

THE STEAK N SHAKE COMPANY
WHISTLEBLOWER POLICY –
FOR USE IN REPORTING ILLEGAL
OR UNETHICAL BEHAVIOR

The Steak n Shake Company (the “Company”) “Whistleblower Policy” applies solely to reports of violations or suspected violations of the Company’s Code of Conduct (the “Code”). Any concern or complaint relating to harassment, discrimination, pay, benefits, or any other employment-related matter should be reported via the Company’s “Employee Concern” hotline at 1-888-989-7444. Guest complaints, comments, or feedback should be reported to the Company by calling 1-877-STKNSHK (1-877-785-6745) or by visiting www.steaknshake.com.

A. REPORTS OF VIOLATIONS OF THE CODE.

Every director, officer and Associate has a duty to adhere to the Code and to report to the Company any suspected violations. A copy of the Code is available on the Company’s website or in the Company’s Administration Manual. You may also obtain a copy of the Code from the Company’s Director of Corporate and Employment Law at the address below. All violations or suspected violations of any law, regulation, rule or the Code should be reported, and may be reported on a confidential or anonymous basis to the Company’s Director of Corporate and Employment Law via the following means:

By Telephone: (317) 655-7320

By Mail: Barry Paige
Director of Corporate and Employment Law
The Steak n Shake Company
36 South Pennsylvania Street
Suite 500
Indianapolis, IN 46204

By Email: barry.paige@steaknshake.com

or via the Whistleblower Hotline at (877) 914-4999.

Reports of any violations or suspected violations of any law, regulation, rule or the Code may also be made to the Company’s outside counsel on a confidential or anonymous basis at:

Michael C. Pallesen
Cline Williams Wright Johnson & Oldfather, L.L.P.
1125 South 103rd Street, Suite 320
Omaha, NE 68124
Phone: (402) 397-1700
Email: mpallesen@clinewilliams.com

While you are free to report any violations of law or this policy to Michael C. Pallesen, if your complaint concerns harassment, discrimination, your employment, pay or benefits and does not involve upper corporate management, you should report your concern through the Company's "Employee Concern" hotline at 1-888-989-7444.

Michael C. Pallesen will report complaints directly to the Company's Audit Committee. Further, the Company is legally obligated to report any concerns or complaints to the Audit Committee.

B. REPORTS OF QUESTIONABLE ACCOUNTING, AUDITING OR DISCLOSURE PRACTICES.

Any concerns regarding questionable accounting, auditing or disclosure practices of the Company should be reported to the Company's Audit Committee at the following address:

Audit Committee
c/o Director of Corporate and Employment Law
36 South Pennsylvania Street
Suite 500
Indianapolis, IN 46204

or via the Whistleblower Hotline at (877) 914-4999.

Concerns regarding the Company's auditing, accounting, or disclosure practices may also be made to the Company's outside counsel on a confidential or anonymous basis at:

Michael C. Pallesen
Cline Williams Wright Johnson & Oldfather, L.L.P.
1125 South 103rd Street, Suite 320
Omaha, NE 68124
Phone: (402) 397-1700
Email: mpallesen@clinewilliams.com

Michael C. Pallesen will report any complaints directly to the Company's Audit Committee. Further, the Company is legally obligated to report any concerns regarding accounting, auditing or disclosure matters to the Audit Committee's attention.

C. MAINTENANCE OF CONFIDENTIALITY

Confidentiality is a priority and every effort will be made to protect it. The Company may be required by law or necessity to reveal the identity of a complainant or it may be impossible to keep one's identity confidential (for example, if the Company is investigating retaliation complaints which require interviews of all witnesses). Complainants wishing to maintain anonymity should call the Whistleblower Hotline (877) 914-4999 or send an anonymous letter to the Company's Director of Corporate and Employment Law or the Company's outside counsel.

D. RESPONSE TO COMPLAINTS OR INQUIRIES

The Company will use its best efforts to provide a prompt response to all questions and reports. If a call requires an investigation, the Company will do so promptly and take the appropriate corrective action. When possible, the Company will provide those making a complaint with the status of its investigation and the outcome.

E. RETALIATION IS PROHIBITED

Retaliation by any officer, Associate, director or agent of the Company against any individual who seeks advice, raises a concern, reports misconduct or any violation of law, regulation or the Code, or uses this Whistleblower Policy is strictly prohibited and will not be tolerated. The Company will take appropriate action against any individuals engaging in retaliatory conduct against any person who has reported such a violation or otherwise used this Whistleblower Policy. Retaliatory actions include suspension or termination of employment, demotion, threats, harassment or any other form of discrimination. This “anti-retaliation” policy is not intended to protect a person who is involved in wrongdoing about which he or she is making a report or to protect any person who intentionally makes a false report, however.

Any alleged retaliation for using this Whistleblower Policy should be reported to the Company’s Director of Corporate and Employment Law immediately at (317) 655-7320 or at the address set forth above. Reports of retaliation may also be made to the Whistleblower Hotline at (877) 914-4999, to the Company’s Audit Committee, or to the Company’s outside counsel at the addresses set forth above. Complaints should be as detailed as possible, including the names of individuals involved, the names of any witnesses, and any documentary evidence.

The Company will promptly undertake and direct an effective, thorough and objective investigation of all allegations of prohibited retaliation. The investigation will be completed in a timely manner and a determination regarding the alleged retaliation will be made and communicated to the person who complained and to the person(s) accused of retaliation. Based on the results of the investigation, the Company will take appropriate action to rectify any violations of this Whistleblower Policy including, but not limited to, disciplining (up to and including discharge) any person who engages in prohibited retaliation. The Company will also take action to deter any future retaliation. Whatever action is taken against the person responsible for the retaliation will be communicated to the party who complained.