

J. Alexander's Holdings, Inc.
Form DEF 14A
April 20, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

J. ALEXANDER S HOLDINGS, INC.

(Name of registrant as specified in its Charter)

(Name of person(s) filing proxy statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:

(4) Date Filed:

J. ALEXANDER S HOLDINGS, INC.

3401 West End Avenue, Suite 260

P.O. Box 24300

Nashville, Tennessee 37202

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders of J. Alexander s Holdings, Inc.:

The Annual Meeting of Shareholders of J. Alexander s Holdings, Inc. (the Company) will be held at Redlands Grill, 2609 West End Avenue, Nashville, Tennessee 37203 at 9:30 a.m., central time, on Wednesday, May 30, 2018 for the following purposes:

- (1) To elect two Class III directors to hold office for a term of three years, or until their respective successors have been duly elected and qualified;
- (2) To ratify the appointment by the Company s Audit Committee of KPMG LLP as the Company s independent registered public accounting firm for fiscal year 2018; and
- (3) To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Only shareholders of record at the close of business on March 27, 2018 are entitled to notice of and to vote at the meeting or any adjournment or postponement thereof. Your attention is directed to the Proxy Statement accompanying this notice for a more complete statement regarding the matters to be acted upon at the meeting.

We are furnishing our proxy materials to you under Securities and Exchange Commission rules that allow companies to deliver proxy materials to their shareholders on the Internet. On or about April 20, 2018, we began mailing a Notice of Internet Availability of Proxy Materials (the Proxy Notice) and provided access to our proxy materials on the Internet. The proxy materials include our 2017 Annual Report to Shareholders and the accompanying Proxy Statement.

We hope very much that you will be able to be with us. However, it is important that your shares be represented whether or not you are personally able to attend. Even if you plan to attend the Annual Meeting, please vote as instructed in the Proxy Notice, via the Internet or the telephone as promptly as possible to ensure that your vote is recorded. Alternatively, you may follow the procedures outlined in the Proxy Notice to request a paper proxy card to submit your vote by mail, which will require no postage if mailed in the United States. If you attend the meeting and your shares are registered in your name, you may withdraw your previously submitted proxy at that time and vote your shares in person.

By Order of the Board of Directors,

Jessica L. Hagler

Corporate Secretary

April 20, 2018

J. ALEXANDER S HOLDINGS, INC.

3401 West End Avenue, Suite 260

P.O. Box 24300

Nashville, Tennessee 37202

PROXY STATEMENT

FOR ANNUAL MEETING OF SHAREHOLDERS

May 30, 2018

The enclosed proxy is solicited by and on behalf of the Board of Directors (the Board) of J. Alexander s Holdings, Inc. (the Company) for use at the 2018 Annual Meeting of Shareholders (the Annual Meeting) to be held on Wednesday, May 30, 2018, at 9:30 a.m., central time, at Redlands Grill, 2609 West End Avenue, Nashville, Tennessee 37203 and at any adjournments or postponements thereof, for the purposes set forth in the foregoing Notice of Annual Meeting of Shareholders.

We are furnishing proxy materials to our shareholders primarily via the Internet under rules adopted by the U.S. Securities and Exchange Commission (the Commission), instead of mailing printed copies of those materials to each shareholder. On April 20, 2018, we mailed to our shareholders a Notice of Internet Availability of Proxy Materials (the Proxy Notice) containing instructions on how to access our proxy materials, including our Proxy Statement and our 2017 Annual Report to Shareholders. The Proxy Notice also instructs you on how to access your proxy card electronically to vote via the Internet or by telephone.

This process is designed to expedite the shareholders receipt of proxy materials, lower the cost of the Annual Meeting and help conserve natural resources. Shareholders who would prefer to continue to receive printed proxy materials should follow the instructions included in the Proxy Notice.

Proxies may be solicited by mail or by telephone. All costs of this solicitation will be borne by the Company. The Company does not anticipate paying any compensation to any party other than its regular employees for the solicitation of proxies, but may reimburse brokerage firms and others for their reasonable expenses in forwarding solicitation material to beneficial owners.

All valid proxies properly executed and received by the Company prior to the Annual Meeting will be voted in accordance with the choices specified thereon. If no choice is specified, the shares will be (a) voted FOR the election of the director nominees named herein, and (b) voted FOR ratification of the appointment of KPMG LLP (KPMG) as the Company s independent registered public accounting firm for fiscal year 2018. The Board does not know of any other matters which will be presented for action at the meeting, but the persons named in the proxy intend to vote or act with respect to any other proposal which may be properly presented for action according to their best judgment in light of the conditions then prevailing.

A proxy may be revoked by a shareholder at any time before its exercise by attending the meeting and voting in person, by filing with the Corporate Secretary of the Company a written revocation, by duly executing a proxy bearing a later date or by casting a new vote by telephone or the Internet.

