

CODE OF CONDUCT
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INTRODUCTION

Frisch's Restaurants, Inc. ("Frisch's") has for many years enjoyed a reputation for honesty and integrity in all its business dealings. That reputation is a valuable asset earned by Frisch's directors, employees and representatives whose actions consistently reflect the highest moral and ethical values. The purpose of this booklet is to help ensure that those values are preserved and Frisch's reputation is not only maintained but also enhanced.

This Code of Conduct is also meant to emphasize that all directors, officers and employees of Frisch's and all those who act as representatives of Frisch's, must make certain that their actions fulfill Frisch's commitment to the guiding principle:

Conducting our business ethically and with integrity.

The Code of Conduct applies to all directors, officers, and employees of Frisch's, and all those who act as representatives of Frisch's, and is intended to provide a clear understanding of the ethical principles of business conduct expected of you. The Board of Directors of Frisch's (the "Board" or "Board of Directors") is responsible for the approval and oversight of the Company's Code of Conduct. The Board's Nominating and Corporate Governance Committee has the responsibility for the implementation and administration of the Code. Waivers of the standards set in this Code of Conduct will not be granted.

HOW TO COMPLY WITH THIS CODE OF CONDUCT

You must be certain your job-related activities comply with all applicable laws and Frisch's Policies and Procedures. You must seek the guidance of appropriate managers if you have any doubt about your ethical responsibilities, and must notify management whenever you become aware of a violation of law or Frisch's policies.

Failure to comply with policies or to report violations puts Frisch's hard-won reputation at risk and can result in disciplinary action up to and including dismissal.

If you suspect another employee, contract worker, agent, or consultant is violating the law or Frisch's policies, or is engaging in conduct that could harm Frisch's reputation, you must bring that information to the attention of management by:

- **Reporting the situation to a Manager, Area Supervisor or Vice President of Human Resources; or**
- **Calling the toll-free Employee Hotline, 1-888-782-7909.**

When calling the Employee Hotline, you are not required to reveal your identity to make your concerns known. You may choose to remain anonymous. Employees who follow those procedures also can be assured that they will not

experience criticism, retaliation or penalty resulting from their decision to come forward.

Concerns Regarding Financial Issues

A confidential Corporate Governance Hotline is available to all Frisch's employees, as well as any other concerned parties, to report a concern or complaint regarding Frisch's accounting, internal accounting controls, or other financial or auditing matters. These concerns or complaints will be referred to the Audit Committee of the Board of Directors.

The toll-free number for reporting complaints or concerns is: 1-800-506-6424.

Calls may be made anonymously. The Hotline is managed by a third party and is available 24 hours a day, 7 days a week. When your message is recorded on the Hotline, it will be transcribed and returned electronically to the Audit Committee of the Board of Directors.

Employees under investigation for a violation of Frisch's policies will be treated with dignity and fairness, will be informed of the alleged violation, and will be given the opportunity to explain their actions before the taking of disciplinary action, if any.

IMPROPER PAYMENTS

No employee or representative acting on behalf of Frisch's is permitted to make any payment in violation of the law or to knowingly misrepresent the facts regarding the receipt and disposition of funds.

This policy is not intended to prohibit the giving of non-cash gratuities or gifts of nominal value when appropriate and customary.

Frisch's specifically prohibits the offering, giving, soliciting or receiving of any form of bribe or kickback, which are criminal acts that can result in the prosecution of Frisch's and the employee involved.

In all instances in which a gratuity is being provided, employees must ensure that such gratuities are proper and cannot reasonably be viewed as bribes, kickbacks or improper inducements.

GRATUITIES TO GOVERNMENT EMPLOYEES

No employee or agent of Frisch's shall give, offer or promise anything of value to a government employee or public official that is in violation of the laws and regulations.

The prohibition against giving or promising “anything of value” includes, but is not limited to, payments or promises of money, gifts, favors, entertainment, meals, transportation, lodging, and loans of money or personal items.

Employees must realize that practices that may be acceptable in dealing with Frisch’s non-governmental customers or vendors may not be acceptable when dealing with government employees and officials.

POLITICAL ACTIVITIES/CONTRIBUTIONS

While Frisch’s encourages you to become involved in public affairs and political activities, you must make certain your participation is on an individual basis, on your own time, and at your own expense. At no time should Frisch’s funds, facilities or resources be used to aid any federal, state or local political campaign without the written approval of the Chief Executive Officer.

