

**Charter of the Compensation Committee
of the Board of Directors of
Winn-Dixie Stores, Inc.**

The purpose of the compensation committee (the “Committee”) is to (a) assist the board of directors in fulfilling its oversight of the Company’s compensation plans, policies and programs, (b) assist the board of directors in evaluating and establishing the compensation of the Company’s chief executive officer (“CEO”) and Chief Financial Officer (the “CFO”), (c) evaluate and establish the compensation of the other executive officers, (d) administer the Company’s equity-based incentive plans, and (e) assist the board of directors in fulfilling its oversight of talent reviews and management succession planning.

Responsibilities of the Committee

Oversight of Compensation Programs

Compensation Strategy: The Committee assists the board of directors in setting the overall compensation strategy and policies for the Company. On at least an annual basis, the Committee reviews and recommends to the board of directors for approval the Company’s compensation strategy to ensure that it supports Company strategic planning, other organizational goals and shareholder interests. The Committee reviews the forms and amount of compensation appropriate to achieve these strategic objectives, including salary, short and long term incentive compensation and equity awards.

Compensation Discussion and Analysis: The Committee oversees the preparation of, and reviews and discusses with management, the Company’s compensation discussion and analysis included in the Company’s Proxy Statement and Annual Report on Form 10-K and prepares a compensation committee report regarding this review and discussion as required by the rules of the Securities and Exchange Commission (“SEC”).

Annual Incentive Bonus Plans: To further the Company’s compensation strategy, the Committee oversees the Company’s annual incentive bonus plans with regard to (a) participation, (b) threshold, target and superior award payouts, (c) performance criteria, and (d) total funds payable and paid under the annual incentive bonus plans.

Compensation Plan Compliance: The Committee reviews the Company’s 401(k) plan, equity-based benefit plans and other benefits plans to ensure compliance with the Employee Retirement Income Security Act and other legal and regulatory requirements. The Committee also monitors nonperformance-based compensation payments for compliance with Section 162(m) of the Internal Revenue Code, unless the Committee determines that such compliance is not in the best interest of the shareholders

Oversight of the Evaluation and Compensation of the CEO and Executive Officers

CEO Base Salary and Annual Incentive Bonuses: The Committee annually reviews and makes recommendations to the Board of Directors regarding the base salary of the CEO and CFO. At the beginning of each fiscal year, the Committee reviews and recommends to the board of directors the performance criteria for the CEO and CFO under the Company's annual incentive bonus plan for the upcoming year. Subsequent to the completion of each fiscal year, the Committee reviews and recommends to the board of directors approval of the annual incentive bonus plan payout to the CEO and CFO.

Executive Officer Base Salary and Annual Incentive Bonus: The Committee annually reviews and approves the base salaries of each executive officer other than the CEO and CFO. At the beginning of each fiscal year, the Committee reviews and approves the performance criteria for these executive officers under the Company's annual incentive bonus plan for the upcoming year. Subsequent to the completion of each fiscal year, the Committee reviews and approves the annual incentive bonus plan payouts to these executives.

CEO and Executive Officer Equity-Based Compensation: As part of its administration of the Company's equity-based benefits plans, the Committee makes all equity-based awards to the CEO and other executive officers. All awards to the CEO and CFO are reviewed in advance with the board of directors.

CEO and Executive Officer Other Compensation and Benefits: The Committee reviews and approves any other compensation, perquisites or special or supplemental compensation and benefits for the CEO and other executive officers that are not generally available to associates. With respect to any such compensatory arrangement solely for the benefit of the CEO and/or CFO, the Committee would recommend such program for approval to the board of directors.

Factors Considered in Establishing CEO and Executive Officer Compensation: In establishing CEO compensation, the board of directors considers, among other things, corporate goals and objectives related to CEO compensation, its evaluation of CEO performance and comparative compensation data. In establishing the equity-based compensation for the CEO, the Committee considers, among other factors, the Company's performance and shareholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the CEO in past years. The CEO is not present for discussions or voting relating to CEO compensation.

Compensation for other executive officers is based on the factors described above, as well as consultations with the CEO.