METHOD OF COUNTING VOTES

Each share of the Company's Common Stock, \$0.001 par value (the Common Stock), issued and outstanding on March 27, 2018 (the Record Date), will be entitled to one vote on all matters to come before the meeting. As of the Record Date, there were 14,695,176 shares of Common Stock outstanding.

Unless a contrary choice is indicated, all duly executed proxies will be voted in accordance with the instructions set forth on the proxy card. If you do not own your shares directly, but instead are the beneficial owner of shares held in street name by a broker, your broker, as the record holder of the shares, must vote those shares in accordance with your instructions. If you do not give instructions to your broker, your broker can vote shares only with respect to discretionary items, which include matters that are considered routine. On non-discretionary items for which you do not give instructions, your shares will be counted as broker non-votes. Uncontested director elections (such as the election of directors at this Annual Meeting) are not considered routine under the rules and regulations of the primary trading markets applicable to most brokers. As a result, most brokers do not have the ability to vote shares held in street name with respect to the election of directors unless the broker has received voting instructions from the beneficial owner of the shares. It is therefore important that you provide instructions to your broker if your shares are held in street name by a broker so that your vote with respect to the election of directors is counted.

The proposal to ratify the appointment of KPMG as the Company's independent registered public accounting firm for fiscal year 2018 is considered routine and therefore may be voted upon by your broker if you do not give instructions for the shares held in street name by your broker.

Abstentions and broker non-votes will be counted as present for purposes of determining the existence of a quorum. Directors will be elected by a plurality of the votes cast in the election by the holders of the Common Stock represented and entitled to vote at the Annual Meeting. Abstentions and broker non-votes will not be counted as votes for or against any director nominee. Ratification of the appointment of KPMG as the Company's independent registered public accounting firm for fiscal year 2018 and any other matters that may properly come before the meeting or any adjournment or postponement thereof shall be approved by the affirmative vote of a majority of the votes cast by holders of Common Stock represented and entitled to vote at the Annual Meeting, and abstentions and non-votes will have no effect on the outcome of the vote.

SECURITY OWNERSHIP OF CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of March 27, 2018, certain information with respect to those persons known to the Company to be the beneficial owners (as defined by certain rules of the Commission) of more than five percent of the Common Stock, its only voting security, and with respect to the beneficial ownership of the Common Stock by all directors, each of the executive officers named in the Summary Compensation Table, and all executive officers and directors of the Company as a group (nine persons). Except as otherwise specified, the shares indicated are presently outstanding.

Name and Address of Beneficial Owner	Amount of Common Stock Beneficially Owned ⁽¹⁾	Percentage of Outstanding Common Stock
Ancora Advisors, LLC 6060 Parkland Blvd. Suite 200 Cleveland, OH 44124	1,282,031 ⁽²⁾	8.72%
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	1,212,663 ⁽³⁾	8.25%
Eminence Capital, LP 65 East 55th Street, 25th Floor New York, NY 10022	1,292,267 ⁽⁴⁾	8.79%
Marathon Partners Equity Management, LLC 60 East 42nd Street, Suite 2306 New York, NY 10165	1,005,000 ⁽⁵⁾	6.84%
Newport Global Opportunities Fund I-A LP 21 Waterway Avenue, Suite 150 The Woodlands, TX 77380	1,642,991 ⁽⁶⁾	11.17%
River Road Asset Management, LLC 462 South 4th Street, Suite 2000 Louisville, KY 40202	1,048,263 ⁽⁷⁾	7.13%
Douglas K. Ammerman**	22,754 ⁽⁸⁾	*
Timothy T. Janszen**	1,642,991 ⁽⁶⁾	11.17%
Ronald B. Maggard, Sr.**	56,177 ⁽⁹⁾	*

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Frank R. Martire**	115,000 ⁽¹⁰⁾	*
Raymond R. Quirk**	107,798 ⁽¹¹⁾	*
Lonnie J. Stout II****	146,155 ⁽¹²⁾	*
J. Michael Moore****	45,475 ⁽¹³⁾	*
Mark A. Parkey****	80,087 ⁽¹⁴⁾	*
All directors and executive officers as a group	2,240,732 ⁽¹⁵⁾	14.97%

* Less than one percent.

** Director.

*** Named executive officer.

**** Director and named executive officer.

- (1) Unless otherwise indicated, each shareholder has sole voting and dispositive power with respect to all shares shown. Unless otherwise noted, the address of each beneficial owner is c/o J. Alexander's Holdings, Inc., 3401 West End Avenue, Suite 260, P.O. Box 24300, Nashville, TN 37202.
- (2) Ancora Advisors, LLC (Ancora) has sole voting power and sole dispositive power with respect to all 1,282,031 shares. Information is based solely on the Schedule 13G filed with the Commission by Ancora on February 14, 2018.
- (3) BlackRock, Inc. (BlackRock) has sole voting power with respect to 1,172,844 of these shares and sole dispositive power with respect to all 1,212,663 shares. Information is based solely on the Schedule 13G/A filed with the Commission by BlackRock on January 25, 2018.

