

CKE RESTAURANTS, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

(AS AMENDED AND RESTATED EFFECTIVE NOVEMBER 24, 2010)

Introduction.

The Board of Directors of CKE Restaurants, Inc. (“CKE” or the “Company”) has adopted this Code of Business Conduct and Ethics (the “Code”) to ensure that all directors and employees at CKE conduct the business of CKE fairly, free of conflicts of interest, and in an ethical and proper manner. This Code represents the detailed standards and policies which must always be observed by you at CKE. You may have additional requirements because you are responsible for significant decisions affecting the conduct of CKE’s business. It is important that you know and understand these standards and policies, and acknowledge that you will comply with them.

It is the policy of CKE to conduct its business affairs fairly, free of conflicts of interest, and in an ethical and proper manner. Conduct that may raise questions as to CKE’s honesty, integrity or reputation, or activities that could cause embarrassment to CKE or damage to its reputation, are prohibited. Any activity, conduct or transaction that could create an appearance of unethical, illegal, or improper business conduct must be avoided.

The highest possible standards of ethical and business conduct are required of CKE employees and directors in the performance of their company responsibilities. It is the responsibility of every employee and director, and the policy of CKE to encourage its employees and directors, to ask questions, seek guidance, report suspected violations, or express their concerns regarding compliance with this Code.

Violations of this Code, including failures to report potential violations by others, will be viewed as a severe disciplinary matter that may result in adverse personnel action, including termination of employment. If you believe that a violation of this Code has occurred, please contact Charles A. Seigel III (the “Compliance Officer”) at cseigel@ckr.com. You may also contact the Audit Committee of the Board of Directors as follows:

- Email to auditcommittee@ckr.com; or
- If you are concerned about maintaining anonymity, you may send correspondence to the following private mailbox address at CKE Restaurants, Inc., Audit Committee, 6307 Carpinteria Avenue, Suite A, Carpinteria, CA 93013.

You may choose to remain anonymous in reporting any possible violation of this Code.

If you have any questions concerning the interpretation of any of the policies or about a situation that may not be addressed specifically by the Code, you should always feel free to consult with your supervisor, a Human Resources representative or CKE’s General Counsel.

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

A. Maintaining a Productive Work Environment.

(a) Discrimination. CKE is committed to maintaining an environment that is free of discrimination based on race, color, religion, gender, age, sexual orientation, national origin, disability or other factors that are unrelated to our legitimate business interests. It is our policy to apply fair and lawful human resource policies and practices in all aspects of employment, including recruiting, hiring, evaluation, training, discipline, career development, compensation, promotion and termination.

(b) Sexual Harassment. Sexual harassment is never tolerated. Examples of sexual harassment are:

(i) Requests for dates, sexual favors or other verbal or physical conduct of a sexual nature is made a condition of employment or used as the basis of employment decisions;

(ii) Unwelcome sexual advances, comments, actions, offensive jokes, slurs or other offensive verbal or physical behavior create an intimidating, offensive or hostile work environment; or

(iii) Any conduct that creates, encourages or permits an intimidating or otherwise offensive or hostile environment, including sexual advances, comments, and actions, as well as the use of slurs or jokes.

(c) Drug and Alcohol Abuse. You are expected to help maintain a work environment that is free from drug and alcohol abuse. You may not use, possess, manufacture or distribute illegal drugs on CKE property, whether owned or leased, or in CKE vehicles. Misusing controlled substances or being under the influence of alcohol or illegal drugs on the job is prohibited. Great care should be taken in serving alcohol at any CKE-sponsored events.

We expect our employees, when participating in functions at which alcohol is served, whether sponsored by CKE or by others, to use good judgment and to remember that, as employees of CKE, you represent our high values and standards. It is unacceptable for you to consume excessive amounts of alcoholic beverages at any event where you are representing CKE.

B. Conflicts of Interest.

You are obligated to act in the best interest of CKE when you are in a position to be influenced by personal gain or benefit for yourself, a family member, or both. It is very important to avoid any actual or apparent conflicts of interest in accordance with the policies below. Any time a conflict occurs or you are concerned one will occur, you should immediately discuss the matter with your supervisor and/or the Compliance Officer for guidance. The following paragraphs describe CKE's policies on certain common conflicts.

