The Franchised Restaurant

FRANCHISE DISCLOSURE DOCUMENT
RED ROBIN INTERNATIONAL, INC.
a Nevada Corporation
10000 E. Geddes Ave., Suite 500
Englewood, Colorado 80112
(303) 846-6000
www.redrobin.com

The franchisor will grant the right to establish and operate casual dining, full-service RED ROBIN® Restaurants (as defined below) offering a large variety of highly craveable and customizable burgers in a fun environment welcoming guests of all ages.

The initial franchise fee is $35,000. The total investment necessary to begin operation of a RED ROBIN® RESTAURANT ranges from $2,705,000 to $5,785,000 for a freestanding prototype building. These ranges include the initial franchise fee of $35,000 that you must pay to us but does not include the cost of buying, building or renting the restaurant location and the cost to obtain a liquor license. The total investment necessary under the Area Development Agreement equals $12,500 multiplied by the total number of restaurants to be developed. You must pay this amount to us.

This Disclosure Document summarizes certain provisions of your franchise agreement, area development agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact LeAnne Stine, Red Robin International, Inc., 10000 East Geddes Avenue, Suite 500, Englewood, Colorado 80112, (303) 846-6000.

The terms of your contract will govern your franchise relationship. Do not rely on this Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: April 29, 2026

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Red Robin Restaurant in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Red Robin franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit D.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, and/or litigation only in Colorado. Out-of-state mediation, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, or litigate with the franchisor in Colorado than in your own state.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

FOR TRANSACTIONS REGULATED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Act. This will not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause will include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This will not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause will include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENFORCEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
P.O. Box 30213
Lansing, MI 48909
517-335-7599
Fax: 517-241-3771
Toll free: 877-765-8388

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

Franchisor, Parent and Affiliates

To simplify the language in this franchise disclosure document (this "Disclosure Document"), "Franchisor," "we," "us," "Company," "RRI", or "RED ROBIN" means Red Robin International, Inc., the franchisor. "You" means the person or entity that buys the franchise. If you are a corporation, partnership, limited liability company or other entity, certain provisions of the Franchise Agreement (defined below), the Area Development Agreement (defined below) and related agreements will also apply to your owners.

We were originally incorporated on September 10, 1969, under the name Red Robin Enterprises, Inc., as a Washington corporation and began offering franchises of the type described in this Disclosure Document in 1979. On December 23, 1983, we changed our name to Red Robin International, Inc. In June 1990, Red Robin International, Inc., the Washington corporation, merged with and into Red Robin Merger Inc., a Nevada corporation that was incorporated in March 1990 for the sole purpose of that merger. The name of the surviving entity is Red Robin International, Inc. ("RRI"), a Nevada corporation. On January 17, 2001, we formed a Delaware corporation called Red Robin Gourmet Burgers, Inc. ("RRGB"). RRI became a wholly owned subsidiary of RRGB on August 9, 2001.

We do business as Red Robin®, Red Robin Gourmet Burgers®, and Red Robin Gourmet Burgers and Brews® (collectively, "RED ROBIN® RESTAURANTS"). We do not do business under any other name. Our principal business address is 10000 East Geddes Avenue, Suite 500, Englewood, Colorado 80112. Our telephone number is (303) 846-6000. RRGB shares our principal business address and telephone number. If applicable, our agents for service of process in certain states are listed in Exhibit D-2.

Prior to 1976, we operated modest restaurants offering high quality hamburgers and beer. Since then, we have developed a unique and distinctive system with uniform designs, methods, standards, specifications and procedures (the "System") for the establishment, development and operation of casual dining, full service restaurants with a menu featuring gourmet burgers and spirits in a casual dining atmosphere. RED ROBIN® RESTAURANTS are the gourmet burger experts, famous for serving a large and varied selection of highly craveable and customizable burgers with "bottomless" side options at attractive prices in a fun environment welcoming to guests of all ages.