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- (4) Eminence Capital, LP, a Delaware limited partnership (Eminence Capital), has shared voting and dispositive power with respect to all 1,292,267 shares. Eminence GP, LLC, a Delaware limited liability company (Eminence GP) is also deemed to have shared voting and dispositive power with respect to 1,065,746 of the shares. As described in a Schedule 13G/A filed with the Commission on February 14, 2018: (i) the shares are held for the account of various partnerships and investment funds (collectively, the Eminence Funds); (ii) Eminence Capital serves as the management company to the Eminence Funds and, therefore, may be deemed to have shared voting and dispositive power over the shares held for the accounts of the Eminence Funds; (iii) Eminence GP serves as general partner or managing member of the Eminence Funds and may be deemed to have shared voting and dispositive power over all of the shares held for the accounts of the Eminence Funds; and (iv) Ricky C. Sandler is the Chief Executive Officer of Eminence Capital and the managing member of Eminence GP and may be deemed to have shared voting and dispositive power with respect to all shares directly owned by the Eminence Funds. Mr. Sandler s address is 65 East 5th Street, 25th Floor, New York, NY 10022. Information is based solely on the Schedule 13G/A filed with the Commission by Eminence Capital, Eminence GP and Mr. Sandler on February 14, 2018.
- (5) Marathon Partners Equity Management, LLC (Marathon) has shared voting power and shared dispositive power with respect to all 1,005,000 shares. Mario Cibelli is the Managing Partner of Marathon. As a result, Mr. Cibelli may be deemed to own beneficially, and holds voting and dispositive power with respect to, all 1,005,000 shares. Mr. Cibelli s address is c/o Marathon Partners Equity Management, LLC, One Grand Central Place, 60 East 4th Street, Suite 2306, New York, NY 10165. Marathon s address is the same. Information is based solely on the Schedule 13D/A filed with the Commission by Marathon and Mario Cibelli on March 1, 2018.
- (6) Newport Global Opportunities Fund I-A LP (Newport) has shared voting and dispositive power with respect to all 1,627,991 shares. Timothy T. Janszen is the Chief Executive Officer of Newport Global Advisors LLC, which is the general partner of Newport Global Advisors LP, the investment advisor to Newport. As a result, Mr. Janszen may be deemed to own beneficially, and holds voting and dispositive power with respect to, all 1,627,991 shares. Mr. Janszen s address is c/o Newport Global Advisors LP, 21 Waterway Avenue, Suite 150, The Woodlands, TX 77380. Includes 15,000 shares issuable upon the exercise of certain options held by Mr. Janszen. As a result of agreements between Mr. Janszen and Newport, Newport may be deemed to have beneficial ownership over these options, received by Mr. Janszen as compensation for service on our Board of Directors.
- (7) River Road Asset Management, LLC (River Road) has sole voting power with respect to 978,280 of these shares and sole dispositive power with respect to all 1,048,263 shares. Information is based solely on the Schedule 13G/A filed with the Commission by River Road on February 9, 2018.
- (8) Includes 15,000 shares issuable upon the exercise of certain options held by Mr. Ammerman.
- (9) Includes 15,000 shares issuable upon the exercise of certain options held by Mr. Maggard and 41,177 shares of common stock held by the Ronald B. Maggard Revocable Trust.
- (10) Includes 15,000 shares issuable upon the exercise of certain options held by Mr. Martire and 100,000 shares of common stock held by a family trust of which Mr. Martire and his spouse are co-trustees.
- (11) Includes 15,000 shares issuable upon the exercise of certain options held by Mr. Quirk, 84,737 shares of common stock held by Quirk 2002 Trust, 2,716 shares of common stock held by the Raymond Quirk 2004 Trust, and 27 shares held by Fidelity National Financial Inc. s 401(k) plan that are attributable to Mr. Quirk.
- (12) Includes 93,750 shares issuable upon the exercise of certain options held by Mr. Stout. Includes 21,000 shares held by Black Knight Advisory Services, LLC (BKAS). Mr. Stout currently holds an 11.76% membership interest in BKAS. As a result, Mr. Stout may be deemed to own beneficially, and may be deemed to hold a voting and dispositive power with respect to, all 21,000 shares. Mr. Stout disclaims beneficial ownership interest in such shares held by BKAS.
- (13) Includes 42,500 shares issuable upon the exercise of certain options held by Mr. Moore.
- (14) Includes 42,500 shares issuable upon the exercise of certain options held by Mr. Parkey.
- (15) Includes 272,750 shares issuable upon the exercise of certain options held by the directors and executive officers.

PROPOSAL NO. 1:

ELECTION OF DIRECTORS

Our Board is divided into three classes with one-third of the directors up for election each year. The class of each director and the year of their election is noted in their background information descriptions below. At the Annual Meeting, the shareholders will elect two Class III directors to serve a term of three years, or until their respective successors have been duly elected and qualified.

