

**NATHAN'S FAMOUS, INC.  
CODE OF BUSINESS CONDUCT  
AND ETHICS**

## I. INTRODUCTION

### A. Code of Business Conduct and Ethics

The Company's Code of Business Conduct and Ethics (the "Code") is a statement of the Company's policies and procedures for conducting its business in a legal and ethical manner. It has been issued to all directors, officers and employees in order to reaffirm the Company's existing policies relating to ethical standards and business practices.

The Code includes provisions from existing corporate policies to provide an accessible reference for all directors, officers and employees. Certain corporate policies set forth more detailed information on subjects covered by the Code.

All policies and procedures in the Code apply to all directors, officers, employees and agents of the Company, its subsidiaries, divisions and affiliates (collectively the "Company"), whether operating inside or outside of the United States.

The Code does not specifically address every potential form of unacceptable conduct and the Company expects you, and all its other directors, officers and employees, to observe high ethical standards in the performance of your respective duties, and to observe all laws and regulations governing business transactions and practices. The Company expects you to act in good faith, responsibly, with due care, competence and diligence, without misrepresenting or omitting material facts or allowing your independent judgment to be compromised or subordinated and to pro-actively promote ethical behavior among your subordinates and peers. The Company's policy is to prevent the occurrence of illegal or unethical behavior, to halt any illegal or unethical behavior that may occur as soon as reasonably possible after its discovery, and to discipline those who violate the Code, including individuals responsible for the failure to exercise proper supervision and oversight to detect and report a violation by their subordinate employees. Discipline may, when appropriate, include termination.

### B. Guidance and Interpretation

Government regulation of business activities continues to increase, which results in more complex laws, regulations and procedures. Accordingly, whenever the legality or propriety of any proposed course of conduct which you are involved in is subject to question, it is incumbent upon you to obtain advice concerning these policies from the person to whom you report, and, when appropriate, to request advice from the Company's legal counsel. If you have a question regarding the applicability or interpretation of the Code you should utilize the procedures specified in the section entitled "IMPLEMENTATION OF THE CODE".

***The Code is not a contract, and is not intended to create any contractual obligations on the part of the Company or its subsidiaries or affiliates. The Code also does not alter the existing at-will employment relationship between the Company and you.***

## II. COMPLIANCE WITH THE LAW

The Company seeks to comply with all applicable government laws, rules and regulations. As a director, an officer or an employee of the Company, you are required to comply with all applicable laws, rules and regulations for federal, state, and local governments, and with the rules and regulations of private and public regulatory agencies having jurisdiction over the Company, as well as the highest standards of business ethics and conduct in every country in which the Company does business. You cannot justify or be excused from the consequences of an action which is prohibited by the Company by saying that you were ordered to perform the action by someone higher in authority. No one is ever authorized by the Company to direct you to commit a prohibited act. You are responsible for your own actions. You must acquaint yourself with the legal standards and restrictions applicable to your assigned duties and responsibilities, and conduct yourself accordingly. You also should understand that compliance with the letter of the law, but not the spirit, is insufficient. Even the appearance of unethical or inappropriate behavior could have a negative impact on the Company and its employees.

## III. CONFLICTS OF INTEREST

You must engage in honest and ethical conduct and avoid any investment, interest, or association that might cause an actual or apparent conflict of interest between your personal relationships and your obligation to perform your responsibilities in the best interests of the Company. Specifically:

- (1) You shall deal with all suppliers, customers, and all other persons doing business with the Company in a completely fair and objective manner without favor or preference based upon personal financial considerations.
- (2) You shall not accept from or give to any supplier, customer or competitor any gift or entertainment (except as permitted under the section of the Code on "GIFTS AND ENTERTAINMENT").
- (3) You shall not do business with a close relative on behalf of the Company, unless the transaction is on arms-length terms and is disclosed, in writing, to the Chief Executive Officer of the Company (and so long as the Company's legal counsel determines that the transaction is not inconsistent with the purposes of this policy).
- (4) You shall not, directly or indirectly, own any financial interest in or hold any employment or managerial position with any firm or corporation which is a competitor of or which does or seeks to do business with the Company if such interest or position may influence any decision that you might make in the performance of your duties.
- (5) You have the affirmative duty to disclose the existence of any personal material, financial interest in, or employment or managerial position with any firm or corporation which is a competitor of or which seeks to do or does business with the Company. If you are an employee, you shall disclose such relationship to the corporate officer responsible for your function. If you are an officer or director, you shall make such disclosure to the