COMPLIANCE WITH APPLICABLE LAWS

While Frisch’s is involved in highly competitive business activities and must compete vigorously, it must do so in strict compliance with all laws, rules and regulations applicable to its activities. You should not at any time take any action on behalf of Frisch’s that you know or have reason to suspect violates any applicable law, rule or regulation.

DISCRIMINATION/HARASSMENT

Frisch’s is an equal opportunity employer and is committed to providing employment, training, compensation, promotion and other terms and conditions of employment without regard to race, color, religion, national origin, ancestry, age, sex, sexual preference, pregnancy, or disability.

Discrimination or harassment of any kind based on individual characteristics such as those listed above is strictly prohibited. Jokes or other derogatory remarks about a person’s race, color, religion, national origin, age, sex, disability or other personal characteristics are demeaning and offensive and will not be tolerated.

Frisch’s does not tolerate sexual harassment of any kind. We prohibit any employee, supervisor or manager, male or female, from using his or her authority to solicit or obtain sexual favors from subordinates and/or peers by, in any way, suggesting that rejection will result in firing, discipline or less desirable job assignments, schedules, evaluations or recommendations. Similarly, a supervisor or manager may not hire, promote or give better assignments or schedules, or improved evaluations, in return for a subordinate’s submission to his or her sexual advances.

Harassment on the job includes any unwelcome sexually oriented behavior, demand, comment or physical contact, initiated by any individual, employee, supervisor or manager at the work place that is a term or condition of

employment, a basis for employment decision or that interferes with the employee's work or creates a hostile or offensive working environment.

Anyone who believes he or she has been the victim of discrimination or sexual harassment and anyone who witnesses discrimination or sexual harassment by a Frisch's representative is required to report the discrimination/harassment immediately to a Manager, Area Supervisor or the Vice President of the Human Resources Department. Any kind of retaliation for reporting discrimination or harassment is also expressly prohibited, and any retaliation should also be reported immediately to a Manager, Area Supervisor or the Vice President of the Human Resources Department. All complaints will be thoroughly investigated, with as much confidentiality as circumstances permit and appropriate action will be taken.

ANTI-TRUST POLICY

State and Federal anti-trust laws strictly forbid any agreement or understanding which would interfere with free trade or limit competition. Severe penalties apply to companies as well as individuals that violate these laws. Those penalties apply not only to written agreements but also to unwritten understandings and even informal discussion of pricing or markets among competitors. Those present at such a discussion may be found to have violated anti-trust laws even if they did not participate in the discussion. You must avoid any such conversations, since even the appearance of anti-competitive behavior may result in a violation of anti-trust laws. If such a discussion begins at any gathering at which you are present, you must immediately object, leave the gathering and report the incident to the Vice President of the Human Resources Department.

MATERIAL INFORMATION/INSIDER TRADING

Federal law and stock exchange rules require Frisch's to regularly make public all "material information" about Frisch's and its performance. Information is considered "material" if it could influence an investor's decision to buy, sell, or hold shares in Frisch's stock. Frisch's employees who possess such non-public material information about Frisch's, its customers, suppliers, competitors or others, are strictly prohibited from using that information to benefit themselves or their family members, directly or indirectly, through investment activities or in any other manner. Employees also are prohibited from disclosing such non-public information both to anyone outside Frisch's and to fellow employees whose duties do not require that they be given the information. Frisch's documents containing such information are to be clearly marked "CONFIDENTIAL".

CONFLICTS OF INTEREST

No Frisch's employee or member of their immediate family shall accept gifts, entertainment, or other gratuities from any of our suppliers.

A conflict of interest exists when a situation occurs in which an employee is or may be tempted, because of some outside influence, to perform their duties with anything short of complete allegiance to the best interest of Frisch's.

The following delineation of conflicts of interests is not intended to be exclusive, rather to further clarify typical situations that may cause conflicts or give the appearance of conflict. Other kinds of conflicts may exist and should be avoided.

Interest in Other Enterprises. No stock or other interests in any company doing business with or competing with Frisch's should be owned by an employee unless that company is listed on a national stock exchange or such ownership is minimal.

Gifts, Entertainment, and Gratuities. Employees may not accept gifts, discounts, loans, tickets, trips, services, or gratuities of any kind of more than token or nominal value (\$25.00 per year) offered by companies or their representatives doing or seeking to do business with Frisch's. Meals or moderate entertainment may be accepted if refusal would cause embarrassment and provided such favors can be reciprocated. Manufacturers and suppliers dealing with Frisch's will be provided with a statement of Frisch's policy on these matters.