We sold our first franchise in December 1979.

We have operated RED ROBIN® RESTAURANTS since our inception. As of December 28, 2025, we and our affiliates, Red Robin West, Inc., Western Franchise Development, Inc., and Northwest Robins, LLC, operate 385 RED ROBIN® RESTAURANTS in the United States. Our affiliates share our principal office and telephone number.

Neither we nor our affiliates have offered franchises in any other line of business.

We entered into a master license agreement with Donatos® Pizzeria, LLC which permits RED ROBIN® RESTAURANTS to prepare and sell Donatos thin-crust pizza, using certain aspects of the Donatos' system. In order for you to participate in this program at the Franchised Restaurant, you must sign the Donato Nested Restaurant Agreement attached as Exhibit B to the Franchise Agreement.

Predecessors

We have no predecessors.

The Franchise Offered

We grant franchises for Restaurants operating under the RED ROBIN® name and other marks (the "Marks"). The franchise offered is for the right to establish and operate full-service RED ROBIN® RESTAURANTS. We may consider on a case-by-case basis a franchisee's request to convert an existing facility to a RED ROBIN® RESTAURANT, as well as sites that may be larger or smaller than our prototype, provided the site can be transformed to meet the standards and specifications of the RED ROBIN® RESTAURANT concept.

We may offer the right to enter into an area development agreement to develop multiple RED ROBIN® RESTAURANTS within a specifically described geographic territory (the "Area Development Agreement"). The form of Area Development Agreement you will sign is attached as Exhibit B to this Disclosure Document. The Area Development Agreement requires you to establish more than one RED ROBIN® RESTAURANT within a designated geographic area (the "Territory") according to a development schedule (the "Development Schedule"). Under the Area Development Agreement, we may also grant franchises to an entity controlled by you or your owners that meets our then applicable standards and requirements for franchise owners (an "Authorized Entity"). For each RED ROBIN® RESTAURANT developed under the Area Development Agreement, you or an Authorized Entity must enter a Franchise Agreement (the "Franchise Agreement") to operate the Franchised Restaurant. Our current form of Franchise Agreement for a RED ROBIN® RESTAURANT is attached as Exhibit C to this Disclosure Document.

Market Conditions and Competition

The restaurant industry is highly competitive, and guests may choose to purchase food at supermarkets or other food retailers. We compete against other segments of the restaurant industry, including quick-service and fast-casual restaurants. The number, size and strength of competitors vary by region, concept, market and even restaurant. We compete on the basis of taste, quality, price of food offered, guest service, ambiance, location, and overall dining experience. In particular, we face competition from concepts focused on the sale of hamburgers, including quick service and fast casual concepts. Many of these concepts are expanding faster than us and are penetrating both geographic and demographic markets that we target as well. Moreover, many of these concepts compete with smaller-sized building units, which allow them greater flexibility in site selection and market penetration.

We believe that our guest demographics, strong brand recognition, gourmet burger concept, attractive price-value relationship, and the quality of our food and service enable us to differentiate ourselves from our competitors. We believe we compete favorably with respect to each of these factors. Our competitors include well-established national chains which have more substantial marketing resources. We also compete with many other restaurant and retail establishments for site locations and team members.

We also strive to provide our guests with exceptional dining value. We believe our price-to-value relationship and our innovative array of burgers differentiates RED ROBIN® RESTAURANTS from our casual dining competitors and allows RED ROBIN® RESTAURANTS to appeal to a broad base of consumers with a wide range of income levels. We believe our diverse menu further enhances our broad appeal by accommodating groups with different tastes.

