

**CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS
OF
THE LOVESAC COMPANY**

This Compensation Committee Charter (the “Charter”) was adopted by the Board of Directors (the “Board”) of The Lovesac Company (the “Company”) effective as of June __, 2018.

I. Purpose

The Compensation Committee (the “Committee”) of the Board is responsible for providing assistance to the Board in fulfilling its responsibilities by:

(i) designing in consultation with management or the Board, as may be appropriate under the circumstances, evaluating the compensation plans, policies and programs of the Company, especially those regarding executive compensation and compensation of the Board, and recommending to the Board for approval such plans, policies, and programs;

(ii) determining the compensation of the Chief Executive Officer and all other executive officers of the Company; and

(iii) reviewing the executive compensation disclosure that is prepared by the Company for inclusion in the Company’s proxy materials and preparing a related Compensation Committee Report and, as required, a Compensation Discussion and Analysis, all in accordance with applicable rules and regulations (“Rules and Regulations”) of the Securities and Exchange Commission (the “Commission”).

The Committee shall adopt and implement compensation programs that are designed to attract, motivate and retain high quality employees, encourage superior performance, promote accountability and assure that employee interests are aligned reasonably with the interests of the Company’s stockholders. In addition, the Compensation Committee shall be responsible for assessing how the Company’s compensation programs encourage the taking of enterprise or other risks that may bear on the Company’s overall financial or operational performance, and evaluating measures that may be adopted by the Board to mitigate and/or manage the effect of the Company’s compensation policies on enterprise and other risks assumed by the Company.

In addition to the specific powers and responsibilities delegated to the Committee in this Charter, the Committee shall also carry out and may exercise any other powers or responsibilities as are assigned by law or the Rules and Regulations, the Company’s certificate of incorporation or bylaws, or as may be delegated to it by the Board from time to time. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be made by the Committee in its sole discretion.

While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

II. Membership

The Committee shall be comprised of at least two (2) directors as determined by the Board, none of whom shall be an employee of the Company and each of whom shall satisfy the independence requirements of the Nasdaq Global Market (the “Exchange”) and any other applicable regulatory requirements.

Notwithstanding the foregoing, the members of the Committee shall not be required to meet the independence requirements of the Exchange during any period in which the Company is a “controlled company” within the meaning of the Exchange’s listing standards, unless the Board otherwise determines not to rely on the Exchange’s “controlled company” exemption. If the Company ceases to be a “controlled company” or the Board determines not to rely on the Exchange’s “controlled company” exemption, the members of the Committee shall meet the independence requirements of the Exchange within the periods required by the Exchange’s phase-in rules applicable to companies who cease to be “controlled companies.”

It is the intention of the Board that each member of the Committee also be a “non-employee director” within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). To the extent necessary for any grants or awards to qualify under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”) as performance based compensation, the Committee will form a subcommittee composed solely of “outside directors” under the regulations promulgated under Section 162(m) of the Code to take all actions related to such grants or awards. The members of the Committee, including the Chair of the Committee, shall be appointed by the Board on, if considered, the recommendation of the Nominating and Governance Committee. Committee members may be removed from the Committee, with or without cause, by the Board.

III. Meetings and Procedures

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agenda for each Committee meeting. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company’s bylaws or applicable law.

The Committee shall meet on a regularly scheduled basis at least once per year and more frequently as the Committee deems necessary or desirable. The Committee may, in its discretion, include in its meetings members of the Company’s management, members of the Company’s legal, human resources or accounting departments and any other personnel employed or retained by the Company, non-management directors who are not members of the Committee, or any other person whose presence the Committee believes to be necessary or appropriate. Any such persons shall not participate in discussions or deliberations unless invited to do so by the

Committee, and in any event shall not be entitled to vote. Notwithstanding the foregoing, the Chief Executive Officer may not be present during voting or deliberations concerning his or her compensation and the Committee may also exclude from its meetings any persons it deems appropriate.

The Committee shall have the sole authority to retain, determine the scope of services of, terminate, and fix the compensation of, any compensation consultant it deems appropriate to assist the Committee in the fulfillment of its responsibilities, including making recommendations concerning the amount or form of executive and director compensation, unless such role is limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is available generally to all salaried employees. Any compensation consultant proposed to be engaged by the Committee shall be required to represent to the Company (i) that such consultant is not engaged, and agrees not to become engaged, by the Company or its management team in any other capacity while such consultant is engaged by the Committee, and (ii) that such consultant will obtain written approval signed by the Chair of the Committee, and authorized by the Committee, to provide any services to the Company other than those for which the Committee engages the consultant, during the period of the Committee's engagement of the consultant and for a period of 12 months after the expiration or termination of the consultant's engagement by the Committee.

