the Board of the actions taken or issues discussed at its meetings. This will generally take place at the Board meeting following a Committee meeting.

MEETINGS

The Committee shall meet at such times and shall conduct such business as is more specifically described in the working addendum. The Committee shall meet periodically with management, the internal auditors and the independent auditor in separate executive sessions. The chief financial officer may coordinate meetings between the Committee and the independent auditor and director of internal audit. However, the Committee and each member of the Committee has the right to contact the independent auditor or the director of internal audit directly. The independent auditor(s) and the director of internal audit and other members of the internal audit team have the right to contact the Committee or any member of the Committee directly. Agendas and advance materials will be provided to the Committee members in advance of meetings when practicable. Special meetings may be held as called by the chair of the Committee upon at least 24 hours notice or with a waiver of such notice by all members of the Committee; the chair shall honor the request of any Committee member to call a special meeting.

Meetings are to be attended by members of the Committee, the appointed recorder, the chief financial officer with approval of the chair and any guest whose attendance is approved by the chair.

The chief financial officer will be the primary point of contact and provide administrative support to the Committee.

A majority of the members of the Committee shall constitute a quorum. If a quorum is present, a majority of the members present shall decide any questions brought before the Committee.

MINUTES & REPORTS

The chair of the Committee shall designate a person to record the proceedings of the Committee's meetings and to distribute such record as directed by the chair. The records of the Committee meetings shall be confidential, but shall be distributed to all Board members and retained as directed by the Board chair for a period of at least the record retention policy of the Company.

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

EFFECTIVE DATE

This charter was reviewed by the Committee and approved by the Board on November 13, 2019, in order to govern the subsequent operation of the Committee.