

CORPORATE GOVERNANCE GUIDELINES
OF
FOOD TECHNOLOGY SERVICE, INC.
(Effective April 1, 2005)

Set forth below are Corporate Governance Guidelines (“Guidelines”), adopted by the Board of Directors (the “Board”) of Food Technology Service, Inc. (“Food Technology” or the “Company”).

I. I. ROLE AND FUNCTIONS OF THE BOARD

A. General Role of the Board

The Board is elected by and responsible to the Company’s shareholders. Food Technology’s operations are conducted by its employees and officers, under the direction of the Chief Executive Officer (“CEO”) and the oversight of the Board. The Board monitors the performance of the CEO and senior management.

B. Functions of the Board

1. The primary functions of the Food Technology Board are to oversee management performance on behalf of the shareholders and generally to perform the duties and responsibilities assigned to the Board by the laws of the State of Florida, the state where Food Technology is incorporated.

2. In addition to its general oversight of management, the Board, as a whole or through Board committees, also performs a number of specific functions, including:

(i) selecting, evaluating and compensating senior officers of the Company;

(ii) preparing and disseminating to all executives clearly defined job descriptions (to avoid the occasion of operating outside the scope of assigned duties or neglecting an area of responsibility);

(iii) reviewing and the implementing Food Technology’s strategic planning;

(iv) reviewing and approving material corporate actions, transactions and financings

(v) overseeing the establishment of processes designed to ensure the integrity of the Company’s financial statements and financial reporting, including its systems of internal controls, and its compliance with the Company’s Code of Ethics;

(vi) reviewing assessments of, and management’s plans with respect to,

material risks facing the Company;

(vii) reviewing actions taken by Board committees on major issues delegated to them.

The board should not engage in the direct management of the corporation. Instead, the Board's responsibility for the control and management of the corporation is to be accomplished through its retention and monitoring of effective executive management personnel, and the formulation and dissemination of clear policies and procedures.

3. The Board will at all times maintain an Audit, Nominating and Compensation Committee. Each Committee will operate in accordance with its respective Board-approved charter, the applicable rules of the Securities and Exchange Commission and the Nasdaq Stock Market ("NASDAQ") on which the Company's securities are listed. The Board may also establish other committees, as it deems appropriate. After each committee meeting, each Committee Chairperson shall report to the full Board at the next regularly scheduled Board meeting any material actions taken by the respective committee.

The Board believes that because the oversight of corporate governance guidelines are of paramount importance to the success of the Company. All corporate governance matters deserve and require the attention of the full Board. Therefore, the Board has determined that the full Board will be designated as the Company's Corporate Governance Committee.

II. BOARD COMPOSITION, DIRECTOR QUALIFICATION STANDARDS AND MEETINGS

A. Board Composition

A majority of the Company's Board must meet the independence requirements of NASDAQ on which the Company's shares are listed. The Audit, Compensation and Nominating Committees shall all be composed entirely of independent directors.

B. Director Qualification Standards

1. The reputation, integrity and (for non-management directors) independence of each director nominee must be considered prior to nomination.

2. Each director nominee is to be evaluated in the context of the full Board's qualifications as a whole, with the objective of establishing a Board that can best perpetuate the success of the Company's business and represent shareholder interests through the exercise of sound judgment. Each director nominee will be evaluated considering the relevance to the Company of the director nominee's respective skills and experience.

3. Director nominees must possess a general understanding of marketing, finance and other elements relevant to the success of a publicly traded

company in today's business environment, and an understanding of the Company's business on an operational level.

4. Each director may be assigned committee responsibilities. A director nominee's educational and professional backgrounds must be consistent with the director nominee's committee assignment (e.g., director nominees who will be assigned to the audit committee must be financially literate as defined within the Company's Audit Committee's Charter).

5. Director nominees must demonstrate a willingness to devote the appropriate time to fulfilling Board duties.

6. Director nominees shall not represent a special interest or special interest group whose agenda is inconsistent with the Company's goals and objectives or whose approach and methods are inconsistent with what the Board believes is in the best interest of the Company's shareholders.

7. Director nominees shall not be a distraction to the Board, nor shall a director nominee be disruptive to the achievement of the Company's business mission, goals and objectives.

8. In the case of current directors being considered for renomination, the Board should also take into account the director's history of attendance at Board and committee meetings and the director's preparation for and participation in such meetings.

C. Director Responsibility

1. Directors must exercise their business judgment in what they reasonably believe to be the best interests of the Company and its shareholders. In discharging that obligation, directors are entitled to rely in good faith upon the records of the Company and upon information, opinions, reports or statements presented by any of the Company's officers or employees, or committees of the Board, or by outside advisors, auditors and experts with respect to matters the director reasonably believes are within such persons' professional or expert competence.