The Committee may retain or replace any independent counsel or other experts or advisors that the Committee believes to be necessary or appropriate. The Committee, in its discretion, may also use the services of the Company's regular outside legal counsel, special counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate for carrying out its duties.

The Committee must have direct responsibility for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Committee. Before any compensation consultant, legal counsel or other adviser (other than (1) in-house legal counsel or (2) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees or (ii) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, legal counsel or other adviser and about which the compensation consultant, legal counsel or other adviser does not provide advice) is selected by, or provides advice to, the Committee, the Committee shall take into consideration all factors relevant to that person's independence from management of the Company, including the following:

- The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;

- The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- Any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

The Chair shall regularly report to the Board regarding the activities of the Committee and as otherwise requested by the Board. All adopted plans of compensation or changes to existing plans, whether for executives, directors or other personnel, shall be detailed and attached to the minutes of the appropriate meeting.

IV. Duties and Responsibilities

1. The Committee shall, at least annually, review and, if necessary, revise the compensation philosophy of the Company and perform an assessment of how the Company's compensation policies affect the Company's enterprise and other risks, and the mitigation or management of such risks.

2. The Committee shall, at least annually, review and approve goals and objectives relating to the compensation of the Chief Executive Officer, evaluate, in consultation with the Nominating and Governance Committee of the Board with respect to governance matters, the performance of the Chief Executive Officer in light of the goals and objectives of the Company, and establish the compensation of the Chief Executive Officer based on such evaluation. The Committee shall have sole authority to determine the Chief Executive Officer's compensation. In connection with determining any long-term incentive component of the Chief Executive Officer's compensation, the Committee should consider the Company's performance and relative stockholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the Company's Chief Executive Officer in past years.

3. The Committee shall review and approve all compensation for all other officers (as such term is defined in Rule 16a-1 promulgated under the Exchange Act), and shall review and approve general compensation programs and policies for all other employees of the

Company or its subsidiaries, as well as any equity-based compensation issued or issuable to service providers and consultants to the Company.

4. The Committee shall, as often as the Committee determines, review and recommend to the Board for approval the compensation to be paid to members of the Board and members of each committee of the Board.

5. The Committee shall review and approve all officers' employment agreements, option agreements, and severance arrangements, if any.

6. The Committee shall manage, administer and review all annual bonus programs and plans, long term incentive compensation programs and plans, equity award plans (including stock option and employee stock purchase plans), and employee pension and benefit plans (401(k), IRA and other retirement plans and deferred compensation plans).

The Committee's responsibility for managing and reviewing these programs and plans includes responsibility for general administration, granting, setting and modifying the terms of awards, an annual review of the plan, setting performance targets when appropriate, and approval of any and all changes, including the adding of securities or phantom securities to compensation plans or the termination of compensation plans when appropriate. All annual plan reviews shall include reviewing the plan's administrative costs, reviewing current plan features relative to any proposed new features, and assessing the performance of any internal and external plan administrators.

7. The Committee shall determine the Company's policy with respect to, and otherwise manage and periodically review, the application of Section 162 (m) of the Code to the Company's compensation programs.

8. The Committee shall determine the Company's policy with respect to, and otherwise manage and periodically review, all change of control or "golden parachute" arrangements.

9. The Committee shall determine the Company's policy with respect to, and otherwise manage and periodically review, the grant of non-cash compensation and perquisites.

10. The Committee shall determine the Company's policy with respect to, and otherwise manage and periodically review, executive officer and director indemnification and insurance matters.

11. The Committee shall review the executive compensation disclosure prepared by the Company and, when satisfied, (a) recommend to the Board that it approve the Compensation Discussion & Analysis section of the disclosure; and (b) approve the Compensation Committee Report in order for these items to be included as part of the Company's annual proxy statement, if required.

12. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide the Board with any recommendations for changes

in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

13. The Committee shall review the Company's compensation policies and practices for its employees as they relate to risk management practices and risk-taking incentives.

14. The Committee shall periodically report to the Board on its findings and actions.

15. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

16. In addition to the foregoing, the Committee shall perform such other functions and have such powers as may be necessary or appropriate to the efficient discharge of the foregoing.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee comprised of members of the Committee or the Board, except that it shall not delegate its responsibilities for any matters that involve compensation of any officer or any matters where it has determined such compensation is intended to comply with Section 162(m) of the Code or is intended to be exempt from Section 16(b) under the Exchange Act pursuant to Rule 16b-3 by virtue of being approved by a committee of independent or nonemployee directors.