

RUBY TUESDAY

SIMPLE FRESH AMERICAN DINING

**RUBY TUESDAY, INC.
CODE OF ETHICAL CONDUCT FOR FINANCIAL PROFESSIONALS
ADOPTED JANUARY 8, 2003, REVISED SEPTEMBER 18, 2006**

I. INTRODUCTION

Purpose

The purpose of Ruby Tuesday, Inc.'s, its subsidiaries and affiliates ("RTI" or the "Company") Code of Ethical Conduct for Financial Professionals (the "Code") is to (1) provide basic principles to which Financial Professionals (defined below) are required to adhere and to advocate; and (2) ensure compliance with legal requirements, including Section 406 of the Sarbanes-Oxley Act of 2002 and rules promulgated by the Securities and Exchange Commission (the "SEC"). This Code embodies rules regarding individual and peer responsibilities, as well as Financial Professionals responsibilities to RTI, the public, RTI shareholders and other stakeholders. The Code recognizes that Financial Professionals hold an important and elevated role in corporate governance and that Financial Professionals are uniquely capable and empowered to ensure that stakeholders' interests are appropriately balanced, protected and preserved.

This Code contains written standards reasonably designed to deter wrongdoing and to promote:

- (1) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (2) full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the SEC and in other public communications made by the Company;
- (3) compliance with applicable governmental laws, rules and regulations;
- (4) prompt internal reporting of violations of this Code to an appropriate person or persons at the Company; and
- (5) accountability for adherence to this Code.

Important Information

You are encouraged to read this Code carefully. As a Financial Professional of RTI, it is your responsibility to be familiar with these policies. Any failure to follow the guidelines outlined in this Code could result in disciplinary action, up to and including termination of your employment by RTI, and/or possible exposure to civil and criminal penalties under federal and state laws. In addition, as a result of improper conduct, RTI may be subjected to prosecution and significant penalties.

This Code is not a contract of employment and does not create any contractual rights of any kind between RTI and any employee or officer. The Code and its contents may be modified and changed, with notice, at any time by RTI.

II. DEFINITION OF FINANCIAL PROFESSIONAL

RTI's Chief Executive Officer, Chief Financial Officer, controller/principal accounting employee, principal employee regarding tax matters, principal employee regarding unit accounting matters, principal employee regarding communication with shareholders or potential investors and any financial/accounting employee who makes quarterly certification to the company's Chief Financial Officer and/or Chief Executive Officer regarding the Company's financial statements (or any component thereof) shall be considered Financial Professionals subject to this Code. In addition, RTI's Chief Financial Officer shall determine from time to time, in his or her discretion, which other RTI employees are "Financial Professionals" and, therefore, subject to this Code.

III. INCORPORATION OF CODE OF BUSINESS CONDUCT AND ETHICS

RTI's Code of Business Conduct and Ethics is incorporated herein by reference as if fully set forth and is fully applicable to each Financial Professional. Each Financial Professional has received, read and understands RTI's Code of Business Conduct and Ethics.

IV. PRINCIPLES OF THE CODE

Each Financial Professional certifies that he or she will adhere to and advocate the following principles and responsibilities governing his or her professional and ethical conduct and will, to the best of his or her knowledge and ability:

1. act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships;
2. provide constituents with information that is accurate, complete, objective, relevant, timely and understandable;
3. comply with rules and regulations of federal, state, provincial and local governments, and other appropriate private and public regulatory agencies;

4. assure that all materials prepared or reviewed by the Financial Professional which are contained in Company financial statements are presented fairly and the information contained therein conforms, in all material respects,* with accounting principles generally accepted in the United States of America;

5. act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing his or her independent judgment to be subordinated;

6. respect the confidentiality of information acquired in the course of his or her work except when authorized or otherwise legally obligated to disclose;

7. not use confidential information acquired in the course of work for personal advantage;

8. share knowledge and maintain skills important and relevant to his or her constituents' needs;

9. proactively promote ethical behavior as a responsible partner among peers in the work environment and community; and

10. achieve responsible use of and control over all assets and resources employed or entrusted to the Financial Professional.

V. IMPLEMENTATION OF THE CODE OF CONDUCT

Acknowledgement of the Code

As a condition of employment or continued employment, any Financial Professional may be asked to sign two copies of the attached Acknowledgement, which states:

"I have received and read the Ruby Tuesday, Inc. Code of Ethical Conduct for Financial Professionals. I understand that the Code represents the policies of Ruby Tuesday, Inc."