Use of Company Premises, Equipment, Tools, Supplies, and Time. Company premises, equipment, tools, supplies (new and used), and other property shall not be used for personal work or work for others that is not to the benefit of Frisch's. This limitation shall apply to personal use of such items as automobiles, trucks, copiers, drills, and tools, among other items for personal gain. The use of such items by employees for personal work or errands is also prohibited.

Premiums. Employees may not benefit personally from any purchase of goods or services for Frisch's or derive any personal gain from transactions made in such capacity. Premiums awarded for purchases of specified quantities or merchandise will be considered as property of Frisch's. Any such premium given to an employee must be turned over by the recipient to Frisch's. Such premiums will then be disposed of in accordance with accepted company practice. Frequent travel points earned in the course of business travel may be retained by the employee.

Contest Awards. An employee who wins a contest award or lottery sponsored by any company doing or seeking business with or competing with Frisch's Restaurants, Inc. shall notify their Vice President, who shall determine if the result is designed, either overtly or covertly, to improperly influence the winner or other employees of Frisch's in favor of the contest sponsor. If Frisch's determines that the contest or lottery is not so designed, the winnings may be kept by the employee. Otherwise, they must be turned over to Frisch's.

FRISCH'S CONFIDENTIAL INFORMATION

To succeed in a competitive marketplace, Frisch's spends millions of dollars every year developing new products and stores for its customers. It should be clear that every Frisch's director, employee and representative has a personal stake and responsibility in ensuring that valuable company information is not disclosed to others.

Frisch's confidential information includes product development, advertising strategies, new store designs, potential real estate acquisitions, marketing and sales information, financial data, and any other information unique to Frisch's operations. Each employee must treat such information as confidential and the sole property of Frisch's. Confidential information should be copied and distributed only on a "need-to-know" basis. Frisch's confidential documents must be clearly marked "Confidential," and kept in a secure place when not being used.

Upon leaving Frisch's, you must leave all Frisch's confidential information made available to you at the company. No information obtained as a result of employment or association with Frisch's may be used for personal profit or as the basis for a 'tip' to others unless Frisch's has made the information available to the public.

A "corporate opportunity" is any business opportunity that may benefit a company learned through the director's, officer's, or employee's use of property, information, or position. Directors, officers, and employees are prohibited from using such corporate opportunities for personal gain and from competing with the company.

COMPUTER SECURITY/SOFTWARE LICENSING

As with other forms of information critical to the operation of Frisch's, information contained on computers or recorded on various storage media must be carefully guarded against accidental or unauthorized duplication, modification, disclosure or destruction.

All Frisch's managers are responsible for identifying valuable information assets and protecting such assets with an appropriate means of security. All employees who deal with such assets are required to understand and comply with all policies and procedures designed to safeguard such information, and to report any known or suspected breach of computer security to the appropriate level of management.

All computer software used on Frisch's computers must be in compliance with appropriate software licensing terms. Software is not to be copied and installed on other computers in violation of such license agreements. You are prohibited from providing company software to anyone for use outside Frisch's. If you learn of unauthorized duplication or other illegal use of software or related documentation within Frisch's, you are required to report such activity to the appropriate level of management.

INTELLECTUAL PROPERTY AGREEMENT

Frisch's recognizes that special expertise and knowledge acquired through the efforts of its employees form the basis for its success in the marketplace. Frisch's devotes considerable energy and expense protecting such intellectual property under laws related to copyrights and patents.

"Invention" means any design, discovery, concept or idea, whether patentable or not. "Writing" means any document, note, instruction, manual, guide, computer software program, or other written material, whether or not capable of being copyrighted.

Each employee agrees to assign to Frisch's the employee's entire right, title and interest in and to any Invention or Writing that an employee may make, conceive, develop, or perfect, either solely, or jointly with others, (a) during the period of employment by Frisch's, if such Inventions and/or Writings are related to the business of, or to the research and development work of Frisch's; or (b) with the use of time, materials or facilities of Frisch's; or (c) within one year after termination of employment by Frisch's, if conceived as a result of and attributable to work during such employment and relating to the business of, or the research and development work of Frisch's. Employees must promptly notify Frisch's of all such Inventions and Writings.

RELEASE OF COMPANY INFORMATION

To prevent the inadvertent release of confidential information, premature description of product data or marketing strategy, or the release of other information that could be helpful to a competitor, Frisch's has established a policy governing the release of company information.

Only the Chief Executive Officer, Chief Financial Officer, Vice President of Marketing and Vice President of Human Resources are authorized to make public statements on behalf of Frisch's. Requests from outside sources, including the media, for advertising campaigns, marketing strategies, and general business information should be directed to the Vice President of Marketing at (513) 559-5123; requests for financial information should be referred to the Chief Financial Officer at (513) 559-5202; and requests for employee relations information should be directed to the Vice President of Human Resources at (513) 559-5342.