Board of Directors. Each such case shall be reviewed with the Company's legal counsel, and they shall determine whether the existence of such interest or position is or may be in conflict with this policy or otherwise detrimental to the best interests of the Company or any of its operations. If it is determined that such conflict or detrimental effect may occur, such steps as are necessary to correct the situation will be immediately instituted.

Not all situations which may initially appear to present a conflict of interest will actually present a *prohibited* conflict. It is not the purpose of this policy to forbid all conflict situations, but rather to require disclosure of such potential conflicts so as to enable informed decision-making. Accordingly, if any director, officer or employee is presented with a situation or opportunity suggesting even the slightest appearance of a potential conflict, he or she should report such situation as set forth in the section, "IMPLEMENTATION OF THE CODE-Questions Regarding the Code," before proceeding, so the matter can be fully reviewed by the Company.

#### IV. TRADE SECRETS AND CONFIDENTIAL INFORMATION

The disclosure of trade secrets and confidential information regarding the Company's business operations, whether intentional or accidental, can adversely affect the financial stability of the Company and the job security of its employees. Trade secrets and confidential information can include, but are not limited to, any of the Company's proprietary or business-sensitive information, which is not generally known to the public and which, if released to unauthorized persons, would be detrimental to the business interests of the Company, its affiliates or parties with which it does business, or would permit such unauthorized persons to improperly benefit. Because of this risk of harm to the Company and its employees, you shall not, without the prior written consent of an authorized representative of the Company, during the term you are employed by or provide services to the Company or afterwards, use, directly or indirectly, for your benefit or the benefit of others, or disclose to others, any trade secrets or confidential information which you obtained while employed by or providing services to the Company, including by participating in Internet "chat rooms," through postings on Internet message boards or otherwise.

You shall immediately return any of the Company's confidential information at the Company's request or upon any termination of your employment with, or provision of services to, the Company.

#### V. GIFTS AND ENTERTAINMENT

You shall not seek or accept, or offer or give any payments, fees, loans, services or gifts from or to any person or firm as a condition or result of doing business with the Company. The Company's policy is intended to permit gifts of reasonable value, normal business meals and entertainment, the exchange of customary reciprocal courtesies between employees of the Company and their business associates, and similar customary and reasonable expenditures to promote general business goodwill.

Reasonable expenditures for gifts to, and the entertainment of business contacts by Company employees may be made if the expenditures have been appropriately authorized and are correctly recorded on the books of the paying entity. However, entertainment or gifts shall

not be of substantial monetary value nor exceed that value customarily and openly provided by responsible competitors of the Company in the area involved.

With respect to gifts to, and entertainment of, government officials or employees, this policy is subject to the provisions of Section VIII "UNITED STATES GOVERNMENT PAYMENTS" and Section IX "FOREIGN GOVERNMENT PAYMENTS."

## VI. ACCURACY AND INTEGRITY OF REPORTS, BOOKS, RECORDS AND ACCOUNTS

All directors, officers and employees must perform their responsibilities with a view to causing periodic reports and documents filed with or submitted to the Securities and Exchange Commission and all other public communications made by the Company to contain information which is accurate, complete, fair, objective, relevant, timely and understandable.

All of the Company's books, records, accounts and financial statements must accurately reflect the nature of the transactions recorded and must conform both to applicable legal and accounting requirements and to the Company's system of internal controls. All assets and liabilities of the Company must be recorded in the regular books of account. No undisclosed or unrecorded fund or asset shall be established in any amount for any purpose. No false or artificial entries shall be made for any purpose. No payment shall be made, or purchase price agreed to, with the intention or understanding that any part of such payment is to be used for any purpose other than that described in the document supporting the payment.

This policy is not limited to accounting and auditing personnel. It applies to all directors, officers and employees, including anyone negotiating and authorizing sales and purchase contracts, submitting expense reports, or preparing, approving or paying invoices. All directors, officers and employees are responsible to report to the Company any concerns regarding questionable accounting and auditing matters that may come to their attention.