(a) Financial Interest. You should avoid financial conflicts of interest that are not approved by a disinterested majority of the Audit Committee or by a majority of disinterested members of the Board of Directors. The following two situations are common financial conflicts of interest:

(i) Any ownership or similar interest (other than nominal amounts (1% or less) in publicly traded companies) by you or an immediate relative (that is, your child, stepchild,

grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships), anyone (other than domestic employees) who shares your home and those with whom you have a close personal relationship in a vendor, supplier, competitor or contractor. Any such interest must be disclosed to the Audit Committee.

(ii) **Borrowing or being financially indebted to a competitor or supplier of goods and services to CKE, other than conventional loans from lending institutions or typical consumer debt generally available to non-CKE employees.** Any such relationship should be disclosed to the Audit Committee. CKE will not extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any director or executive officer.

(b) **Bribery.** Giving or accepting gifts that equal more than the amount that would be considered customary courtesies may be deemed a bribe. Bribes are strictly prohibited by law and against CKE policy. A bribe can expose a person to criminal penalties. CKE payments (regardless of amount) or gifts or entertainment of any value to governmental officials and other governmental personnel of any local, state, or federal governmental agency or department are not permitted.

If confronted with a demand for a payment, gift, entertainment or the like, you must inform the Compliance Officer.

(c) **Arms-Length Transactions with Vendors and Suppliers.** Transactions with vendors and suppliers must be carried out on an arms-length basis. This means conditions should exist for competitive, willing buyer and willing seller transactions. Decisions should be made on the basis of quality, price, availability and service. All vendors and suppliers should be dealt with fairly, honestly and openly. This policy extends to all services provided to CKE as well as goods used by CKE. In addition, if the representative for the vendor or supplier is a former CKE employee, family member or close personal friend, you should disclose this information to your supervisor.

(d) **Personal Use of Suppliers, Contractors and Professional Service Providers.** You must avoid the receipt of any personal benefit from a supplier, contractor, or professional service provider to the Company arising from your employment by, or position with, CKE. Therefore, you must be especially careful when personally using the services or purchasing the goods of a person or entity that does or seeks to do business with CKE. To avoid the appearance of a conflict of interest, fair value must be paid for those services or goods. "Fair value" refers to the price that would generally be charged to the public for those goods or services. If the goods or services have a fair value in excess of U.S. \$5,000, you must obtain the written consent of the Compliance Officer prior to your purchase of the goods or use of the services. You do not need to obtain prior approval of (i) goods or services that are offered to the general public based on a published rate schedule, such as airline flights, or (ii) goods or services that are made available to CKE employees through a program organized by CKE for the benefit of its employees.

(e) Gifts/Gratuities/Travel/Entertainment.

(i) It is recognized that vendors and suppliers will, from time to time as part of their marketing and business activities, provide (1) certain opportunities such as trips or outings with a representative of the supplier or vendor, at the expense of the supplier or vendor, (2) tickets to athletic, artistic or other similar events, (3) holiday gifts in celebration of the holiday, and (4) meals and other customary entertainment expenses where a representative of the vendor or supplier is present. The foregoing may be accepted by an employee as long as doing so does not result in any violation of item (c) above.

(ii) It is generally prohibited to solicit or accept any loans, or gifts, gratuities, or trips, other than as provided in item (e)(i) above, from a supplier or vendor. In furtherance of this prohibition:

- You must not give or accept any “gift of value” which might indicate in any manner an intent to influence normal business relationships with vendors, suppliers, customers or competitors. **As a guideline, a “gift of value” is defined as a non-cash gift exceeding \$100.00 in value.** A gift of value in excess of \$100.00 may only be made or accepted if it falls under item (e)(i) above or is otherwise pre-approved by the Compliance Officer as being appropriate given the overall circumstances. A gift of value may be in the form of services, valuable privileges, vacations or pleasure trips, loans (other than conventional loans from lending institutions or typical consumer debt generally available to non-CKE employees), and excessive entertainment.
- Under no circumstances is a gift of cash or other form of money allowed.

(f) Company Sponsored Events. There may be occasions where CKE, as a company, solicits certain items from other persons or organizations in support of special company-sponsored events. In these circumstances, solicitations may only be made in furtherance of the event and for no other reason. All solicitations must be coordinated with the person or persons designated by senior management to be responsible for coordinating the special events.

