

## **EXHIBIT “B”**

### **CHARMING SHOPPES, INC. COMPENSATION COMMITTEE CHARTER**

#### **I. Authority**

The Charming Shoppes, Inc. (the “Company”) Board of Directors (the “Board”) established the Charming Shoppes Compensation Committee (the “Committee”).

#### **II. Committee Purpose, Duties and Responsibilities**

A. The Committee, in order to assist the Board in the discharge of its responsibilities relating to compensation of the Company’s executives and other key employees of the Company:

1. Reviews, approves, and modifies, as necessary, the Company’s compensation and benefit philosophy;
2. Reviews, approves, and modifies, as necessary, the executive compensation programs, plans and awards;
3. Administers the Company’s short- and long-term incentive plans and other stock or stock-based incentive plans. This includes selecting the level of employee participation and either selecting, or delegating to a subcommittee of one or more members of the Committee or management the authority to select, participants, the times at which options and other equity based awards are to be granted, the number of shares to be subject to each option or award and the terms of each such option or award. The Committee will make all other determinations necessary or advisable for the administration of these incentive plans;

The Committee is also responsible for the assessment of risks relating to the Company’s compensation and benefit programs and its employment policies.

4. On an annual basis, or more frequently from time to time:
  - (i) Reviews and discusses with management the Compensation Discussion and Analysis (the “CD&A”) required by Item 402 of Regulation S-K. Based on such review and discussion, the Committee determines whether to recommend to the Board that the CD&A be included in the Company’s annual report and proxy statement for the Annual Meeting of Shareholders; and
  - (ii) Prepares, over the names of the Committee’s members, the required report of the Committee for the Company’s annual report and proxy statement for the annual meeting of shareholders;

5. Reviews, approves, modifies and revises, as necessary or desirable, general employee pension benefit plans of the Company and other benefit plans on an as-needed basis; and
  6. Develops, in consultation with the Chairman of the Board, corporate goals and objectives relevant to the compensation of the Chief Executive Officer and the other executive and senior officers of the Company.
- B. The Committee shall have the following duties and responsibilities and the necessary power and authority, including budgetary and fiscal authority, to carry out such duties and responsibilities:
1. Periodically review the Company's compensation philosophy and how the pay programs align with philosophy, especially in relation to the Company's business goals and strategies, determine whether any change is needed or desired, and, if so, modify and revise the Company's compensation philosophy accordingly.
  2. Periodically review market data to assess the Company's competitive position for each component of executive compensation (especially base salary, annual incentives, long-term incentives, and retirement programs) by reviewing market and other data, compiled by third-party consultants, for appropriate peer companies.
  3. Review, approve and recommend, in consultation with the Chairman of the Board, for approval by a majority of the independent directors meeting in executive session the corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate, in consultation with the Chairman of the Board, the Chief Executive Officer's performance in light of those goals and objectives, and approve and recommend to the Board for approval by a majority of the independent directors meeting in executive session the compensation of the Chief Executive Officer based on this evaluation.
  4. Review and approve corporate goals and objectives relevant to the compensation of the other executive and senior officers of the Company, evaluate their performance in light of those goals and objectives, and set their compensation levels based on such evaluations.
  5. Approve, evaluate, modify, terminate, and monitor the compensation plans, policies, and programs of the Company in regard to executives, and, as appropriate, make recommendations to the Board with respect to these compensation plans, policies and programs.
  6. Establish and maintain a management succession process, including planning for the successor to the Chief Executive Officer in consultation with the Chairman of the Board, which shall be approved by a majority of the independent directors of the Board meeting in executive session.
  7. Perform an annual performance evaluation of the Committee and its members.

8. From time to time form and delegate authority to a subcommittee of one or more members of the Committee or management, when appropriate and in accordance with applicable rules and regulations.
9. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for consideration and approval.
10. Retain and terminate advisors, consultants, lawyers, accountants and other service providers to assist the Committee and its members in carrying out their duties and functions, including the authority to approve their fees and other retention terms.
11. Perform any other activities consistent with this Charter, the Company's By-laws and applicable law, as the Committee deems appropriate or as requested by the Board.

### **III. Committee Structure and Operations**

**A. Committee Size.** The Committee will consist of a minimum of three directors.

#### **B. Committee Member Qualifications.**

1. All members of the Committee at all times during his/her tenure on the Committee must meet the definitions of:
  - i. A "non-employee director" within the meaning of Rule 16b-3 promulgated under the Securities and Exchange Act of 1934, as amended;
  - ii. An "outside director" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended ("Section 162(m)") or, if any member does not qualify as such, then he/she shall have no right to vote, and shall recuse himself/herself from any vote, on any matter for which approval of an "outside director" is required under Section 162(m); and
  - iii. An "independent director" within the meaning of The Nasdaq Stock Market, Inc.'s rules and regulations.
2. In appointing members to the Committee, the Board shall keep in mind the following:
  - i. Whether an individual has sufficient time to commit to service on the Committee; and;
  - ii. Whether an individual has experience with setting compensation policies, procedures, and programs and in the review and administration of executive compensation programs.

#### **C. Committee Member Appointment and Removal.**

1. The Board will appoint the Committee members and a Chairman.
2. The Board may fill vacancies on the Committee.

3. The Board may remove a Committee member from the membership of the Committee at any time with or without cause.

#### **D. Committee Meetings.**

1. The Committee customarily conducts four regularly scheduled meetings each year.
2. Executives, management representatives, third-party service providers, and others, when requested by the Committee, may attend the general and executive session portions of each meeting. However, it is the Committee's intent to maintain regular sessions at which executives, management representatives, third-party service providers, and other non Committee members generally will be excluded.
3. Attendance at meetings shall be permitted by telephone or other means which allows the members to effectively interact with one another and fully discuss proposed actions, as permitted for meetings of the full Board.
4. A majority of the Committee members shall constitute a quorum for the transaction of business.
5. The action of a majority of those present at a meeting at which a quorum is present will be the act of the Committee.
6. Any action required to be taken at a meeting of the Committee will be deemed the action of the Committee if all of the Committee members entitled to vote thereon have executed, either before or after the action is taken, a written consent and the consent is filed with the Company's Corporate Secretary.
7. The Company's General Counsel or his or her designee shall act as the Committee Secretary.
8. The Committee Secretary will keep minutes of all Committee meetings, which shall be distributed to all Board members.
9. Regular meetings of the Committee shall be called according to the schedule approved by the Committee for the year. Special meetings of the Committee can be called by the Committee Chairman, a majority of the members of the Committee, the Chairman of the Board, or by a majority of the independent directors of the Company.
10. The Committee Secretary will prepare a preliminary agenda for regularly scheduled meetings. The Committee Chairman will make the final decision regarding the agenda for regularly scheduled meetings and will develop the agenda for special meetings based on the information supplied by the party(ies) requesting the special meeting.
11. The agenda and all materials to be reviewed at the meetings should be received by the Committee members as far in advance of the meeting day as practicable.

12. The Committee Secretary should coordinate all mailings to the Committee members, to the extent practicable.

**E. Committee Reporting to the Board.** The Committee Chairman shall present periodic reports to the Board concerning the Committee's actions related to compensation and the execution of its duties and responsibilities.

*Section IIA 3 and 4 Amended and Approved by the Compensation Committee on January 24, 2007*

*Section II 4 Approved by the Compensation Committee on April 29, 2010*

*Section IIIB 1 and IIID 6 Amended and Approved by the Compensation Committee on April 27, 2011*