Industry Specific Regulations

You should consider that certain aspects of the restaurant business are heavily regulated by federal, state and local laws, rules and ordinances. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and various state and local departments of health and other agencies have laws and regulations concerning the preparation of food, display of calorie counts and nutritional facts, and sanitary conditions of restaurant facilities. State and local agencies routinely conduct inspections for compliance with these requirements. Certain provisions of these laws impose limits on emissions resulting from commercial food preparation. You also must obtain a liquor license in accordance with state and local laws, regulations and ordinances. State and local laws, regulations and ordinances regarding the sale of alcoholic beverages vary significantly. You may experience difficulty in obtaining a license to sell liquor, restrictions may be placed on the manner in which liquor may be sold, and you may have liability imposed on you by Dram Shop Laws for injuries directly and indirectly related to the sale of liquor and its consumption. You will need to understand and comply with these laws in operating the Franchised Restaurant. There may be other laws applicable to your business. We urge you to make further inquiries about these laws.

Except as described above, neither we, our affiliates, our parent nor our predecessors have engaged in any other line of business or offered franchises in any other line of business.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer and President: David A. Pace

Mr. Pace joined Red Robin as President and Chief Executive Officer in April 2025. He has also been a member of Red Robin's board of directors since August 2019**.**

Chief Legal Officer: Sarah Mussetter

Ms. Mussetter joined Red Robin as Chief Legal Officer in December 2022. From October 2021 to November 2022, she was Senior Vice President and Deputy General Counsel for Skillsoft, located in Denver Colorado. She previously held the roles of Associate General Counsel and Vice President, Deputy General Counsel, at Red Robin from August 2011 to September 2021.

Chief People Officer: Humera Kassem

Ms. Kassem joined Red Robin as Chief People Officer in September 2025. Prior to joining Red Robin, she served as Chief People Officer for Dave & Buster’s, located in Coppell, Texas, from December 2023 to September 2025. Ms. Kassem served as Executive HR Consultant for Kassem Consulting, located in Dallas/Fort Worth area, Texas, from January 2019 to November 2023.

Chief Operations Officer: Jesse Griffith

Mr. Griffith joined Red Robin in March 2023. Since November 2025, he has held the title of Chief Operations Officer. Mr. Griffith served as Senior Vice President, Operations. Prior to joining Red Robin, , he held various leadership roles in restaurant operations at Torchy’s Tacos, located in Austin, Texas, from February 2020 to February 2023.

Vice President, Franchise & Alternate Platforms: LeAnne Stine

Ms. Stine joined Red Robin in August 2002. Since January 2023, she has held the title of Vice President, Franchise & Alternate Platforms. Ms. Stine previously served as Director of Business Transformation from January 2018 to December 2022 and as the Regional Operations Director from August 2007 to December 2017.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Development Fee. If we grant you the right to open multiple Restaurants under an Area Development Agreement, you must pay us a development fee (the "Development Fee") equal to $12,500 multiplied by the number of Restaurants we grant you the right to develop in the Territory under the Development Schedule. The Development Fee is due and payable at the time you sign the Area Development Agreement. We will fully earn the development fee due under the Area Development Agreement when you pay it and you must pay us the development fee in one lump sum. The Development Fee is non-refundable.

Franchise Fee. For each Restaurant you develop during the original term of your Area Development Agreement, you must sign a Franchise Agreement for that Restaurant and pay an initial franchise fee (the "Franchise Fee") equal to $35,000. The Franchise Fee is due and payable within 10 days after the effective date of the Franchise Agreement. We will fully earn the Franchise Fee when you pay it, and you must pay us the Franchise Fee in one lump sum. If you fail to secure the required liquor license(s) by the date the Franchised Restaurant is otherwise ready to open for business (or required to open under the term of the Franchise Agreement), then we may terminate the Franchise Agreement and refund the amount of the Franchise Fee to you. Except as described in the preceding sentence, the Franchise Fee is non-refundable.

Purchase of Existing Restaurant. If you acquire an existing Restaurant owned by us or one of our affiliates, you will pay a purchase price for that Restaurant that we (or our affiliate) negotiate with you. No company-owned or affiliate-owned stores were sold in our fiscal year ending December 28, 2025.