Evaluation of the CEO: The Committee reviews and at least annually makes a recommendation to the board of directors regarding the performance criteria (including both long term and short term goals) to be considered in connection with the CEO's next annual performance evaluation. At the end of each year, with the CEO absent, the board

of directors meets to review the CEO's performance. Thereafter, the board of directors, led by the lead director or in the absence of the lead director, the chair of the Committee, meets with the CEO to communicate the results of the review and evaluation.

Employment Contracts: The Committee reviews and approves all employment contracts entered into with the CEO or any executive officer, including employment agreements, severance arrangements, change in control agreements and "parachute" payment arrangements.

Administration of Equity-Based Benefit Plans

Plan Administration: The Committee administers all equity-based benefit plans. The Committee administers equity-based plans with regard to, among other things: (a) participation, (b) grant values and awards to recipients, (c) vesting requirements, including performance criteria and (d) total shares reserved for awards. The Committee oversees the design of equity-based benefit plans and, as appropriate, makes recommendations to the board of directors regarding the adoption, amendment or termination of such plans.

Shareholder Approval: The Committee ensures all equity-based plans that are required to be submitted for shareholder approval under the listing standards of The NASDAQ Stock Market LLC ("NASDAQ") are submitted for shareholder approval.

Oversight of Talent Reviews and Management Succession Planning

Talent Reviews and Succession Planning: The Committee advises the board of directors on succession planning relating to the CEO, and consults with the CEO and board on succession planning and talent reviews for other members of senior management.

Membership of the Committee

Composition and Qualifications: The Committee is composed of no less than three directors, one of whom serves as chairperson and each of whom is independent as required under NASDAQ listing standards. In addition, all members of the Committee are "non-employee directors" as defined under Rule 16b-3 under the Securities Exchange Act of 1934 and "outside directors" for purposes of Section 162(m) of the Internal Revenue Code.

In addition, each member of the Committee has business experience that, in the opinion of the board of directors, qualifies him or her to evaluate senior management compensation, equity-based compensation plans, benefit plans and management succession planning.

Tenure: Committee members are appointed and removed, and the chairperson of the committee chosen by, a majority of the full board of directors, upon the recommendation of the nominating and corporate governance committee.

Meetings of the Committee

Meetings: The Committee typically meets four times each year in conjunction with the board of directors' regular meetings. Meeting agendas are prepared and provided in advance to the Committee, together with appropriate briefing materials. Other persons, including management, other directors or outside advisers, may attend meetings of the Committee in the Committee's sole discretion. The Committee maintains minutes or other records of meetings and activities.

Report to the Full Board: The Committee reports and makes recommendations as appropriate to the board of directors with respect to its meetings and activities, including with respect to administration of compensation and benefits programs, CEO and executive officer compensation and management succession planning.

Other Matters

Authority and Delegation: The Committee maintains the ultimate authority to determine the compensation of executive officers other than the CEO and CFO and to administer equity-based benefits plans. With regard to all other matters described in this charter, the Committee has the full power and authority to act in support of the board of directors, which retains the ultimate authority in these matters except as otherwise required by law or the NASDAQ rules. The Committee may delegate any authority to its chairperson or any sub-committee, unless prohibited by law.

Outside Advisors: The Committee has the authority to engage legal, financial or other advisors as it deems appropriate, the cost thereof to be borne by the Company. In the event that the Committee determines to retain any such advisors, including any compensation consulting firm, the Committee has the sole authority to approve the firm's scope of assignment, fees and other terms of its retention, as well as the firm's termination. A compensation consultant retained by the Committee shall not perform other services for the Company unless such services are pre-approved by the Committee, and the Committee is updated regularly as to the status of such services being provided by the consultant.

Evaluations: At least once each year, the Committee evaluates its own performance. Each member of the Committee evaluates the Committee. These evaluations are reviewed by the chairperson of the Committee. The chairperson of the Committee discusses evaluation results with the chairperson of the nominating and corporate governance committee and with the chairperson of the board.

Charter Review: At least once each year, the Committee reviews this charter and recommends changes, if any, to the board of directors.

Disclosure of Charter

This charter will be made available on the Company's website at www.winn-dixie.com and to any shareholder who otherwise requests a copy.

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While the members of the Committee have the duties and responsibilities set forth in this charter, nothing contained in this charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or state law.