

**RUSS BERRIE AND COMPANY, INC.  
CODE OF ETHICS FOR  
PRINCIPAL EXECUTIVE OFFICER  
AND  
SENIOR FINANCIAL OFFICERS**

**1. Introduction**

The Board of Directors (the “Board”) of Russ Berrie and Company, Inc. (the “Company”) has adopted the following Code of Ethics (the “SFO Code”) for its principal executive officer, principal financial officer and controller (“Senior Financial Officers”). This SFO Code is intended to provide guidance to Senior Financial Officers in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, foster a culture of honesty and accountability, deter wrongdoing and promote fair and accurate disclosure and financial reporting.

No code or policy can anticipate every situation that may arise. Accordingly, this SFO Code is intended to serve as a source of guiding principles. Senior Financial Officers are encouraged to bring questions about particular circumstances that may involve one or more of the provisions of the SFO Code to the attention of the Chairman of the Audit Committee of the Board.

This SFO Code is intended to supplement the Company’s Code of Business Conduct and Ethics, which applies to all employees, officers and directors of the Company, including, but not limited to, Senior Financial Officers.

**2. Conflicts of Interest**

Senior Financial Officers must perform their duties ethically and honestly and with the highest sense of integrity. This requires the avoidance of actual or apparent conflicts of interest between personal and professional relationships. A “conflict of interest” occurs when a Senior Financial Officer’s private interest interferes in any way (or even appears to interfere) with the interests of the Company as a whole. A conflict situation can arise when a Senior Financial Officer takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest also arise when a Senior Financial Officer, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, Senior Financial Officers and their family members may create conflicts of interest.

Conflicts of interest are prohibited as a matter of Company policy. Because conflicts of interest may not always be clear-cut, if you have a question, you should consult with the Company’s General Counsel. Any Senior Financial Officer who becomes aware of a conflict or potential conflict should promptly

bring it to the attention of the Chairman of the Audit Committee of the Board and the General Counsel of the Company.

### **3. Disclosure**

The Senior Financial Officers are responsible for full, fair, accurate, timely and understandable disclosure in Company filings with and submissions to the Securities and Exchange Commission and in the Company's public communications; therefore, Senior Financial Officers must familiarize themselves with the disclosure requirements applicable to the Company. Diligence in the accurate preparation of the Company's records is mandatory for the Company to fulfill its financial, legal and reporting obligations. In connection therewith, Senior Financial Officers may not knowingly misrepresent facts in the preparation of such records. A knowing misrepresentation includes, but is not limited to, making or directing another to make false or misleading entries in the Company's financial statements or records, failing to correct false or misleading financial statements or records, or executing or directing another to execute a document containing false or misleading information. Senior Financial Officers may not take any action or direct any person to take any action to influence, coerce, manipulate or mislead the Company's independent auditors for the purpose of rendering the Company's financial statements misleading. Senior Financial Officers must at all times comply with the Company's disclosure controls and procedures and internal controls, as each may be amended from time to time.

### **4. Compliance with Applicable Rules and Regulations**

It is the policy of the Company to comply with all applicable laws, rules and regulations. It is the responsibility of each Senior Financial Officer to be familiar with the legal and regulatory requirements applicable to their business responsibilities and to adhere to the standards and restrictions imposed thereby, including, but not limited to, those relating to accounting and auditing matters. Any Senior Financial Officer who is unsure if a particular situation may violate any applicable law, rule or regulation must discuss the matter with the General Counsel of the Company.

### **5. Reporting of Violations**

Senior Financial Officers should communicate any suspected violations of the SFO Code promptly to the Chairman of the Audit Committee of the Board and the General Counsel of the Company. The Company will not allow retaliation for reports made in good faith, and such reports may be made on an anonymous basis. Potential violations will be investigated by the Audit Committee of the Board (or by a person designated thereby), which will submit a report to the Board of its findings in connection with any such investigation. Appropriate disciplinary action, up to and including termination, will be taken in the event of any violation of the SFO Code.