### RECEIPT, RETENTION AND TREATMENT OF COMPLAINTS REGARDING ACCOUNTING, INTERNAL ACCOUNTING CONTROLS AND AUDITING MATTERS

You may submit a complaint regarding accounting or auditing matters without fear of dismissal or retaliation of any kind merely for raising such a complaint. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. The Company's Audit Committee will oversee treatment of employee concerns in this area.

In order to facilitate the reporting of employee complaints, the Company's Audit Committee has established procedures for (1) the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters ("Accounting Matters") and (2) the confidential, anonymous submission by employees of concerns regarding questionable Accounting Matters. If you have any concerns regarding questionable Accounting Matters, you are encouraged to report your concerns to the Human Resources Director or the Audit Committee of the Board of Directors by using the toll-free number (1-888-883-1499) in

the United States) established by the Company for that purpose. This toll-free number operates 24 hours per day, 7 days per week, 365 days per year. Employees may make reports regarding questionable Accounting Matters anonymously.

Examples of questionable Accounting Matters include, without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- fraud or deliberate error in the recording and maintaining of financial records of the Company;
- deficiencies in or noncompliance with the Company's internal accounting controls;
- misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- deviation from full and fair reporting of the Company's financial condition.

Should you make a complaint, it will be forwarded to the Chairman of the Audit Committee who will (i) determine whether the complaint actually pertains to Accounting Matters and (ii) when the complaint is not made anonymously, acknowledge receipt of the complaint to the sender. Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Company's Independent Auditor, legal counsel, or such other person as the Audit Committee determines to be appropriate. Confidentiality will be maintained as required by law. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise specified in Section 806 of the Sarbanes-Oxley Act of 2002 or other applicable federal or state whistleblower laws.

The Company's legal counsel will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee. Copies of complaints and such log will be maintained in accordance with the Company's document retention policy.

## VII. POLITICAL CONTRIBUTIONS

The Company encourages its directors, officers and employees to exercise their individual rights as citizens to participate in the political process. Such voluntary participation, however, must be at your expense, on your free time, and cannot interfere with fulfilling your job responsibilities.

It is Company Policy that:

(1) No Company funds or services shall be paid or furnished to any political party or any candidate for or incumbent in any public office for political purposes except as expressly permitted pursuant to paragraph (2) of this provision. Although you are permitted to make personal contributions, the Company shall not reimburse you for any such contribution.

(2) (a) For United States:

(i) Federal Elections:

It is unlawful for the Company to make a contribution or expenditure in connection with any United States federal election, or in connection with any primary election or political convention held to select candidates for any federal office.

(ii) State and Local Elections:

No contributions of the Company's funds or resources to state or local officials or candidates shall be made without the prior written approval of the Chairman of the Board and Company's legal counsel.

(b) For Foreign Countries:

No deviation from the prohibitions set forth in paragraph (1) of this provision may be made in any country outside of the United States without the prior written approval of the Company's legal counsel. Approval shall be given only after there has been a determination that such payment or the furnishing of such services is consistent with the laws and highest standards of business ethics and conduct of the country involved.

#### VIII. UNITED STATES GOVERNMENT PAYMENTS

You shall not directly or indirectly give, offer or promise any direct or indirect form of bribe, gratuity, or kickback to a United States official or employee, or any state, local, or municipal official or employee.

#### IX. FOREIGN GOVERNMENT PAYMENTS

The Company competes on the basis of price, quality, and service. Therefore, it is the Company's policy to comply with the United States Foreign Corrupt Practices Act, and with local law applicable to governmental payments. It is the Company's policy that its directors, officers and employees shall not directly or indirectly pay, give or offer money or anything of value to any foreign government officer, employee or representative, or to any foreign political

party or candidate for or incumbent in any foreign political office, in order to assist in obtaining, retaining or directing business.

## X. EQUAL EMPLOYMENT OPPORTUNITY LAWS

It is the policy and practice of the company to provide and promote equal employment opportunities for all applicants and employees.

