

**RUSS BERRIE AND COMPANY, INC.  
CRITERIA AND PROCEDURES WITH RESPECT TO  
SELECTION AND EVALUATION OF DIRECTORS  
AND  
COMMUNICATIONS WITH THE BOARD OF DIRECTORS**

**1. SHAREHOLDER RECOMMENDATION POLICY**

The Nominating/Governance Committee will consider qualified candidates for director who are recommended by the Company's shareholders in written submissions to the Corporate Secretary, 111 Bauer Drive, Oakland, New Jersey 07436. Written submissions of recommendations from a shareholder must be received at least 120 days before the date of release of the Company's proxy statement to shareholders in connection with the previous year's annual meeting (or if the current meeting has been moved by more than 30 days from the previous year's meeting, or if no annual meeting was held during the previous year, at least 120 days before the date of release of the Company's proxy materials in connection with the current year's annual meeting) to be considered for the current year's annual meeting, and should include the nominee's qualifications and other relevant biographical information, including age, employment history with employer names and a description of the employer's business, whether such individual can read and understand basic financial statements and board memberships (if any). The submission must be accompanied by a written consent of the individual to stand for election if nominated by the Board of Directors and to serve if elected by the stockholders. Recommendations received after the 120 day period specified above will be considered for nomination at the next succeeding annual meeting of stockholders. The Nominating/Governance Committee will consider director candidates recommended by stockholders provided the procedures set forth above are followed by stockholders in submitting recommendations. The Nominating/Governance Committee does not intend to alter the manner in which it evaluates candidates based on whether the candidate was recommended by a stockholder. Notwithstanding the foregoing, however, the Nominating/Governance Committee retains discretion in the recommendation of directors to the Board, and has no obligation to nominate a candidate recommended by a shareholder or to include such candidate in the Company's proxy materials.

**2. MINIMUM QUALIFICATIONS FOR DIRECTORS**

The Board seeks a diverse group of candidates who possess the background, skills and expertise to make a significant contribution to the Board. Consequently, Board candidates will be considered by the Nominating/Governance Committee based upon various criteria, including, but not limited to, their broad-based business and professional skills and experiences, concern for the long-term interests of the stockholders, and their reputation, personal integrity and judgment. In addition, directors must have sufficient time available to devote to Board activities and to enhance their knowledge of the consumer goods and related industries. Qualified

candidates will be considered without regard to race, color, religion, sex, ancestry, national origin or disability.

### **3. IDENTIFICATION/EVALUATION PROCESS**

The Nominating/Governance Committee will recommend to the full Board of Directors the slate of directors to be nominated for election at the annual meeting of stockholders and shall recommend additional candidates to fill vacancies as needed, in accordance with the procedures set forth below. In the case of incumbent directors whose terms of office are set to expire, the Nominating/Governance Committee reviews such directors' overall service to the Company during their term, including the number of meetings attended, level of participation and quality of performance. In the case of new director candidates, the Nominating/Governance Committee first determines whether the candidate must be "independent" as defined by applicable securities laws, the rules and regulations of the SEC and the listing standards applicable to the Company. The Nominating/Governance Committee will identify potential candidates and may also engage, if it deems appropriate, a professional search firm. The Committee then meets to discuss and consider such candidates' qualifications in light of the overall composition of the Board, the operating requirements of the Company, the long-term interests of the stockholders and the criteria for nominee selection approved by the Board. Contact will be initiated with preferred candidates, including, to the extent the Committee deems necessary, the requirement of the completion of informational questionnaires provided by the Committee to the candidate, as well as personal interviews of such candidates. After such procedure is complete, the Nominating/Governance Committee will meet to approve final candidates for recommendation to the full Board of Directors as set forth in its charter. The Nominating/Governance Committee will consider director candidates recommended by stockholders provided the published procedures established by the Company for such recommendations are followed by submitting stockholders.

### **4. PROCESS FOR SECURITY HOLDERS TO COMMUNICATE WITH THE BOARD**

If you would like to communicate directly with the Company's Board of Directors, including any individual director, the presiding director, a committee of the Board of Directors or the non-management directors as a group, you can send an e-mail to: [theboard@russberrie.com](mailto:theboard@russberrie.com) or write to the following address:

Board of Directors  
Russ Berrie and Company, Inc.  
111 Bauer Drive  
Oakland, New Jersey 07436  
Attention: Corporate Secretary

All such communications, via e-mail or in writing, will be forwarded by the Corporate Secretary to the appropriate Board member(s).