A director elected by the Board to fill a vacancy will hold office until the end of the term for which such director's predecessor was elected, or if the vacancy arises because of an increase in the size of the Board, until the end of the term specified at the time of such director's election or selection, and until that director's successor has been elected and qualified or until his or her earlier resignation, disqualification, disability or removal.

Election of directors requires a plurality of the votes cast in such election. It is intended that shares represented by the enclosed proxy will be voted **FOR** the election of the nominees named below unless a contrary choice is indicated. Each of the nominees is presently a director of the Company and has been nominated to serve on the Board as a result of his or her particular skills, attributes and professional experience. For additional discussion of the Company's director nomination criteria, please see *Nominating and Corporate Governance Matters* below. Management believes that all of the nominees will be available and able to serve as directors, but if for any reason any should not be available or able to serve, it is intended that such shares will be voted for such substitute nominees as may be proposed by the Board.

The Class III nominees to be elected (serving a three-year term and then up for re-election in 2021) are:

Douglas K. Ammerman

Lonnie J. Stout II

Certain information with respect to each of these Class III nominees, as well as our other Class I and Class II directors, is set forth below, including their present positions, their principal occupations, current directorships held with other public companies, as well as directorships with other public companies during the past five years, their ages and the year first elected as a director. Individual qualifications, experiences and skills that contribute to the Board's effectiveness as a whole, as determined by the Nominating and Corporate Governance Committee, are also described below.

BACKGROUND INFORMATION FOR CLASS III NOMINEES

Douglas K. Ammerman	Mr. Ammerman, 66, has served as a director of Fidelity National Financial, Inc. (FNF) since July 2005. Mr. Ammerman is a retired partner of KPMG, where he became a partner in 1984. Mr. Ammerman formally retired from KPMG in 2002. He serves as a director of FNF, William Lyon Homes, Inc. and Stantec Inc. Within the past five years, Mr. Ammerman also has served as a director of Remy International and El Pollo Loco, Inc. As a member of our Board, Mr. Ammerman contributes his significant financial and accounting background and expertise, including his 18 years as a partner with KPMG and his experience as a director on the boards of directors of other companies.
<i>Class III Re-election in 2018</i>	
Director Since 2015	

Lonnie J. Stout II

Class III Re-election in 2018

Director Since 2015

Mr. Stout, 71, has been a director and President and Chief Executive Officer of the Company since its formation. Prior to that time, he was a director/manager (as applicable), President and Chief Executive Officer of J. Alexander's Corporation (JAC), J. Alexander's Holdings, LLC (the Operating LLC) and J. Alexander's, LLC (the successor entity to JAC), positions he has held since May 1986. Mr. Stout joined JAC in 1979 and held various leadership roles, including Executive Vice President and Chief Financial Officer of JAC from October 1981 to May 1984, a member of the board of directors of JAC from 1982 until October 2012 and as Chairman from July 1990 until October 2012. From November 2016 to October 2017, Mr. Stout served as Executive Vice Chairman of Fidelity Newport Holdings, LLC (FNH), the owner and operator of O'Charley's, 99 Restaurants and other restaurant concepts. Mr. Stout has over 35 years of experience in the hospitality, food services and restaurant business. His industry knowledge and experience make him a vital component to our Board.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF THE NOMINEES. PROXIES SOLICITED BY THE BOARD OF DIRECTORS WILL BE SO VOTED UNLESS SHAREHOLDERS OTHERWISE SPECIFY IN THEIR PROXIES.

BACKGROUND INFORMATION FOR CLASS I AND CLASS II DIRECTORS

NOT STANDING FOR RE-ELECTION IN 2018

<p>Timothy T. Janszen</p> <p><i>Class I Re-election in 2019</i></p> <p>Director Since 2015</p>	<p>Mr. Janszen, 54, has been the Chief Executive Officer of Newport Global Advisors, L.P. (Newport), an investment management firm, since September 2005. He also serves as Principal Executive Officer and Operating Manager of NGA Holdco, LLC, which holds equity in entities related to the gaming industry. Prior to joining Newport, Mr. Janszen held a number of positions, including Managing Director, at AIG Global Investment Group, an investment management firm, which he had joined in 2001. Mr. Janszen has been a director of the Company since its formation. Additionally, Mr. Janszen served on the board of managers of our subsidiaries, the Operating LLC and J. Alexander s, LLC, from February 2013 and January 2013, respectively, until September 2015. As a member of our Board, Mr. Janszen contributes strategic, financial and capital markets expertise and management experience through his career with investment advisory firms and service on the board of directors of several private companies in the restaurant and hospitality industry, including FNH, in which Newport is a minority owner.</p>
<p>Ronald B. Maggard, Sr.</p> <p><i>Class I Re-election in 2019</i></p> <p>Director Since 2015</p>	<p>Mr. Maggard, 68, co-founded Maggard Enterprises, Inc., a former franchisee of Long John Silver s and A&W restaurants in 1970 and has been its Chairman of the Board and President since 1972. He was a franchisee of quick-service restaurants for over 30 years. Mr. Maggard served as a director of Santa Barbara Restaurant Group and former Chairman of Checkers Drive-In Restaurants, Inc., until 2002 and a former director of Carl Karcher Enterprises from 2003-2004. He served as a director of FNH until August 2017. As a member of our Board, Mr. Maggard contributes his extensive experience in restaurant operations.</p>
<p>Frank R. Martire</p> <p><i>Class II Re-election in 2020</i></p> <p>Director and Chairman of the Board Since 2015</p>	<p>Mr. Martire, 70, presently serves as Chairman of Fidelity National Information Services, Inc. (FIS), an international provider of financial technology and outsourcing services. Mr. Martire has held management positions within FIS since 2009 when FIS acquired Metavante Technologies, Inc., a provider of financial technology services and software, regulatory advice and consulting, where he had served as Chairman of the Board and CEO from March 2003 to October 2009. FIS is a former affiliate of FNF and retains certain material relationships with FNF, including common board members. Mr. Martire serves on the board of directors of Cannae Holdings, Inc. (Cannae), following the completion of the split-off of Cannae from FNF on November 17, 2017. Mr. Martire is also a former director of FNH until August 2017. Mr. Martire s qualifications to serve on our Board include his leadership roles in business management, strategy and innovation, and his strong track record of building and maintaining shareholder value and successfully negotiating and implementing mergers and acquisitions.</p>

