

James Beard Foundation, Inc.

Policy on Conflicts of Interest and Confidentiality

As adopted on February 8, 2006

A. Introduction.

The Board of Directors (the “Board of Directors”; individual directors are referred to as “Directors”) of the James Beard Foundation, Inc. (the “Corporation”) has adopted this Policy on Conflicts of Interest and Confidentiality (this “Policy”). This Policy provides guidance in recognizing and dealing with conflicts of interest and other ethical issues. It is intended to foster a culture of transparency, honesty and accountability.

This Policy covers the Corporation’s Directors and officers, non-Director members of the Corporation’s committees and subcommittees, and senior employees identified by the Board of Directors. Third-party service providers to the Corporation may be required by the Board of Directors to enter into an agreement to the effect that the service provider and its key employees will be bound by this Policy. Individuals and entities described in this paragraph are referred to as “Key Persons”. This Policy does not cover honorary directors or members of the Corporation’s Advisory Committee, who are not Directors, and therefore are not “Key Persons”.

Except as provided in Section D below, this Policy is administered by the Governance and Nominating Committee (the “Committee”) of the Board of Directors, which is authorized to (a) receive reports and certifications under this Policy, and (b) interpret the provisions of this Policy. The Committee will report annually to the Board of Directors on matters considered by it since its last report.

Key Persons will avoid conflicts of interest and appearances of conflicts of interest with the Corporation. Key Persons will act ethically at all times in the pursuit of the mission of the Corporation. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Corporation and is not otherwise provided for in this Policy should be disclosed promptly to the Chair of the Committee. Each Key Person will comply with the letter and spirit of this Policy.

A Key Person may not take for him or herself personally opportunities related to the Corporation’s affairs; and may not use the Corporation’s property, information or position for personal gain.

The Corporation’s policy is to operate within the letter and spirit of applicable laws and regulations.

Key Persons are encouraged to bring questions about particular situations that may implicate one or more of the provisions of this Policy to the attention of the Chair of the Committee, who may consult with the other members of the Committee or with legal counsel as appropriate.

B. Interested Party Transaction.

A conflict of interest can occur when a Key Person's personal interests are adverse to – or may appear to be adverse to – the interests of the Corporation. Thus, for example, a conflict of interest will arise when the Corporation considers contract or transaction with a company in which a Key Person or other “Interested Person” (as defined below) has an economic interest.

“Interested Persons” include Key Persons, substantial contributors to the Corporation, founders of the Corporation, family members of any Key Person, founder or substantial contributor, and entities in which any of the foregoing persons (a) is a director, trustee, officer, or key staff member or committee member, or (b) has a substantial financial interest through ownership or management control.

Whenever any Key Person becomes aware that the Corporation is considering (or has considered) a transaction that potentially creates a conflict of interest with such Key Person or an Interested Person that is affiliated with or related to such Key Person, he or she will notify the Chair of the Committee or the Chair of the Board and will disclose all material facts relating to his or her interest in the transaction.

The Committee or the Board of Directors will determine whether an actual conflict of interest exists. The interested person will recuse him- or herself from the Committee's or the Board of Directors' determination. If the Committee or the Board of Directors finds that no conflict of interest exists, the minutes of the meeting will record the basis of the Committee's or the Board of Directors' determination.

If the Committee or the Board of Directors determines that a transaction would create a conflict of interest, the transaction is subject to approval in advance by the members of the Board of Directors or applicable committee who do not have a conflict with respect to the transaction. Any Key Person having a conflict of interest will recuse him- or herself from consideration of the transaction, *i.e.*, the interested Key Person may not vote on the transaction or be present when the vote is taken, and the interested Key Person may not be present during any discussion of the transaction other than to answer questions. Key Persons having a conflict of interest may be counted for the purpose of determining whether a quorum exists at the meeting even though they are temporarily absent while the transaction is considered.

In considering a transaction involving a conflict of interest the Board of Directors or relevant committee will consider whether the transaction in question is in the best

interests of the Corporation and is fair and reasonable to the Corporation at the time it is undertaken, and whether the Corporation can obtain a more advantageous transaction or arrangement with a disinterested person by gathering information on the costs of comparable transactions. The Board of Directors or committee will review available information regarding the cost or benefit of comparable transactions or arrangements, if any, in the course of determining whether the proposed transaction is fair and reasonable to Corporation.