It is the company policy to provide equal opportunity employment in all employment-related matters, including hiring, training, promotion, compensation, benefits, transfers and other personnel actions, without regard to race, color, creed, age, religion, ancestry, national origin, alienage or citizenship status, gender (including gender identity), pregnancy (including pregnancy related impairments), sexual orientation, disability, marital and partnership status, arrest or criminal conviction record, any lawful source of income, status as a victim of domestic violence or status as a victim of sex offenses or stalking, genetic information (including predisposing genetic characteristics), military/veteran status, unemployment status, credit history, or any other classification protected by federal, state, and local laws and ordinances.

All employees are required to review, become familiar with and comply with these policies.

## XI. HARASSMENT AND DISCRIMINATION

It is the Company's policy to maintain a work environment free from harassment and/or intimidation based upon any applicable protected characteristic under local, state, federal fair employment practice laws. The Company believes that every employee has the right to work in an environment free of verbal or physical intimidation or harassment based on any applicable protected characteristic. Such conduct does not advance the Company's purpose and may subject the Company to legal exposure. It is part of your responsibilities to maintain a work place that is free of any form of unlawful harassment. Therefore, you are required to report all incidents of harassment. Furthermore, supervisory favoritism of any kind toward any applicant or employee on account of applicable protected characteristics is strictly forbidden.

The Company's policy also applies to the dealings of any employee with non-employees such as customers, vendors, and members of the public. Furthermore, the policy also applies to individuals who do business with the Company, who are present on the Company's premises, or who interact with any employee of the Company while the employee is on-duty.

It is your responsibility to ensure that the concepts of equal employment opportunity, non-harassment, and non-discrimination are understood, abided by, and carried out by everyone.

If you believe that you were subjected to harassment or discrimination, you are encouraged to follow these guidelines:

- Report the harassment or discrimination to your immediate supervisor or the department head or the Human Resources Director. Management will investigate the complaint thoroughly in a confidential manner, documenting all information provided. Only those persons necessary

for the investigation will be involved in the process. If necessary, dependent upon the severity of the offense and the outcome of Management's investigation the Company's legal counsel will be called in to the investigation process.

- Alternatively, you may report instances of harassment or discrimination using the toll-free number established by the Company for that purpose. (See "IMPLEMENTATION OF THE CODE-Reporting of Violations," below.)

Employees will not be subject to any form of retaliation or discipline merely for reporting suspected harassment or discrimination. If the Company determines that a complaint is valid, it will take appropriate measures in response. Consequently, if you engage in this type of prohibited conduct you will be subject to disciplinary action, up to and including termination. For more information, see the Company's Equal Employment Opportunity and Anti-Harassment and Non-Discrimination policies.

## XII. COMMERCIAL TRANSACTIONS

You have an obligation to deal with the Company's customers and suppliers in a consistently legal, fair, and honorable manner. All contractual arrangements and transactions with third parties, such as distributors, customers, or consultants, must be formalized in a written contract or purchase order which provides for services that are in fact to be performed, and for reasonable fees. No commission payment shall be made in excess of those required in the ordinary course of business, and such payments shall be made strictly in accordance with the Company's approval process. Neither the Company nor any employee shall make any payment for the benefit of any supplier, customer, distributor, or other person for the purpose of inducing that person to act against the interest of his or her employer.

## XIII. HEALTH AND SAFETY LAWS

The Company is committed to providing its officers and employees with a safe and healthy work environment. You shall comply with all applicable occupational health and safety laws and regulations.

## XIV. ANTITRUST LAWS

The Company has consistently maintained a policy of strict compliance with all aspects of the anti-trust laws. U.S. anti-trust laws govern the Company's conduct and transactions in dealing with competitors, customers and suppliers. Examples of practices that, generally, are deemed to violate antitrust laws are agreements to fix or control prices, to require the improper purchase of any goods or services, to allocate products, markets or territories, to boycott certain business partners, or to refrain from or limit the manufacture or sale of any product or service. The prohibitions on such conduct apply to both formal and informal communications or meetings with competitors or business partners. Severe criminal and civil penalties may be imposed on the Company and on its employees if an employee authorizes or participates in a violation of the anti-trust laws. Therefore, it is important to understand and strictly follow this policy so the Company and its employees may avoid even the appearance of an anti-trust violation.