Raymond R. Quirk

Class II Re-election in 2020

Director Since 2015

Mr. Quirk, 71, has served as the Chief Executive Officer of FNF, a provider of commercial and residential mortgage and diversified services, since December 2013. Before that, Mr. Quirk served as President of FNF beginning in April 2008. Mr. Quirk served as Co-President of FNF from May 2007 until April 2008, and as Co-Chief Operating Officer of FNF from October 2006 until May 2007. Mr. Quirk was appointed as President of FNF in 2002. Since joining FNF in 1985, Mr. Quirk has served in numerous executive and management positions, including Executive Vice President, Co-Chief Operating Officer and Division Manager and Regional Manager, with responsibilities for managing direct and agency operations nationally. As a member of our Board, Mr. Quirk contributes his significant expertise in executive management oversight related to a broad range of key responsibilities.

SEPARATION OF THE COMPANY FROM

FIDELITY NATIONAL FINANCIAL, INC.

In the third quarter of fiscal year 2015, the Board of Directors of FNF approved the legal and structural separation of the Company from FNF, pursuant to which the Company became an independent, publicly-traded company (the Spinoff). In the Spinoff, which was completed on September 29, 2015, FNF distributed to all holders of its then-outstanding FNFV Group common stock (FNF's tracking stock related to its former wholly-owned subsidiary, Fidelity National Financial Ventures, LLC (FNFV)), which is now part of a separate publicly traded company known as Cannae), all of the shares of the Company's common stock owned by it at a ratio of approximately 0.17271 shares of the Company's common stock for every one share of FNFV Group common stock held by each such holder as of September 22, 2015, the record date for the Spinoff.

CORPORATE GOVERNANCE

General

The Company believes that good corporate governance is important to ensure that J. Alexander's Holdings, Inc. is managed for the long-term benefit of its shareholders. The Company regularly reviews its corporate governance policies and practices and compares them to those suggested by various authorities on corporate governance and the practices of other public companies. The Company also continues to review the provisions of the Sarbanes-Oxley Act of 2002, the new and proposed rules of the Commission and the applicable listing standards of the New York Stock Exchange (the NYSE).

Board of Directors

The Company is managed under the direction of the Board, which oversees and delegates the conduct of the business to the Company's executive officers and senior management. The Board held five meetings in 2017. Each of the incumbent directors of the Company attended all of the meetings held during 2017 by the Board while he was a director and all of the meetings held during 2017 by all committees of the Board while he was a member of such committees.

The Board is currently led by Mr. Martire as the Chairman of the Board (Chairman). Our Corporate Governance Guidelines permit the roles of chairman of the board and chief executive officer to be filled by the same or different individuals. This allows the Board flexibility to determine whether the two roles should be combined or separated based upon our needs and the Board's assessment of its leadership from time to time. In the event the position of Chairman is filled by a non-independent director, the Board will appoint a lead independent director.

At this time, the Board believes that our shareholders are best served by having an independent director serve as Chairman. Our Board believes this leadership structure effectively allocates authority, responsibility, and oversight between management and the independent members of our Board. It gives primary responsibility for the operational leadership and strategic direction of the Company to our CEO, Mr. Stout, while the Chairman facilitates our Board's independent oversight of management, promotes communication between senior management and other Board members about issues such as management development and succession planning, executive compensation, and company performance, engages with shareholders, presides at meetings of the Board, and leads our Board's consideration of key governance matters.

The Board includes three standing committees: an Audit Committee, a Nominating and Corporate Governance Committee and a Compensation Committee. Each of these committees operates under a written committee charter, all of which can be accessed on the Company's website at investor.jalexandersholdings.com, under the corporate

governance section.