(g) Outside Activities. A conflict of interest may exist if outside activities (for example, “moonlighting” work (with a vendor, supplier or otherwise), community service, or charitable activity) prevents you from giving the necessary time and effort to your job. A conflict of interest may also exist if an immediate relative is employed by a vendor, supplier, competitor, or contractor. Special care must be taken to respect the loyalty and confidentiality you both owe to your respective employers. To avoid appearance of conflict, any such activity or relationship should be disclosed to the Audit Committee and approved by a disinterested majority of the Audit Committee or a majority of the disinterested members of the Board of Directors.

Examples of “moonlighting” would be a cook at one of CKE’s restaurants who owns a janitorial service company providing cleaning services to the restaurant or a restaurant manager who provides consultant services to the restaurant industry.

(h) Competition with CKE. You may not compete with CKE in (i) any business or activity in which CKE is engaged or in (ii) purchasing, selling or leasing property. You must

disclose to the Audit Committee a substantial financial interest that you or any member of your family has in any person or organization that competes with CKE.

C. Diversion of Corporate Opportunity.

You may not take personal advantage of opportunities that are presented to you or discovered by you as a result of your position with CKE or through use of CKE property or information, unless authorized by a disinterested majority of the Audit Committee or by a majority of disinterested directors. You cannot use your position with CKE or CKE property or information for improper personal gain. You should not take for yourself, or divert to another person or company, a business or financial opportunity which you know, or could reasonably anticipate, CKE would have an interest in pursuing unless doing so is approved by a disinterested majority of the Audit Committee or by a majority of disinterested members of the Board of Directors.

D. Company Confidentiality.

(a) Confidential and Proprietary Information.

(i) *CKE Information.* You must not disclose any CKE confidential or proprietary information or trade secrets to persons outside of CKE, except as specifically authorized by management pursuant to established policies and procedures. This confidential or proprietary information includes non-public business, financial, personnel or technological information, plans, data, pricing and sales information, food and beverage processes, recipes and the like, and other processes or systems related to any portion of CKE's business operations that you have learned, generated or acquired during your employment with CKE. This prohibition extends indefinitely beyond your employment with CKE. The use of any CKE confidential or proprietary information or trade secrets for personal benefit is prohibited.

(ii) *Other Companies' Information.* You must not solicit, receive or use any confidential or proprietary information or trade secrets belonging or relating to any supplier, vendor, competitor, contractor, consultant, former employer or other person or entity, except as may be lawfully received from the owner or an authorized third party.

E. Insider Trading.

Directors, officers, and employees who have access to confidential information relating to the Company are not permitted to use or share that information for purposes of trading in securities, including trading in the stock of another publicly listed company, or for any other purpose except the conduct of the Company's business. All non-public information about the Company should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical and against Company policy but it is also illegal. Directors, officers, and employees also should comply with insider trading standards and procedures adopted by the Company. If a question arises, the director, officer, or employee should consult with the Company's Compliance Officer. For more information, please refer to the Company policy entitled "CKE Restaurants, Inc. Securities Trading Guidelines."

F. Fair Dealing.

(a) Franchisee Relationships. CKE was built by helping franchisees achieve prosperity in a positive business relationship with CKE. CKE did this by treating them with fairness and honesty, through good times and difficult ones. Treating its franchisees right continues to be a key to CKE's success, and is the responsibility of all employees.

(b) Supplier Relationships. As the owner of the first Carl's Jr. restaurant, Carl Karcher knew the importance of building strong relationships with suppliers. CKE still does. CKE treats its suppliers honestly and fairly.

(c) Sharing Information. CKE's suppliers and franchisees entrust CKE with confidential information, which CKE may not disclose without their written permission. CKE will not, and CKE expects that you will not, use any illegal methods to gather information about other companies. CKE respects the proprietary rights of others, including patents, copyrights and trademarks. Stealing trade secret information, or persuading past or present employees of other companies to disclose trade secrets, is prohibited. CKE will protect employee information and restrict it solely to those with a need to know for legitimate business purposes.