In addition to the exercise of common sense and ethical judgment, officers and employees:

- (1) Shall not enter into any understanding, agreement, plan, or scheme which he or she has reason to believe or has been advised by counsel for the Company is illegal under any of the antitrust laws.
- (2) Shall not exchange or discuss with any competitor, information relating to Company prices or pricing policies, distribution policies, supplier or customer selection or classifications, credit policies, or any other similar competitive information.
- (3) Shall not knowingly participate in any formal or informal meetings with third parties at which agreements or understandings of the type described in Paragraph 1 are being made or at which information of the type described in Paragraph 2 is being exchanged or discussed.

#### XV. ENVIRONMENTAL LAWS

It is the Company's policy and practice to promote the protection of people and the environment as a part of everything we do and every decision we make. The Company's goal is to avoid creating any situation that may lead to unacceptable environmental, health, or safety hazards for employees, the public, or the environment. Accordingly, all employees of the Company, and all of its facilities and operations, shall comply with all applicable environmental laws, rules, and regulations, including those dealing with emissions to the atmosphere, discharges to surface or underground waters or publicly owned treatment works, drinking water supplies, solid and hazardous waste management, releases of hazardous substances, community emergency response planning, and toxic substances control.

#### XVI. SECURITIES TRADING

The Company encourages appropriate and lawful investment in its publicly traded securities by those associated with the Company and the entire investing public. However, you shall not, regardless of your position with the Company, purchase or sell, directly or indirectly through third persons, the Company's securities on the basis of material information known to you but not known to the public. If you possess material non-public information concerning a corporation, it is illegal for you to trade in securities of the corporation. All directors, officers and employees of the Company, and third parties who are in a confidential relationship with the Company, shall not trade in or recommend the purchase or a sale of the Company's common shares (or any other securities) while they are in possession of "material information" regarding the operations or prospects of the Company that has not been publicly disclosed and disseminated to the investment community, nor shall they trade in or recommend the sale of such securities on the basis of rumors. In addition, such persons shall not participate in discussions in Internet "chat rooms," post messages on message boards or otherwise circulate rumors (whether or not true) which could affect the price of the Company's common stock or other securities.

All directors, officers and employees of the Company, and third parties who are in a confidential relationship with the Company shall also similarly abstain from trading in, or recommending the purchase or sale of the securities of any other corporation which they have obtained unpublicized "material information" as a result of their employment by the Company.

"Material information" is information which, if publicly disclosed, could reasonably be expected to affect the market value of a corporation's securities or to influence investor decisions with respect to those securities. Specific examples of "material information" include generally unanticipated changes in annual and quarterly earnings or dividend rates, significant acquisitions, proposed tender offers or stock splits, and senior management changes. Information regarding major new products, contract awards, expansion plans, or significant litigation or regulatory proceedings may also fall in the category of "material information."

Information should be considered "non-public" unless it is clearly public by virtue of disclosure in the Company's SEC filings on Form 10-K, Form 10-Q or Form 8-K. Information is deemed public once it has been publicly announced or otherwise disseminated in a manner that makes the information generally available to investors. Additionally, such inside information may not be disclosed to any third party except where there is a valid need to know related to the business of the Company, and where there will be no apparent conflict of interest on the part of the person receiving such information.

These prohibitions are applicable no matter how you acquired the inside information. Violations of insider trading laws may be punishable by fines and/or imprisonment, and are subject to discipline, up to and including termination. If you have a question on stock trading which you believe may implicate insider trading laws, see "IMPLEMENTATION OF THE CODE—Questions Regarding the Code," below.

## XVII. SPECIAL ETHICS OBLIGATIONS FOR EMPLOYEES WITH FINANCIAL REPORTING RESPONSIBILITIES

The Finance Department bears a special responsibility for promoting integrity throughout the organization, with responsibilities to stakeholders both inside and outside of the Company. The Chief Executive Officer, Executive Vice President, Senior Vice Presidents, Vice President-Finance and Chief Financial Officer and other Finance Department personnel have a special role both to adhere to these principles themselves and also to ensure that a culture exists throughout the company as a whole that ensures the fair and timely reporting of the Company financial results and condition.