Director Independence

Our Corporate Governance Guidelines and the NYSE require that our Board consist of a majority of independent directors.

The Board has determined that each of the following directors and nominees, constituting a majority of our Board, qualifies as an independent director within the meaning of the NYSE listing standards, and that such persons do not otherwise have any relationship that, in the opinion of the Board, would interfere with the exercise of such persons' independent judgment in carrying out the responsibilities of a director:

Douglas K. Ammerman

Timothy T. Janszen

Ronald B. Maggard, Sr.

Frank R. Martire

The Nominating and Corporate Governance Committee has evaluated the Company's relationships with each director and nominee and has recommended to our Board to make an affirmative determination that such director or nominee is independent. Under the Company's Corporate Governance Guidelines, an independent director is one who meets the qualification requirements for being independent under applicable laws and the corporate governance listing standards of the NYSE.

Mr. Ammerman currently serves on the audit committee of more than three publicly traded companies, including, in addition to the Company: William Lyon Homes, Inc. (NYSE), FNF (NYSE) and Stantec Inc. (NYSE). Our Board has determined that Mr. Ammerman's simultaneous service on the audit committees of more than three public companies does not impair his ability to serve effectively as a member of our Audit Committee.

The Nominating and Corporate Governance Committee and the Board evaluate the independence of directors and director nominees under the criteria established by the Commission and the NYSE for director independence and for Audit Committee membership, including Rule 10A-3 under the Securities Exchange Act of 1934, as amended (Exchange Act).

Role of the Board in Risk Oversight

One of the key functions of the Board is informed oversight of our risk management process. The Board administers this oversight function directly, with support from its three standing committees, the Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee, each of which addresses risks specific to its respective areas of oversight. In particular, the Audit Committee has the responsibility to consider and discuss our major financial risk exposures and the steps our management has taken to monitor and control these exposures, including guidelines and policies to govern the process by which risk assessment and management is undertaken. The Audit Committee also monitors compliance with legal and regulatory requirements. The Compensation Committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking. The Nominating and Corporate Governance Committee monitors the effectiveness of our Corporate Governance Guidelines, including whether they are successful in preventing illegal or improper liability-creating conduct. The Nominating and Corporate Governance Committee also makes the initial determination as to whether directors are independent for purposes of relevant rules.

The independent directors meet regularly in executive session at the conclusion of Board meetings to review and discuss the Company's management, operations, financial performance and material risks to the Company. Our Chairman, who is an independent director, acts as the presiding director of these executive sessions.

Board Member Attendance at Annual Meeting

The Company encourages each member of the Board to attend the Annual Meeting. Mr. Stout attended the 2017 Annual Meeting of Shareholders.

Board Committee Composition and Committee Functions

Committee/Current Members

Audit Committee

Summary of Material Committee Functions

Evaluating the performance, independence and qualifications of our independent auditors and determining whether to retain our existing independent auditors or engage new independent auditors;

Current Members

Mr. Ammerman (Chair)

Reviewing and approving the engagement of our independent auditors to perform audit services and any permissible non-audit services;

Mr. Janszen

Mr. Martire

Reviewing our annual and quarterly financial statements and reports and discussing the statements and reports with our independent auditors and management;

Number of Meetings held in fiscal year 2017: Seven

Reviewing with our independent auditors and management significant issues that arise regarding accounting principles and financial statement presentation, and matters concerning the scope, adequacy and effectiveness of our financial controls;

Reviewing with management and our auditors any earnings announcements and other public announcements regarding material developments;

Establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters and other matters;

Preparing the report of the Audit Committee that the Commission requires in our annual proxy statement;

Overseeing risks associated with financial matters such as accounting, internal controls over financial reporting and financial policies;

Reviewing and providing oversight with respect to any related party transactions and monitoring compliance with our code of ethics; and

Reviewing and evaluating, at least annually, the performance of the Audit Committee, including compliance of the Audit Committee with its charter.

Compensation Committee

Reviewing and recommending to our Board the compensation and other terms of employment of our executive officers;

Current Members:

Mr. Martire (Chair)

Reviewing and recommending to our Board performance goals and objectives relevant to the compensation of our executive officers;

Mr. Ammerman

Mr. Maggard

Evaluating and approving the equity incentive plans, compensation plans and similar programs advisable for us, as well as modification or termination of existing plans and programs;

Number of Meetings held in fiscal year 2017: Two

Evaluating and recommending to our Board the type and amount of compensation to be paid or awarded to Board members;

Administering our equity incentive plans;

Reviewing and recommending to our Board policies with respect to incentive compensation and equity compensation arrangements;

Reviewing the competitiveness of our executive compensation programs and evaluating the effectiveness of our compensation policy and strategy in achieving expected benefits to us;

Evaluating and overseeing risks associated with compensation policies and practices;

Reviewing and recommending to our Board the terms of any employment agreements, severance arrangements, change in control protections and any other compensatory arrangements for our executive officers and other members of senior management;

Reviewing the adequacy of its charter on an annual basis; and

**Nominating and Corporate
Governance Committee**

Reviewing and evaluating, at least annually, the performance of the Compensation Committee, including compliance of the Compensation Committee with its charter.