Uniformity. We reserve the right in the Franchise Agreement and the Area Development Agreement to charge fees that are not uniform among our franchisees and developers.

ITEM 6

OTHER FEES

TYPE OF FEE (1)	AMOUNT	DUE DATE	REMARKS
Royalty Fee	5% of Gross Sales (2)	Payable on or before the 15th day of each Accounting Period based on Gross Sales for the preceding Accounting Period (1).	
NAP Fee, RAP Fee, LAP Fee, and Maximum Advertising Obligation	The maximum amount of the NAP Fee, RAP Fee and/or LAP Fee cannot exceed four percent (4%) of your Gross Sales (the "Maximum Advertising Obligation"). The NAP Fee, the RAP Fee, and the LAP Fee are collectively referenced as the "Advertising Fees" where appropriate.	Payable on or before the 15th day of each Accounting Period based on Gross Sales for the preceding Accounting Period.	See more detail below.
National Advertising Program Fee (or, NAP Fee)	Subject to the Maximum Advertising Obligations.	Payable on or before the 15th day of each Accounting Period based on Gross Sales for the preceding Accounting Period.	We may require you to participate in a National Advertising Program (or, NAP).
Regional Advertising Program Fee (or, RAP Fee)	Subject to the Maximum Advertising Obligation.	Payable on or before the 15th day of each Accounting Period based on Gross Sales for the preceding Accounting Period.	We may require you to participate in a Regional Advertising Program ("RAP").
Local Advertising Program Fee (or, LAP Fee)	Subject to the Maximum Advertising Obligation.	Payable on or before the 15th day of each Accounting Period based on Gross Sales for the preceding Accounting Period.	We may require you to participate in a Local Advertising Program (or, LAP).

TYPE OF FEE (1)	AMOUNT	DUE DATE	REMARKS
Late Charge	$500	When payment is made.	Due for each delinquent payment of fees.
Opening Crew	Variable.	When billed.	We may require that the Franchised Restaurant be staffed by an opening crew composed of our representatives for up to twenty (20) days on or around the date the Franchised Restaurant opens for business, and you must reimburse us for all reasonable expenses that we incur including costs of transportation, lodging, meals and wages.
Correction of Deficiencies at Restaurant	Variable.	When billed.	If you fail to correct any deficiencies detected within a reasonable time after our inspections, we have the right to correct such deficiencies on your behalf, and charge you a reasonable fee for any expenses we incur.
Approval of Alternate Supplier	Will vary under circumstances (not to exceed the reasonable cost of the research and inspection and the actual cost of the test).	As incurred.	Fee charged for testing samples of proposed new suppliers.
Audit	Amount of any underpayment (or understatement) plus interest from the date due, unless the amount of underpayment (or understatement) exceeds 2% of Gross Sales in which case you must also pay for the cost of the audit.	Within 15 days after receipt of the audit report.	Due if you do not give us reports, supporting records, or other required information on a timely basis or if you underpay or understate the obligation during any Accounting Period by 2% or more of Gross Sales.
Information Security Audit	The actual cost of the audit.	As incurred.	We or our designee reserve the right to conduct a data security and privacy audit of the Franchised Restaurant and your computer system to ensure that you are complying with our requirements for handling personal information. You will pay the cost of this audit.

TYPE OF FEE (1)	AMOUNT	DUE DATE	REMARKS
Transfer	$10,000	Before transfer.	Payable upon any transfer of the Franchised Restaurant, the Franchise Agreement or any interest in any entity that owns the Franchised Restaurant or the franchise rights.
Cost and Attorneys' Fees	Will vary under circumstances.	As incurred.	Due to prevailing party in any dispute resolution proceeding.
Indemnification	Will vary under circumstances.	As incurred.	You must reimburse us if we are held liable for claims arising from your operation of the Franchised Restaurant.
Interest	Lesser of 18% per year or the maximum rate allowed by applicable law.	Upon demand.	Interest may be charged only on overdue amounts and will start to accrue on the date when the payment was originally due.
Insurance	Cost of insurance.	As incurred.	See Note 3.
Management Fee	10% of Gross Sales plus costs and expenses.	When billed.	Due when we (or a third party) manage the Franchised Restaurant after your abandonment, default, or expiration or termination of the Franchise Agreement while we consider whether to exercise our option to purchase the Franchised Restaurant. .