(d) Competitor Relationships. CKE respects the rights of competitors, and CKE will act fairly toward them in the marketplace. You are expected to also respect the rights of competitors, and to act fairly toward them in the marketplace. You should strive for competitive advantages through superior research, marketing, execution, quality and service; never through unethical or questionable business practices. CKE does not, and expects that you will not, engage in unfair or illegal trade practices.

(e) Antitrust – Open Competition. U.S. antitrust laws exist to promote fair and open competition. In general, certain conduct, including discussions, agreements or informal understandings between CKE and any actual or potential competitor or supplier may constitute an antitrust violation if it is likely to reduce or restrict competition. There are similar laws in other countries in which CKE operates, and these guidelines apply worldwide.

You may NOT agree with any actual or potential competitors or suppliers to:

- (i) Fix prices on merchandise or services to be bought or sold by CKE;
- (ii) Fix other terms or conditions of sale, such as discounts or promotions;
- (iii) Divide or allocate customers, markets, or territories of competing products, services or suppliers;
- (iv) Boycott goods or services; or
- (v) Not compete.

You should not discuss these topics with competitors or suppliers. If they raise these topics with you, you should end the discussion and contact the General Counsel. Trade associations are a valuable forum for discussing trends in the industry. Since participation in these associations often involves meetings and discussions with competitors, you must be careful to avoid any conduct at trade association meetings that may be, or appears to be, a violation of antitrust laws. Under no

circumstance does the prohibited conduct described above become legal because it occurs through your participation in a trade association meeting.

G. Company Property.

(a) Books and Records. Federal and state laws require, and it is CKE's policy, that CKE's business records (including time sheets, expense reports, invoices, supporting documentation and benefit plan information) be prepared accurately, reliably, and in a timely manner. It is very important that no employee create or participate in the creation of (or falsification or alteration of) any CKE records which are intended to mislead anyone or conceal anything improper.

Company books and records should be maintained in confidence, safeguarded from loss and destruction, and subjected to internal control and audit procedures. You should always be honest and straightforward when dealing with internal or outside auditors with respect to CKE's transactions, records, accounts, and financial statements.

(b) Improper Use of Company Assets. Company property may not be used for personal benefit or other improper uses. No Company property (tangible or intangible) may be sold, loaned, used, given away or disposed of without written authorization from the department head with budgetary responsibility for the property. Unauthorized copying of software, tapes, books and other documents, which are legally protected, is prohibited. In cases where the department head initiates the transaction, authorization should come from his or her immediate supervisor.

Company property must be safeguarded from loss, damage or theft. Abusing, destroying, damaging or defacing company property, tools, equipment or property of others is prohibited.

(c) Information Technology Assets. As a CKE director or employee you must:

- (i) Protect computer hardware from loss, theft or damage;
- (ii) Protect computer software and company data against unauthorized access;
- (iii) Reduce risk of computer viruses;
- (iv) Comply with federal and state copyright laws, which provide copyright owners with exclusive rights against misuse of their proprietary programs, files, and databases, including making copies of software for non-back up purposes, violations can result in civil and criminal penalties for CKE and the employee;
- (v) Limit personal use of company computer hardware and software; and
- (vi) Responsibly use the company-wide electronic mail system.

Abuse of these guidelines is prohibited and an employee may be subjected to disciplinary action.

(d) Company Funds. You are responsible for company funds under your control. Funds should be spent for valid business purposes only at prices representing the best value to CKE. Approval of payment should occur only if these two criteria are met. Specific authority limits are

established within each department. Please discuss these limits with your department head to ensure compliance.

H. Compliance with Laws.

You must obey all federal, state and local laws and regulations while conducting business on behalf of CKE. Many examples of laws are referenced in this Code, but there are many other laws which apply to CKE and each of us, including, for example, environmental laws, franchise laws, liquor laws, employment laws, product safety laws, advertising laws, etc.

You should not knowingly enter into transactions that would violate any laws or regulations. If you have a question as to the legal validity of an action, you should discuss the matter with the Compliance Officer.

I. Government Relations.

(a) Political Activity. CKE encourages all directors and employees to vote and be active in the political process. CKE does not in any way restrict your right to participate personally in political activities or to use personal funds for political purposes. Any personal political contributions will not be reimbursed. If you choose to hold public office, either by election or appointment, you must take into account the demands on your time and whether that or any other aspect of the office has any potential for actual or apparent conflict of interest, and you must disclose your intent to pursue such office in advance to your supervisor. Additionally, federal and many state laws restrict the use of corporate funds, assets and time in connection with federal and state elections. Any use of corporate facilities or other assets for the benefit of political candidates or parties must both be in compliance with all applicable laws and approved in advance by the Compliance Officer.