Because of this special role, the Chief Executive Officer, Executive Vice President, Senior Vice Presidents, Vice President-Finance and Chief Financial Officer and all other members of the Company Finance Department are bound by the following Financial Officer Code of Ethics, and by accepting the Code of Business Conduct, each agrees that he or she will, in his or her capacity as an employee of the Company:

- Act with honesty and integrity, avoiding actual or apparent conflicts between his or her personal, private interests and the interests of the Company, including receiving improper personal benefits as a result of his or her position.

- Disclose to the Chair of the Audit Committee of the Company's Board of Directors any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest, including any related person transactions as defined in SEC rules and regulations.
- Perform responsibilities with a view to causing periodic reports and documents filed with or submitted to the SEC and all other public communications made by the Company to contain information which is accurate, complete, fair, objective, relevant, timely and understandable.
- Use his or her best efforts to maintain the Company's accounting records in accordance with all applicable laws, and to ensure that the accounting records are properly supported and classified, and do not contain any false or misleading entries.
- Be responsible for the Company's system of internal financial controls and promptly bring to the attention of the Company's legal counsel and the Audit Committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data, or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.
- Comply with laws, rules and regulations of federal, state, and local governments applicable to the Company, and with the rules and regulations of private and public regulatory agencies having jurisdiction over the Company.
- Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting or omitting material facts or allowing independent judgment to be compromised or subordinated.
- Respect the confidentiality of information acquired in the course of performance of his or her responsibilities except when authorized or otherwise legally obligated to disclose any such information; not use confidential information acquired in the course of performing his or her responsibilities for personal advantage.
- Share knowledge and maintain skills important and relevant to the needs of the Company, its shareholders and other constituencies, and the general public.
- Pro-actively promote ethical behavior among subordinates and peers in his or her work environment and community.
- Use and control all corporate assets and resources employed by or entrusted to him or her in a responsible manner.

- Not use corporate information, corporate assets, corporate opportunities or his or her position with the Company for personal gain; not compete directly or indirectly with the Company.
- Advance the Company's legitimate interests when the opportunity arises.
- Promptly report to the Chairman of the Audit Committee any conduct that the individual believes to be a violation of law or business ethics or of any provision of the Code, including any transaction or relationship that reasonably could be expected to give rise to such a conflict.

Violations of this Financial Officer Code of Ethics, including failures to report potential violations by others, will be viewed as a severe disciplinary matter that may result in personnel action, including termination of employment. If you believe that a violation of the Financial Officer Code of Ethics has occurred, follow the procedures contained in Section XVIII of the Code. Reports made through the toll-free number are sent directly to the Chairman of the Audit Committee of the Board of Directors. The Audit Committee will investigate any reported violations and will oversee an appropriate response, including corrective action and preventative measures. Any officer who violates this Financial Officer Code of Ethics will face appropriate, case-specific disciplinary action, which may include demotion or discharge. If any officer subject to this Financial Officer Code of Ethics has any questions regarding the best course of action in a particular situation, he/she should promptly contact the Company's legal counsel or the Audit Committee of the Board of Directors. Any officer subject to this Financial Officer Code of Ethics may choose to remain anonymous in reporting any possible violation of this Financial Officer Code of Ethics.

Any request for a waiver of any provision of this Financial Officer Code of Ethics must be in writing and addressed to the Audit Committee. Any waiver of the Financial Officer Code of Ethics will be disclosed promptly on Form 8-K or any other means approved by the SEC.

It is against Company policy to retaliate against any employee for good faith reporting of violations of this Code.

## XVIII. CORPORATE OPPORTUNITIES

All Company employees owe a duty of loyalty to the Company thereby placing on employees a responsibility to advance the business interests of the Company. All employees are prohibited from usurping from the Company a business opportunity or potential business opportunity that is discovered through their position at the Company, or unless the Company has already been offered the opportunity and turned it down. Any employee confused as to what constitutes a personal or Company benefit should refer to the "IMPLEMENTATION OF THE CODE-Questions Regarding the Code" to ensure that he or she is not unlawfully usurping a corporate opportunity.