TYPE OF FEE (1)	AMOUNT	DUE DATE	REMARKS
Additional and On-Site Training	Our current training fee, plus any travel and living expenses for the trainers we send to the Franchised Restaurant.	When billed.	You may invite additional employees to attend the Training Programs if space allows, though we reserve the right to charge you our then-current training fee for each additional individual, and we may limit the number of additional attendees for the Training Programs. You may request that we provide any portion of the training programs on-site at the Franchised Restaurant, and we may determine whether to provide such portion of the training programs on-site in our discretion. If we provide any portion of the training programs on-site at the Franchised Restaurant, we may charge our then-current training fee, plus any travel and living expenses for the trainers we send to the Franchised Restaurant.
Mystery Shopper / Customer Survey Fee	Will vary under circumstances.	As incurred.	We may contract with third parties to conduct mystery shopper, customer survey or other market research testing, and quality assurance inspections at the Franchised Restaurant. We reserve the right to require you to reimburse us for our costs and expenses associated with these inspection services.

TYPE OF FEE (1)	AMOUNT	DUE DATE	REMARKS
Liquidated Damages	An amount equal to (a) the average monthly Royalty Fees due under the Franchise Agreement for the twelve (12) months (or the period of time you have operated the Franchised Restaurant if less than twelve (12) months) immediately before such termination, multiplied by (b) the lesser of (i) twenty-four (24) months or (ii) the number of months remaining in the then-current term of the Franchise Agreement.	Upon termination of Franchise Agreement.	See Note 4.
Fee to Delay Termination of Area Development Agreement	$10,000 per month for up to one (1) year.	As they become due following failure to satisfy Development Schedule.	See Note 5.

Except as otherwise disclosed in this Item, all fees described herein are calculated and imposed uniformly on franchisees and are non-refundable.

NOTES

1. We reserve the right in the Franchise Agreement and the Area Development Agreement to charge fees that are not uniform among our franchisees and developers. We currently have 13 accounting periods per fiscal year, each period consisting of 28 days (each an "Accounting Period").

2. "Gross Sales" means and includes the total value of all services and products provided by and/or from the Franchised Restaurant and all revenue from any sale of all services and products and all other income of every kind and nature related to the Franchised Restaurant (including, without limitation, the full value of on-premise sales, off-premise sales, catering sales, internet or website sales, e-commerce sales, sales from tabletop and other digital media devices, and any other type of sale related to the Franchised Restaurant, whether for cash or credit (and regardless of collection in the case of credit) and with no deductions or exclusions whatsoever, except (i) deductions and exclusions for complimentary sales to guests, (ii) discounted sales to guests, (iii) coupon sales to guests, (iv) sales (discounted or otherwise) to employees, and (v) federal taxes, state taxes, or municipal sales taxes collected from guests and paid to the appropriate taxing authority).

3. You must obtain and maintain certain types of insurance coverage (see Item 8). If you fail to obtain and maintain insurance, we may immediately obtain or reinstate the insurance for you and you must promptly reimburse us for the cost of the insurance plus a reasonable fee for our services and our out of pocket expenses.

4. Under the Franchise Agreement, you will be required to pay us this fee if we terminate the Franchise Agreement based on your default or you abandon the Franchised Restaurant or you terminate without cause.

5. Under the Area Development Agreement, if you fail to comply with the Development Schedule by failing to have a Restaurant open and operating on the date set forth in the Development Schedule, we have the right to charge you $10,000 per month for up to one (1) year in exchange for us delaying the exercise of our termination rights under the Area Development Agreement.

