

AFC ENTERPRISES, INC.
PRINCIPLES OF CORPORATE GOVERNANCE
(Restated and Amended March 2010)

1. Selection of Chairman and CEO

The Board reserves the right to decide at any time whether it is in the best interest of the Company to keep separate the positions of Chairman of the Board and Chief Executive Officer.

2. Lead Director Concept

In the event that the Chief Executive Officer also serves as the Chairman, the Board will appoint a lead director from among the independent directors who would chair meetings when independent directors meet without the Chairman of the Board and perform such other duties as may be delegated by the Board.

3. Number of Board Committees

The Board has four committees: Audit, People Services (Compensation), Executive, and Corporate Governance and Nominating. The Board has the flexibility to form a new committee or disband a current committee. It is the policy of the Board that only independent directors (as defined in Section 14 of these Principles of Corporate Governance) serve on the Audit Committee, the People Services (Compensation) Committee, and the Corporate Governance and Nominating Committee.

The Corporate Governance and Nominating Committee has the responsibility to review corporate governance principles and issues and make recommendations to the Board.

4. Assignment and Rotation of Committee Members and Committee Chairs

The Board after consultation with the Chairman designates the members of Board Committees taking into account each director's particular experience, knowledge and preference. The Board does not believe that the rotation of membership on committees should be mandated since there are significant benefits attributable to continuity, experience gained in service on a Board Committee, and the particular expertise and talent of individual directors.

5. Frequency and Length of Board and Committee Meetings

The Board adopts a master schedule of regular meetings of the Board, and regular meetings of the Audit, People Services (Compensation), and Corporate Governance and Nominating Committees. At least four regular meetings of the Board are held each year. The Chairman determines the length of the meetings of the Board, and the Chairman, in consultation with the Board Committee chairs, determines the length of the Board Committee meetings. The Chair of the Executive Committee determines the frequency and length of the meetings of the Executive Committee.

6. Committee Agendas

The Chair of each Committee, in consultation with appropriate members of management and staff, will develop the agendas for Committee meetings. Each member of the Committee is free to raise at any Committee meeting subjects that are not on the agenda. Committee actions are reported to the full Board.

7. Agenda Items for Board Meetings

The Chairman of the Board establishes the agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda and to raise subjects that are not on the Board agenda. At least one Board meeting each year includes a special Board session during which the Board reviews corporate and business unit strategic business plans.

8. Board Materials Distributed in Advance

It is the policy of the Board that agendas and related back-up materials for Board and Board Committee meetings be sent to the directors in advance of the meeting. Such materials are prepared in reasonable summary form. However, any director desiring additional data, reports or further detailed information has the right to obtain whatever information is reasonably available.

9. Regular Attendance of Non-Directors at Board Meetings

The Chairman of the Board invites senior officers to regularly attend Board and Board Committee meetings, as appropriate.

10. Executive Sessions of Independent Directors

An executive session is scheduled at each regularly scheduled Board meeting at which only independent directors are present. The executive sessions will be chaired by the Chairman of the Board, or if the Chairman of the Board is an employee, then by the lead director.

11. Contacts Among Directors and Board Access to Management

There are no restrictions on contacts or discussions by directors with officers of the Company; however, any contact by a director should be carefully handled by the director to avoid directing or interfering with normal day-to-day operations of the business. The Chief Executive Officer of the Company in consultation with the Chairman or Lead Director as applicable will determine appropriate ways to facilitate interaction between the directors and management. At each regularly scheduled Board meeting, the independent directors of the Company will have the opportunity to meet with the Chief Executive Officer of the Company.

12. Director Compensation

The People Services (Compensation) Committee should periodically review director compensation and recommend the level and type of director compensation. The Board believes that equity should be a component of director compensation.

13. Mix of Independent and Non-Independent Directors

It is the policy of the Board that a majority of the directors of the Company shall be independent directors and there will be no more than three non-independent directors on the Board.

14. Definition of “Independent Director”

The term “independent director” for purposes hereunder shall be the definition of “independent director” as defined under Rule 5605 of The Nasdaq Stock Market Rules as amended from time to time. There may be additional independence requirements for directors serving on certain committees of the Company as specified in the applicable committee charters, Securities and Exchange Commission rules and regulations or NASDAQ Stock Market Rules.

15. Board Membership Criteria

Independent directors of the Company should be persons with broad training, knowledge and experience in business, finance, education, government or other professions or vocations who have earned distinction in their chosen fields. The composition of the Board should reflect ethnic and gender diversity, as well as a diversity of expertise in areas that will foster the Company’s business success. Director nominees are also evaluated on the basis of the commitment they can make to the directorship, the time that will be required and their ability to add value to the Company.

16. Selection of New Director Candidates

The Corporate Governance and Nominating Committee considers, reviews, evaluates and recommends candidates for nomination for membership on the Board. The Committee, within the scope of the Board’s policy on criteria for selection of director nominees, establishes minimum qualifications to be used in nominee selection and establishes procedures for handling recommendations received from the directors of the Company, shareholders of the Company or other sources.

17. Assessment of the Board and Individual Directors

In conjunction with the Corporate Governance and Nominating Committee, the Board will conduct an annual self-assessment of its performance. This evaluation will focus on those areas that the Board and the Executive Management believe will improve its effectiveness.

18. Annual Evaluation of the CEO

The Board will adopt a process and annually evaluate the performance of the Chief Executive Officer. As part of this process, direct reports of the Chief Executive Officer evaluate the performance of the Chief Executive Officer based on their interactions during the year. At the conclusion of the process, the Board meets with the Chief Executive Officer to review the evaluation results.

19. Change of Status of Directors

It is the policy of the Board that any director whose affiliation or position of principal employment changes after election to the Board shall promptly notify the Chairman and/or Lead Director as applicable. The Board will consider the effect of that change upon the interest of the Company.

20. Succession Planning and Management Performance

It is the practice of the Board to annually review succession planning for key management positions and performance of people in those positions.

23. Continuing Education Program

The Corporate Governance and Nominating Committee will develop or make available a continuing education program conducted either internally or externally for all directors.