Reviewing and making recommendations to the Board regarding our board size and other corporate governance functions;

Current Members:

Identifying, evaluating, nominating and recommending individuals for membership on our Board;

Mr. Maggard (Chair)

Mr. Ammerman

Considering nominations by shareholders of candidates for election to our Board;

*Number of Meetings held in
fiscal year 2017: One*

Considering and assessing the independence of members of our Board;

Evaluating director performance on our Board and applicable committees of our Board;

Reviewing the corporate governance guidelines and making any changes to such guidelines;

Periodically reviewing our policy statements; and

Evaluating, at least annually, the performance of the committees of the Board.

Nominating and Corporate Governance Matters

The Nominating and Corporate Governance Committee acts on behalf of the Board to identify individuals qualified to become Board members and to recommend to the Board nominees for each annual meeting of shareholders.

The policy of the Nominating and Corporate Governance Committee is to consider the qualifications of all properly submitted shareholder recommendations of candidates for membership on the Board. In its assessment of a candidate for Board membership, including properly submitted shareholder recommendations, the Nominating and Corporate Governance Committee may consider whatever factors it deems appropriate, including: personal qualities and characteristics, accomplishments and reputation, knowledge within the Company's industry or industries relevant to the Company's business, skills and personality that would promote an effective, collegial and responsive Board, and diversity of viewpoints, background, experience and other demographics. At a minimum, in the judgment of the Nominating and Corporate Governance Committee, a director nominee must:

be able to represent the interests of the Company and all of its shareholders and not be disposed by affiliation or interest to favor any individual, group or class of shareholders or other constituency;

possess relevant background, skills and abilities, and characteristics that fulfill the needs of the Board at that time;

possess the background and demonstrated ability to contribute to the Board's performance of its collective responsibilities, through senior executive management experience, relevant professional or academic distinction, and/or a record of relevant civic and community leadership;

contribute important opinions and perspectives to Board deliberations as a result of diverse professional experience and personal background;

have the highest ethical character and share the core values of the Company as reflected in the Company's Code of Business Conduct and Ethics;

have a reputation, both personal and professional, consistent with the image and reputation of the Company;

have relevant expertise and experience, and be able to offer advice and guidance to the chief executive officer based on that expertise and experience; and

have the ability and the willingness to devote the necessary time and energy to exercise sound business judgment.

The Nominating and Corporate Governance Committee will preliminarily assess each candidate's qualifications and suitability. If it is the consensus of the Nominating and Corporate Governance Committee that a candidate is likely to meet the criteria for Board membership, the Nominating and Corporate Governance Committee will advise the candidate of the Nominating and Corporate Governance Committee's preliminary interest and, if the candidate

expresses sufficient interest, will arrange interviews of the candidate with one or more members of Nominating and Corporate Governance Committee and other members of the Board and will request such additional information from the candidate as the Nominating and Corporate Governance Committee deems appropriate.

If a majority of the Nominating and Corporate Governance Committee determine that the candidate is suitable and meets the criteria for Board membership, the candidate will be invited to meet with senior management of the Company, both to allow the candidate to obtain further information about the Company and to give management a basis for input to the Board regarding the candidate. On the basis of its assessment, and taking into consideration input from senior management, the Nominating and Corporate Governance Committee will formally consider whether to recommend the candidate's nomination for election to the Board. Approval by a majority of the independent directors will be required to recommend the candidate's nomination.

Upon recommendation from the Nominating and Corporate Governance Committee of a slate of directors for nomination at the Company's annual meeting of shareholders, the Board will consider each candidate's qualifications, the assessment of each individual's background, skills and abilities, and whether such characteristics fulfill the needs of the Board at that time, and will confer and reach a collective assessment as to the qualifications and suitability of each candidate for Board membership. Approval by a majority of the Board will be required to nominate a candidate for election to the Board.

Shareholder Recommendations

Any shareholder recommendations submitted for consideration by the Nominating and Corporate Governance Committee must be made in accordance with the Company's bylaws and applicable law, and include verification of the shareholder status of the person submitting the recommendation and the recommended candidate's name and qualifications for Board membership and should be addressed to:

Corporate Secretary

J. Alexander's Holdings, Inc.

3401 West End Avenue, Suite 260

P.O. Box 24300

Nashville, Tennessee 37202

Compensation Committee Matters

The Compensation Committee acts on behalf of the Board to establish the compensation of executive officers of the Company and to provide oversight of the Company's compensation philosophy. The Compensation Committee also acts as the oversight committee with respect to the Company's deferred compensation, stock and bonus plans covering executive officers and other senior management. In overseeing those plans, the Compensation Committee has the sole authority for administration and interpretation of the plans. The Compensation Committee has the authority to engage outside advisors to assist the Compensation Committee in the performance of its duties; however, the Compensation Committee may not delegate its authority to others.

