

J. C. PENNEY COMPANY, INC.

Finance and Planning Committee of the Board of Directors Charter

(revised February 2016)

I. Purpose

The purpose of the Finance and Planning Committee (the “Committee”) is to:

- A. Assist the Board of Directors in its oversight of the Company’s financial affairs; and
- B. Recommend to the Board financial policies and courses of action that will effectively accommodate the Company’s goals and operating strategies while maintaining a sound financial condition.

II. Composition

- A. The Committee shall be composed of at least three members of the Board. The members and Chair of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance Committee. Membership on the Committee shall be modified at the full Board’s discretion. The Board may remove a Committee member from membership on the Committee at any time with or without cause. Members shall serve until their successors are appointed by the Board.
- B. The Committee shall consult with and retain such advisors and consultants as the Committee deems necessary, including without limitation, legal counsel, who may be counsel to the Company.
- C. The Committee shall meet at least twice a year. The schedule for regular meetings of the Committee shall be established by the Committee. The Chair of the Committee may call a special meeting at any time as he or she deems advisable.

III. Duties and Responsibilities

- A. The Committee shall have the following responsibilities:
 - 1. To annually review and make recommendations to the Board regarding the Company’s capital plan and its short- and long-term financial strategies.
 - 2. To annually review and make recommendations to the Board regarding the Company’s financial objectives and principles.

3. To review and make recommendations to the Board regarding financial transactions and commitments, including equity and debt financings, capital expenditures and financing arrangements.
4. To review and make recommendations to the Board regarding the implications of major investments, restructurings, joint ventures, mergers and acquisitions and divestitures of the Company.
5. To periodically review the Company's policies regarding liquidity and short-term investments.
6. To periodically review and make recommendations to the Board regarding the Company's debt ratings and long-term financing requirements.
7. To periodically review the Company's historical and projected compliance with the covenants and restrictions arising under the Company's material financial obligations and commitments.
8. To periodically review and make recommendations to the Board regarding the Company's dividend policies and share repurchase programs.
9. To review the selection of the Company's financial advisors engaged in connection with any material transactions for which such financial advisors are expected to render a fairness or similar opinion to the Board or the Company.
10. To annually review and evaluate the Company's performance against its annual budget.
11. To annually (i) review and approve the Company's decision to enter into swaps, including those that may not be subject to clearing and exchange trading and execution requirements in reliance on the "end-user exception" set forth in Sections 2(h)(1) and 2(h)(8) of the Commodity Exchange Act, as amended (the "End-User Exception") and (ii) review, reassess the adequacy of, and approve modifications to, the Company's policies governing the Company's use of swaps and other derivative transactions subject to the End-User Exception.
12. To conduct an annual evaluation of the Committee's performance. The Committee shall be responsible for establishing the evaluation criteria and implementing the process for such evaluation and reporting the results to the Board. This may be a written or oral report by any member of the Committee.

- B. The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

IV. Charter Review and Amendment

The Committee shall review and reassess the adequacy of this Charter at least annually. The Board of Directors may make such amendments to this Charter as it deems advisable, including, but not limited to, any amendments to conform to or reflect any change in any law, regulation, or ruling applicable to planning committees.