C. Policy On Gifts

Conflicts of interest or other ethical issues may also arise when a Key Person receives personal benefits as a result of such person's position with the Corporation. The following policies govern the solicitation and receipt of gifts.

Solicitation of Gifts. No Key Person will request or solicit any gift or gratuity, or free services from any supplier to or sponsor of the Corporation, any person contracting or seeking to contract with the Corporation, or any potential recipient of a James Beard Foundation Award. This policy will not prevent any organization that is an Interested Person or a Close Associate (as defined below) of a Key Person from soliciting gifts or services in the routine pursuit of its business or not-for-profit purposes.

Receipt Gifts in General. Key Persons are expected to use good judgment in receipt of meals or other gifts or entertainment and will not take advantage of their relationship with the Corporation. Any business entertainment received should be modest in value and should not influence or appear to influence the decision of the recipient. Meetings with suppliers, sponsors, chefs and writers may include an aspect of entertainment, as long as the entertainment is of reasonable value, occasional frequency and customary in the work of the Corporation. The nature of meetings and entertainment should be in good taste and not in conflict with the Corporation's mission or reputation.

The foregoing reflects the Corporation's recognition that it is common practice within the culinary industry to provide complimentary meals, drinks and other items to professionals within the various culinary arts. Key Persons may have pre-existing personal and professional relationships with potential suppliers, sponsors, chefs and writers with whom the Corporation may enter into transactions or other mutually beneficial relationships. It is not the Corporation's intent to interfere with industry practice or a Key Person's professional and personal relationships that are independent of his or her affiliation of the Corporation, but Key Persons should not benefit inappropriately from his or her position within the Corporation or the appearance of undue influence on his or her judgment in matters concerning the Corporation.

D. James Beard Foundation Awards.

1. General. The James Beard Foundation Awards will be administered without favor or taint of personal interest, and with transparency, honesty and accountability. Participants in the James Beard Foundation Awards process will avoid any conflicts of interest or appearance of conflicts of interest. The following policies govern the James Beard Foundation Awards.

The Awards Committee is responsible for the administration of the James Beard Foundation Awards as set forth in the Charter of the Awards Committee. The Awards Committee administers the James Beard Foundation Awards through six subcommittees: the Chef and Restaurant Awards subcommittee, the Book Awards subcommittee, the Journalism Awards subcommittee, the Broadcast Media Awards subcommittee, the Design Awards subcommittee, and the Who's Who and Lifetime Achievement Awards. The Awards Committee will have a Conflicts Policy Subcommittee responsible for administering this Policy as set forth in this Section D. Each such subcommittee is referred to as an "Awards Subcommittee".

A "Close Associate" of a Key Person includes the Key Person's immediate family members, any business owned or controlled by the Key Person or in which the Key Person has a substantial financial interest, and any entity to which the Key Person owes a fiduciary duty to (for example as a result of being a director or trustee). Whether a Key Person's employer is a Close Associate will be determined in advance on a case-by-case basis by the Committee (taking into account issues such as the ownership of the employer by the Key Person).

2. Eligibility for Awards. A person who is a member of an Awards Subcommittee, and any Close Associates of such Member:

- will not be eligible to receive a James Beard Foundation Award administered by such Awards Subcommittee in any calendar year during which such Key Person was a member of such Awards Subcommittee.
- will be eligible to receive a James Beard Foundation Award administered by any other Awards Subcommittee.

Except as provide above, no Key Person or Close Associate of a Key Person will be eligible to receive a James Beard Foundation Award in any calendar year during which such Key Person serves as such. In no event will any Director, officer, or staff member who is a Key Person, or any of their Close Associates, be eligible to receive a James Beard Foundation Award in any calendar year in which such person serves as a Director, officer or staff member.

3. Communication. Key Persons who are not members of an Awards Subcommittee will not communicate with members of such Awards Subcommittee for the purpose of influencing any vote or nomination in respect of a James Beard Foundation Award administered by such Awards Subcommittee, *provided* that such communications are permitted among members of the Awards Committee, and *provided further* that this provision shall not prohibit oversight of the awards process by the Board of Directors and the Awards Committee. For example, a member of the Chef and Restaurant Awards Subcommittee may not discuss potential or actual candidates for the Book Awards with any member of the Book Awards Subcommittee; and a Director may not discuss any potential or actual candidate for a Journalism Award with any member of the Journalism Awards subcommittee unless that Director is a member of the Journalism Awards subcommittee. This provision does not prohibit oversight of the awards process by the Board of Directors and the Awards Committee.