One copy of the Acknowledgement is to be retained by you for your own files, and the second copy will be placed in your permanent personnel file with RTI.

Reporting Violations

In the event you believe that you are aware of, have observed or have participated in, any conduct or practices that you believe are in violation of any provision of this Code, any law, rule or regulation, or otherwise unethical, inappropriate or improper, you should immediately report the matter to a supervisor, RTI's Director, Internal Audit, RTI's Chief Financial Officer, RTI's General Counsel, each at 865-379-5700, or call the Whistleblower Hotline at 1-877-684-7659. If you believe that any person to whom you have so reported a violation has not taken appropriate

* Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

action, you must contact RTI's Director, Internal Audit at 865-379-5700 or the Chair of RTI's Audit Committee directly. You may contact the Chair of RTI's Audit Committee through RTI's Director, Internal Audit, RTI's Chief Financial Officer or RTI's General Counsel, each at 865-379-5700 (facsimile 865-379-6817 or 865-379-6826), or call the Whistleblower Hotline at 1-888-525-5380. The fact that you reported the violation, together with the degree of cooperation displayed by you and whether the violation was willful or unintentional, will be given consideration by RTI in any resulting disciplinary action. It is required that you give your identity when reporting suspected violations to allow RTI to contact you in the event further information is needed to pursue an investigation. RTI will not allow retaliation for any reports made to RTI in good faith. If you have any questions about this Code or any concerns as to whether certain conduct may be wrong, illegal or unethical, or if a situation is difficult or confusing to you, you are encouraged to discontinue any action and immediately request assistance by contacting your supervisor, manager or one of the persons named above.

Reports may be made orally, but it is preferred that they are made in writing and delivered by hand or by mail. Reports may be mailed to RTI's Director, Internal Audit, RTI's Chief Financial Officer, or RTI's General Counsel at: 150 West Church Avenue, Maryville, Tennessee 37801; may be made by facsimile to the facsimile number established for this purpose: 865-379-6817; or by telephone at: 865-379-5700.

Waivers

Only a majority of the independent directors of RTI's Board of Directors (or a committee thereof) has the sole authority to waive any provision of this Code, and all waivers of the Code for directors or executive officers must be promptly and accurately disclosed to the shareholders of RTI.

Coordination with Policy Related to Accounting, Auditing and Internal Control Matters (AKA "Whistleblower Policy")

The Audit Committee of Ruby Tuesday, Inc. maintains a Whistleblower Policy for the purpose of receiving reports of any activity that may involve erroneous accounting or auditing practices, or non-compliance with RTI's internal accounting controls. Financial Professionals are encouraged to review the entire Whistleblower Policy located on the RTI WOW Web. Under the Whistleblower Policy, any employee or interested party may make a report concerning erroneous accounting or auditing practices, or non-compliance with RTI's internal accounting controls, on a confidential or anonymous basis. Financial Professionals desiring to make a report under the Whistleblower Policy should follow the procedures for reporting set forth therein. The whistleblower hot-line is 1-888-525-5380.

Investigations of Violations

All investigations will be coordinated by RTI's Director, Internal Audit, and, as necessary, with RTI's legal counsel. Employees are expected to fully cooperate in the investigation of any alleged violation of the Code.

No Retaliation

No person reporting a violation or suspected violation will be made to suffer public embarrassment or be subject to retaliation because of any good faith reporting. Any employee of RTI who attempts or is responsible for reprisals against individuals, who in good faith reported known or suspected violations, will be subject to disciplinary action. However, the submission of reports which are known to be false constitutes a violation of the Code and will result in stern disciplinary action.

Availability of the Code

All Financial Professionals will receive a personal copy of this Code. If at any time you need an additional copy of the Code, please contact your supervisor or RTI's Director, Internal Audit, and that person will promptly provide you with another copy.

Questions Regarding the Code

If you have a question concerning the Code or RTI's policies and procedures, if you feel the need to seek guidance with respect to a legal or ethical question, or if you wish to report a violation of the law or this Code, we strongly encourage you to consult either your manager, supervisor, RTI's Director, Internal Audit, RTI's Chief Financial Officer, or RTI's General Counsel each at 865-379-5700, or call the whistleblower hot-line at 1-888-525-5380.

ACKNOWLEDGEMENT

I have received and read the Ruby Tuesday, Inc. Code of Ethical Conduct for Financial Professionals. I understand that the Code represents the policies of Ruby Tuesday, Inc.

Date: _____

Signature: _____

Printed Name: _____

Position/Title: _____

THIS COPY TO BE RETAINED BY THE EMPLOYEE.

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