## XIX. PERSONAL USE OF COMPANY ASSETS

Most employees have access to telephones, e-mail, the Internet, fax machines and other equipment. Such equipment and services are provided with the primary intent to be used for the Company's business purposes. With your manager's approval, an occasional use for emergency or other personal purposes is permissible. The Company, however, retains the right to monitor all such systems to discover and eliminate any potential abuses. Please remember that, even with your manager's approval, you have no right to privacy when using the Company's facilities or equipment for private purposes. For more information, see the Company's Electronic Communications and Social Media policies.

## XX. COMPETITIVE INFORMATION

Gathering information about competitors and other entities and individuals is a legitimate business activity. It enhances the Company's knowledge of the markets in which we operate and helps us understand and meet our customers' and business partners' needs.

However, there are ethical, as well as legal, constraints on obtaining such information. With the advent of the Internet, more and more information about our competitors is easily accessible and readily available. In no case, however, should any Company employee resort to obtaining non-public competitive information through bribery, violation of anyone's confidentiality obligations, deceit, misrepresentation or violations or any applicable laws, rules or regulations.

## XXI. DOCUMENT RETENTION

Many laws applicable to the Company require retention of records for either certain periods of time or permanently. In the event of a pending or contemplated investigation or litigation, all documents potentially relevant to such matter must be maintained and preserved. Such documents include those maintained in paper form or electronically, including but not limited to emails. Failure on the part of an employee to follow this policy can result in possible civil and criminal sanctions against the Company and its employees and possible disciplinary action against responsible individuals, up to and including termination of employment. Please refer to the Company's Document Retention Policy regarding your obligation to inform the appropriate Company representative of a potential or actual litigation, external audit, investigation or similar proceeding involving the Company so as to preclude destruction of potentially relevant documents.

## XXII. IMPLEMENTATION OF THE CODE

### A. Human Resource Director

The Human Resource Director is responsible for implementation of the Company's compliance program, including the Code.

### B. Questions Regarding the Code

An employee who has a question regarding the applicability or interpretation of the Code should direct the question to:

- his or her manager;
- another managerial employee; or

Questions may also be directed to the Human Resource Director, either in person, in writing or by calling 1 (800) NATHANS or the company's outside legal counsel, Akerman LLP, (212) 822-2240, Attention: Palash Pandya.

#### C. Reporting of Violations

If an employee knows of a violation or reasonably suspects a possible violation of the Code, the employee should immediately report it to:

- his or her manager;
- another managerial employee;
- the Audit Committee of the Board of Directors;
- the Board of Directors; or
- by calling 1-888-883-1499 in the United States. This toll-free number operates 24 hours per day, 7 days per week, 365 days per year.

An employee may also report a violation or possible violation of the Code directly to the Human Resource Director or the Chief Executive Officer. Any manager receiving such a report must, when appropriate, immediately advise the Human Resource Director or Chief Executive Officer. There shall be no reprisals merely for the reporting of actual or possible violations of the Code.

#### D. Investigation of Violations

All reported violations of the Code will be promptly investigated by the Company and will be treated confidentially to the extent consistent with the Company's interests and as required by law. All investigations by the Company of wrongdoing will be directed by the Human Resource Director. You are expected to cooperate in the investigation of an alleged violation of the Code. If the result of the investigation indicated that corrective action is required, the Company will decide what steps it should take, including, when appropriate, legal proceedings, to rectify the problem and avoid the likelihood of its recurrence.

#### E. Discipline for Violations

Among the activities that may result in disciplinary action are:

- Authorization or participation in actions that violate the Code.

- Failure to report a violation of the Code.
- Refusal to cooperate in the investigation of a violation of the Code.
- Failure by a violator's supervisor(s) to detect and report a violation of the Code, if such failure reflects inadequate supervision or lack of oversight.
- Retaliation against an individual for reporting a violation of the Code.

Disciplinary action may, when appropriate, include termination.

F. Waivers of the Code

The Company's Board of Directors shall review and approve:

- Any change or waiver of the Code for the Company's executive officers or directors; and
- Any disclosure made on Form 8-K or on the Company's website regarding such change or waiver.

G. Acknowledgment

The Company requires that all directors, officers and employees sign an acknowledgment confirming that they have received and read the Code and understand it.