COMPETITIVE INFORMATION

While Frisch's is deeply interested in its competitive position in the marketplace, Frisch's employees and other representatives of the company must ensure that all information used to assess that position is legally obtained. Those acting on behalf of Frisch's must refuse any improper access to trade secrets or confidential information of competitors, vendors, or other companies.

The following guidelines help ensure compliance with this policy:

- Information about a competitor's pricing, terms of sale, market share, or allocation of customers and markets must not be obtained from a competitor or any third party who is not legally entitled to disclose that information.
- Competitive information may be obtained from a party who is not a competitor if they possess the information lawfully and convey it lawfully to Frisch's.
- Information gathered or used must not be confidential or proprietary to a third party.
- Only lawful, ethical means must be used to obtain competitive information.

ACCOUNTING POLICIES

Frisch's must comply with all laws relating to the accurate and complete maintenance of company financial books and records. No company funds or property can be used for any unlawful, improper, or unethical purpose. All Frisch's financial books and records must be maintained in accordance with generally accepted accounting principles, Frisch's policies and procedures, and with all laws governing the maintenance of corporate books and records.

Knowingly failing to implement a system of appropriate internal controls or falsifying any book, record or account is strictly prohibited.

It is also Frisch's policy to maintain an internal control system to ensure:

- Corporate assets and funds are properly acquired, safeguarded, and fully recorded on Frisch's accounting records.
- Corporate liabilities that have been incurred are fully reported on Frisch's accounting records.
- External financial reporting fairly and accurately reflects financial condition and results of operations.
- Corporate resources are effectively used and business operations are reasonably efficient.
- Employees adhere to Frisch's accounting, administrative, internal control, and financial reporting policies and procedures.

Suspected violations of accounting policies should be immediately reported to the Corporate Governance Hotline at 1-800-506-6424. No employee will be subject to any form of reprisal for the honest reporting of any perceived violation or accounting irregularity.

SUBSTANCE ABUSE POLICY

Statement. Frisch's recognizes that the use and abuse of alcohol and controlled substances is detrimental to the health of its employees. Furthermore, job safety and job performance standards are jeopardized by employees using or abusing alcohol or controlled substances. Therefore, Frisch's prohibits its employees from using, possessing, distributing, or being under the influence of drugs or alcohol at any time during their scheduled working hours including, but not limited to, lunch time and breaks, or while on company property or conducting company business.

Definitions. "Drug Test" means a test to determine the presence of alcohol and/or drugs in the employee's body. "Under the influence of drugs or alcohol" means detectable level of drugs or alcohol in the employee's body.

Implementation. Frisch's may, at its discretion, require any job applicant as a condition of employment, or any employee as a condition of continued employment, to submit to a Drug Test.

Policy Guidelines. Any request that an employee submit to a Drug Test must be approved and authorized by the Vice President – Human Resources. A Drug Test may include, but is not limited to, testing of the employee's urine, blood, breath, saliva, or hair. All requests will be made in a manner designed to preserve the individual's privacy and dignity, and knowledge of the test results will be limited to those who have a need to know.

Refusing to submit to a Drug Test, or refusing to sign a written consent form for a Drug Test, will result in the withdrawal of the employment offer or, in the case of a current employee, disciplinary action up to and including discharge from employment.

All testing will be conducted by a party designated by Frisch's. If an initial test is positive, a confirmation test will be performed on the same specimen.

Penalties. A confirmed positive test will result in discipline up to and including discharge from employment. An employee may also be referred to Frisch's Employee Assistance Program and/or required to undergo additional medical testing or assessment.

Conviction. Employees who are convicted of a drug or alcohol related crime, where either the crime or the fact of conviction affects their ability to perform their job or reflects negatively on Frisch's reputation and image, may be subject to discipline up to and including termination from employment.

WORKPLACE VIOLENCE

Frisch's policy is "zero tolerance" for workplace violence. The company will not tolerate any jokes, threats, intimidation, or violent acts against other employees, vendors, or customers. Employees violating this policy are subject to disciplinary action, up to and including discharge.

Employees have a "duty to warn" and are urged to take seriously all comments that are threatening to anyone. Anyone encountering or observing threatening words or acts is urged to contact their Supervisor or the Vice President of Human Resources. In an emergency, contact the local law enforcement authorities.

Each individual company employee is responsible for maintaining a safe working environment.