6. In addition to the information on other fees shown above, we currently maintain and administer a national advertising fund ("NAF") and a cooperative advertising program ("CAP") for the purpose of maintaining, administering, directing, and preparing advertising, public relations, and promotional activities for the benefit of the System, including, without limitation, the activities referenced below. In the future, we may utilize (and, we may require you to participate in) a National Advertising Program (or, NAP), a Regional Advertising Program (or, RAP) and/or a Local Advertising Program (or, LAP) and your fees to the NAP, RAP, and/or LAP will not exceed the Maximum Advertising Obligation as referenced below. We may require you to participate in the NAF and CAP or we may require you to participate in the NAP, RAP, and/or LAP, in addition to other supplemental marketing programs.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT (FOR FREESTANDING PROTOTYPE BUILDING)

TYPE OF EXPENDITURE	AMOUNT LOW	AMOUNT HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee (See Note 1)	$35,000	$35,000	Lump sum	When you sign a Franchise Agreement.	Us
Real Estate (See Note 2)	Variable	Variable	As negotiated	As negotiated	Sellers, Lessors
Small wares & Supplies (e.g. dishes, silverware, other utensils; paper, cleaning, & office supplies etc.)	$40,000	$50,000	Lump sum	As incurred	Suppliers
Initial Inventory (See Note 3)	$40,000	$50,000	Lump sum	As incurred	Suppliers
Pre-Opening Expenses (legal, accounting, personnel & training related expenses, utility deposits, licenses, and other prepaid expenses) (See Note 4)	$200,000	$300,000	As agreed	As incurred	Suppliers, agencies, service providers

TYPE OF EXPENDITURE	AMOUNT LOW	AMOUNT HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Annual Insurance Premium for first year's coverage (building, contents, liability, umbrella and Workers' Compensation insurance) (See Note 5)	$50,000	$80,000	Lump sum	As incurred	Insurer
Liquor License (See Note 6)	Variable	Variable	Lump sum	As incurred	Licensing authorities and sometimes existing license holder
Site Work (See Note 7)	$75,000	$500,000	As agreed	As incurred	Contractors, suppliers
Pre-construction, due diligence, design costs, permits (See Note 8)	$125,000	$400,000	As agreed	As incurred	Contractors, suppliers
Building Construction Costs (See Note 9)	$1,200,000	$2,800,000	As agreed	As incurred	Owner of property, contractors, suppliers
Furniture, Fixtures, Décor Items and Equipment (See Note 10)	$750,000	$1,250,000	As agreed	As incurred	Suppliers
Exterior Signage (See Note 11)	$90,000	$120,000	As agreed	As incurred	Suppliers
Additional Funds – 3 months (See Note 12)	$100,000	$200,000	As incurred	As incurred	Employees, suppliers
Total Estimated Initial Investment (Excluding Real Estate and Liquor License) (See Note 13)	$2,705,000	$5,785,000			

NOTES

1. You must pay us an initial franchise fee of $35,000. The initial franchise fee is non-refundable under the terms of the Franchise Agreement (See Item 5). You must, at your sole cost and expense, pay all fees costs, charges, and other expenses that may be due under the Franchise Agreement in immediately available funds at the location and in the manner designated by us from time-to-time including, without limitation, payment by electronic funds transfer, payment by centralized payment processing programs, payment by automatic funds transfer, payment by auto-debit and/or any similar payment methods. You must at your sole cost and expense, execute such documents and take such action(s) as may be required to effectuate these payment terms.

2. The cost of acquiring or leasing a location for the Franchised Restaurant will vary significantly depending upon the market in which the proposed site is located. A suitable parcel of real property for a freestanding Restaurant will range in size from approximately 10,000 square feet to 87,000 square feet. Local market conditions, changes in the economy and inflation will all contribute to your real property costs. The location of the parcel of real property, its relationship to and the nature of any adjoining uses, and its accessibility will affect both its size and price. Lease agreements vary, but usually require the lessee to pay for maintenance, insurance, taxes and any other charges or expenses for the land and building and the operation of the Franchised Restaurant or they may require that the lessee reimburse the lessor for its proportionate share of these payments (plus interest) made on behalf of the lessee and pay minimum monthly rent and/or percentage rent.