The Compensation Committee is composed solely of non-employee directors of the Company. All compensation awards made by the Compensation Committee are approved by directors who are (i) independent as defined under the NYSE listing standards, (ii) non-employee directors for purposes of Section 16b-3 of the Exchange Act and (iii) outside directors for purposes of Section 162(m) of the Internal Revenue Code. The Compensation Committee has been given the responsibility to assist the Board in the discharge of its fiduciary duties with respect to the compensation of the executives and other employees of the Company, including the named executive officers, and the Company's retirement and other benefit plans. As part of the Compensation Committee's duties, the Compensation Committee, among other things, periodically reviews the Company's philosophy regarding executive compensation and assesses the three main elements of the Company's compensation. The Compensation Committee reports to the Board on its activities.

Generally, the Compensation Committee reviews the performance and compensation of the Chief Executive Officer and, following discussions with him and other advisors, if appropriate, establishes his compensation level. For the remaining named executive officers, the Chief Executive Officer makes recommendations for salary and bonus levels to the Compensation Committee that are generally approved. With respect to equity compensation awards, the Compensation Committee typically grants options based upon the initial recommendation of the Chief Executive Officer, and with additional or different terms deemed appropriate by the Compensation Committee.

The Compensation Committee generally will consider making equity awards periodically after the Compensation Committee has had an opportunity to review the Company's financial results for the prior fiscal year and consider the Company's expectations and projections for the current fiscal year. The Compensation Committee may grant awards or may determine not to grant any awards to some executives, based on its conclusion that the awards then currently outstanding effectively serve to properly incentivize the executive officers.

The Board sets non-management directors' compensation at the recommendation of the Compensation Committee. See *Director Compensation* for more information.

The Company did not engage any outside compensation consultant during 2017. However, from time to time, Black Knight Advisory Services, LLC (the Management Consultant) provides strategic advice regarding the Company's compensation and benefits programs pursuant to the Management Consulting Agreement with the Company. For further description of the Management Consulting Agreement and other services provided by the Management Consultant, as well as the fees paid to the Management Consultant by the Company, see *Certain Relationships and Related Party Transactions Management Consulting Agreement with Black Knight Advisory Services, LLC*.

Compensation Committee Interlocks and Insider Participation

None of the members of our Compensation Committee is or has been one of our officers or employees. Further, none of our executive officers has ever served as a member of the compensation committee or as a director of another entity any of whose executive officers served on our Compensation Committee, and none of our executive officers has ever served as a member of the compensation committee of another entity any of whose executive officers served on our Board.

Governance Documents

The Company's Board has adopted a Code of Business Conduct and Ethics applicable to the members of its Board and officers, including the Chief Executive Officer, Chief Financial Officer and the Company's principal accounting officer. We also have adopted Corporate Governance Guidelines, which, in conjunction with our Charter, Bylaws and the respective charters of the Board committees, form the framework for our governance.

All of these documents may be accessed on the Company's website at *investor.jalexandersholdings.com*, under the corporate governance section, or copies may be requested by writing to the following address: J. Alexander's Holdings, Inc., 3401 West End Avenue, Suite 260, P.O. Box 24300, Nashville, Tennessee 37202. The Company will make any legally required disclosures regarding amendments to, or waivers of, provisions of the Code of Business Conduct and Ethics on its website.

Communications with Members of the Board

Any party interested in communicating directly with our Board, our Chairman, individual independent directors or the independent directors as a group may do so by writing to Board of Directors, c/o Corporate Secretary, J. Alexander's Holdings, Inc., 3401 West End Avenue, Suite 260, P.O. Box 24300, Nashville, Tennessee 37202.

EXECUTIVE COMPENSATION**SUMMARY COMPENSATION TABLE**

The following table sets forth certain summary information for the year indicated with respect to the compensation awarded to, earned by, or paid to the named executive officers for fiscal years 2017, 2016 and 2015 for their service as employees and officers of us and our subsidiaries.

Name and Principal Position	Fiscal Year	Salary (\$)(1)	Bonus (\$)(2)	Stock Awards (\$)(3)	Option Awards (\$)(4)	All Other Compensation (\$)(5)(6)	Total (\$)
Lonnie J. Stout II	2017	550,000	420,267			73,880 ⁽⁸⁾	1,044,147
President and Chief Executive Officer	2016	550,000	344,629		351,250	85,584 ⁽⁸⁾	1,331,463
	2015	550,000	1,957,300	778,800 ⁽⁷⁾	416,250	31,013 ⁽⁸⁾	3,733,363
Mark A. Parkey	2017	241,833	92,395			148,847	483,075
Executive Vice President and Chief Financial Officer	2016	227,500	71,276		168,600	113,793	581,169
	2015	211,500	448,495	233,640	183,150	43,162	1,119,947
J. Michael Moore	2017	241,833	92,395			127,602	461,830
Executive Vice President and Chief Operating Officer	2016	227,500	71,276		168,600	101,055	568,431
	2015	211,500	448,495	233,640			