(b) Foreign Corrupt Practices Act (“FCPA”). CKE, and the law, prohibit giving and/or offering money or anything of value to a foreign governmental official, agency, political party, party official or candidate under any circumstances which appears that such items were offered or given to induce the recipient to give CKE business, purchase CKE’s products or otherwise benefit CKE’s business in their country. The FCPA, as well as CKE policy, prohibits bribing a governmental official or any other form of commercial bribery.

J. Financial Reporting and Disclosure.

It is essential to the accuracy of CKE’s financial reporting that CKE’s books and records accurately and honestly reflect all transactions. The results of operations of CKE must be recorded in accordance with legal requirements and generally accepted accounting principles. All entries must be supported by proper documentation. Examples of CKE records include financial statements, travel and expense reports, purchase and sale documentation and internal management reports.

You may not misrepresent or omit any transaction that would lead to an improperly recorded asset, liability, revenue or expense. Further, you may not cause funds either to be disbursed from or received in a location other than the proper tax jurisdiction.

You are expected to comply with CKE’s internal reporting procedures so that CKE’s public disclosures may be made timely and in a full, fair and accurate manner. If you have any questions

regarding these procedures, please contact the Chief Financial Officer or the Chief Accounting Officer.

You may not directly or indirectly mislead or fraudulently influence CKE's independent accountants in the performance of their audit or review of CKE's financial statements.

ADMINISTRATION OF THE CODE

This Code is administered by the Compliance Officer. All requests for interpretation of any provision of this Code, and questions concerning this Code should be submitted in writing to the Compliance Officer, unless stated otherwise in this Code. Responses, if necessary, will also be made in writing. All disclosures required by this Code shall be made promptly and should be made on the form of Disclosure Statement attached to this Code. This Disclosure Statement should be submitted to the Compliance Officer and all members of the Audit Committee. All references in this Code to disclosure to the Audit Committee shall mean written disclosure to all members of the Audit Committee or discussion at a meeting in which a majority of the members of the Audit Committee are present.

From time to time, you will be required to review this Code and acknowledge in writing your understanding and compliance with this Code.

At any time, the Board of Directors may supplement or amend this Code for a particular department by issuing in writing more specific and/or stringent guidelines on any of the standards or policies in this Code, and if you are a member of that department, you shall be obligated to comply with those more specific and/or stringent guidelines.

OUR RESPONSIBILITIES

Each of us at CKE is responsible for conducting ourselves in a manner that upholds CKE's standards and values. We are all accountable for our business conduct, must obey the laws which apply to our business, and must live up to the standards and values expressed in this Code. Your actions will be reviewed under this Code and applicable laws. If you do not act according to this Code and applicable laws, you may be subject to disciplinary action including suspension, reduction in salary, demotion, or termination. We at CKE cannot and will not compromise compliance with this Code or applicable laws to meet financial plans or maximize profits.

In addition to company disciplinary actions, violations of many provisions of this Code are against the law and may subject a violator and/or CKE to severe penalties, fines or other consequences.

You have a responsibility to comply with the procedures set forth on the first page of this Code with respect to the prompt notification of the appropriate parties of any violations of this Code. As previously stated, you will not be subject to reprisals for reporting, in good faith, actions you feel violate this Code. CKE further expects you to fully cooperate in any investigation of an alleged violation or other business conduct.

Any waiver of this Code for executive officers or directors may be made only by the Board of Directors or by the Audit Committee, either at a meeting in which a majority of the members thereof are present or by unanimous written consent, and must be promptly disclosed to the

stockholders. All other waivers must be obtained from CKE's Compliance Officer identified in the "Introduction" to this Code on the first page hereof or as otherwise provided within this Code. Any prior approvals provided for in the Code shall be obtained from the Compliance Officer unless otherwise provided.

**CODE OF BUSINESS CONDUCT AND ETHICS
DISCLOSURE STATEMENT**

Name:

Employee ID number:

Please explain the basis of your disclosure below. Please use additional paper as needed.

Signature

Date