D. Director Tenure and Other Matters

1. Directors are expected to report changes in their business or professional affiliations or responsibilities, including retirement, to the Chairman of the Board and the Chairman of the Nominating Committee. A director should offer to resign if the Nominating Committee concludes, and the Board concurs with the conclusion, that the director no longer meets the Company's requirements for service on the Board or independence.

2. Any officer of the Company who is a director will offer to resign from the Board when such individual ceases to be an officer of the Company. The Board will determine, based on a recommendation from the Nominating Committee, whether to accept such officer's resignation as a Board member.

3. Directors are encouraged to limit the total number of public company boards on which they sit to no more than three (3), including their service on the Company's Board. Prior to accepting nomination to or membership on the board of directors of another company, a director should notify the Chairman of the Board. Current

directors should consider whether accepting a new directorship would compromise the director's ability to perform the director's present responsibilities. The Nominating Committee will assess whether the new membership would present a conflict or otherwise compromise the ability of that director to dedicate the time necessary to serve on the Food Technology Board, and present its assessment to the full Board for their consideration. No member of the Company's Audit Committee may simultaneously serve on the audit committee of more than two other public companies.

4. The Board will review annually the relationship that each director has with the Company to determine whether each director is independent within the meaning of the listing requirements of NASDAQ on which the Company's securities are listed.

5. The Board will established nominating committee policies and procedures, which may be amended from time to time, for the consideration of director nominees, including director nominations from security holders.

E. Board Meetings

1. The Chairman of the Board, taking into account suggestions from other members of the Board, will set the agenda for each Board meeting, and will distribute the agenda in advance to each director. Agendas for meetings of Board committees are set by the Chairperson of the applicable committee, also taking into consideration suggestions from other members of the committee.

2. All information and data that is relevant to the Board's or Board committee's understanding of matters to be discussed at an upcoming meeting should, where feasible, be distributed in writing to all members of the Board in advance of the meeting. Absent special circumstances, such materials are provided at least two (2) days before the meeting. Directors are expected to familiarize themselves with the materials provided prior to the meeting.

3. Directors are expected to attend and participate in Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. It should be noted that current SEC rules require disclosure in the annual proxy statement of the name of any director who attended fewer than 75% of Board and applicable committee meetings. Directors are also expected to attend the annual meeting of shareholders.

4. The Board shall hold meetings on an at least a quarterly basis. The independent directors shall meet at least annually without the presence of non-independent directors and management. The independent directors will select a director to serve as the Chairperson of any such meeting of the independent directors.

III. **DIRECTOR COMPENSATION**

Non-management directors are entitled to receive reasonable compensation for their Board and Committee services, the amount and type of which to be determined from time to time by the Board upon recommendation of the Compensation Committee. When making such recommendation, the Compensation Committee shall be guided by the following: (i) compensation should be competitive and should fairly compensate directors for the time and effort required of Board and Committee members in a company of Food Technology's size and scope, (ii) director compensation should include an element of compensation that aligns the directors' interests with the long-term interest of

shareholders, and (iii) the structure of the compensation should be simple, transparent and easy for shareholders to understand. Directors are also entitled to reimbursement of reasonable expenses incurred in traveling to and from Board and Annual meetings and other expenses incurred in the discharge of their duties.

IV DIRECTOR ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS

A. The Company will provide each director with free and complete access to the management of the Company, subject to reasonable advance notice to the Company and reasonable efforts to avoid disruption to the Company's management, business and operations. Management will be responsive to access requests and requests for information from directors; and

B. The Board and its committees, to the extent such expense is reasonable and set forth in the applicable committee charter, have the authority to consult independent advisors at the Company's expense. Expenditures incurred by the Board and its committees to consult with independent advisors must be reported to the full Board at the next regularly scheduled Board meeting.

V. BOARD INTERACTION WITH PRESS, INSTITUTIONAL INVESTORS AND OTHERS

The Board believes that management speaks for Food Technology. Directors receiving inquiries about the Company should interact with the press and other third parties only after consulting with and the concurrence of the CEO designee.

VI. CEO AND EXECUTIVE MANAGEMENT EVALUATION AND SUCCESSION PLANNING

The Compensation Committee shall annually review and approve corporate goals and objectives relevant to compensation of the CEO, evaluate the CEO's performance in light of those goals and objectives, and have the sole authority to determine the CEO's compensation level based on this evaluation and in accordance with any applicable employment agreement. The Compensation Committee, in consultation with the CEO, shall also annually review and approve the compensation level for all other executive officers of the Company.

VII. ANNUAL PERFORMANCE EVALUATION

The Board and each of the Board Committees will perform an annual self-evaluation. Each of the directors will be requested to provide their assessment of the effectiveness of the Board and the Committees on which they serve. If determined by the Board to be desirable, the Board may retain independent corporate governance experts to assist the Board and the Committees with the self-evaluations.

VIII. AMENDMENT, MODIFICATION AND WAIVER

Annually, the Board shall review these Guidelines. These Guidelines may be amended, modified or waived by a majority vote of the Board.