4. Voting. Key Persons who are eligible to vote on any James Beard Foundation Award will not lose their ability to vote solely by reason of being a Key Person.

5. Receipt of Gifts and Gratuities by Members of Awards Subcommittees. If a Key Person who is a member of an Awards Subcommittee receives a gift or gratuity having a value in excess of \$100 from any person or entity who may be nominee for any James Beard Foundation Award administered by such Awards Subcommittee, such Key Person will (1) disclose such gift or gratuity to the Awards Subcommittee, and (2) recuse him- or herself from any discussion, vote or other action that the Awards Subcommittee may take in respect of the person or entity giving such gift or gratuity. These requirements will apply if the gift was received in the same calendar year as the discussion, vote or other action, and the immediately preceding calendar year. Each Awards Subcommittee will report annually to the Awards Committee on matters brought to its attention during the preceding year pursuant to this paragraph.

6. Administration of this Policy in Respect of the Awards Subcommittees. This Policy, as it applies to the Awards Subcommittees, will be administered by the Conflicts Policy Subcommittee of Awards Committee which shall consist exclusively of Directors. The Conflicts Policy Subcommittee is authorized to (a) receive reports and certifications made by members of the Awards Committee and any Awards Subcommittee under this Policy, and (b) interpret the provisions of this Policy in consultation with the Committee. The Conflicts Policy Subcommittee will report annually to the Board of Directors on matters considered by it during the preceding year pursuant to this paragraph.

E. Confidentiality.

Each Key Person may have access to information, which if revealed to outsiders, could be damaging to individuals, harmful to the interests of the Corporation or a source

of legal liability. Any information considered by the Board of Directors or any Committee or Awards Subcommittee will be held in the strictest confidence by all members of the Board of Directors, Committee or Awards Subcommittee, as the case may be, and will not be divulged by any such member to any outside party unless and until disclosed pursuant to appropriate authority.

F. Reporting; Certification.

Each Key Person will sign annually a statement which affirms that such person: (a) has received a copy of this Policy, (b) has read and understands this Policy, (c) agrees to comply with this Policy, (d) did not communicate with members of any Awards Subcommittee (except as permitted by this Policy) for the purpose of influencing any vote or other actions in respect of a James Beard Foundation Award during the period covered by the statement, and (e) in all other respects complied with this Policy during the period covered by the statement. Key Persons will disclose on an annual basis their employers and companies within the field of culinary arts and in which they and/or their family members have a financial interest.

G. Other Matters.

1. Failure to comply with any applicable laws, regulations or this Policy by any Key Person will be considered cause for removal or termination in the case of any employee.

2. If the Corporation enters into a transaction or arrangement that benefits a Key Person and does not comply with applicable laws, regulations or this Policy, then the Board of Directors will consider whether the transaction or arrangement was in the best interests of, and was fair and reasonable to, the Corporation at the time it was undertaken. If it is determined that the transaction was not in the best interest of or fair and reasonable to the Corporation, the Corporation may avoid the contract and/or require the Key Person to restore the Corporation to the financial position it would have been in if the transaction or arrangement had been undertaken in compliance with laws, regulations and this Policy. The Key Person may be required to make payments of cash or property to the Corporation in amounts equal to the value of the excess benefit he or she received plus interest.

3. The minutes of any meeting at which a conflict of interest transaction is considered will reflect that the Key Person made adequate disclosures, withdrew from consideration of the transaction and abstained from voting. The minutes will detail the terms of the transaction, the date the transaction was approved, the Directors or committee members present during the debate and who voted on the transaction, any data the Board of Directors or committee relied upon in determining that the transaction is

reasonable and in the best interests of the Corporation, how such comparability data was obtained, the disclosures made by the Key Person, and whether the Key Person otherwise participated in any discussions or proceedings (*i.e.*, to answer questions). As with all minutes, the minutes documenting a conflict of interest transaction must will be reviewed and approved by the Board of Directors or relevant committee at its next meeting.