3. Due to differences in local laws, prices, suppliers, geography and commercial practices, you may elect to carry a larger inventory. Local costs will greatly affect this investment.

4. Typical pre-opening expenses include salaries and living expenses for managers in training, training expenses incurred for staff, pre-opening training menus, related pre-opening marketing and personnel ads. Additionally, you will likely have to prepay or make deposits for various utilities such as gas, electricity, sewer, water, telephone, and garbage disposal. We estimate that these prepaid expenses and deposits will be between $7,500 and $20,000. You must obtain state and local licenses, which will vary by location but which will typically include liquor licenses (see Note 6), business licenses, vending machine licenses, and/or games licenses. You may have to post bonds in order to obtain certain governmental permits.

5. You will likely have to prepay all or a portion of the first year's premiums for insurance. We estimate that these premiums will be between $50,000 and $80,000.

6. The cost to obtain a liquor license varies greatly depending on the licensing authority involved and the local liquor license resale market, if any. In our recent experience with our company-owned restaurants, the cost to obtain a liquor license has run between $3,500 and $750,000 or more (including legal fees). Generally, liquor-licensing systems fall into 2 categories: (a) quota-based systems, and (b) non-quota-based systems. In quota-based systems, the total number of licenses available in a municipality, county or other defined territory is set according to the number of people within the territory. For example, state law may limit the total number of licenses available to 1 license per every 2,000 persons. Once the licensing authority has issued the total number of licensees according to the population, the licensing agency will not issue any additional new licenses until a new census is taken that shows an increase in population or until an existing permit expires or is revoked. Most often in quota-based systems, parties seeking licenses will not wait for the next census or wait for a license to expire. Instead, they will purchase a license from an existing licensee. In such situations, the cost of obtaining a license can be substantially greater than the cost of obtaining a license directly from the licensing authority primarily because of the lack of new licenses available (limited supply versus increasing demand). In such a situation, the new licensee will typically pay not only fixed license transfer fees to the state licensing authority, but it will also pay the purchase price to the transferor plus fees for any local attorney's services or license broker's services. The licensing agency may or may not regulate the price of such licenses. The price may simply be set by the market for licenses in a particular location. For example, it has been reported that in certain areas in Pennsylvania prices can range from $4,000 to more than $750,000, depending upon location, as based upon information provided by the Pennsylvania Liquor License Exchange. A potential licensee should carefully review the system of liquor licensing in its state and review the expected range of costs, if its Restaurant is located in a quota state. In state systems that are not quota-based, the cost of obtaining a state license is usually limited to the fee prescribed by statute or administrative regulation, plus fees for any local attorney's services and/or other

service providers such as license brokers. In each of these cases, however, there may be additional costs imposed by a need to obtain a municipal and/or county liquor license or permit in addition to a state permit, a conditional use permit or other governmental approval. There may also be fees incurred in connection with associated tax permits that may be required, or other fees related to additional miscellaneous state, county or local permits.

7. Site work costs will vary depending upon numerous factors, including the condition of the acquired site, which may require removal (or, demolition) of existing improvements, conversion of existing improvements, landscaping, extent of site preparation, such as grading, environmental & geotechnical land conditions, utility extensions and availability of ingress and egress, and local zoning and building codes. Sites for freestanding restaurants can range in size from approximately 10,000 to 87,000 square feet, depending on the availability of cross-access parking and who owns the parking lot. Your experience may vary substantially based on local conditions, changes in the economy, prices of labor and materials in your area and local zoning and building code requirements.

8. Design cost assumes adaptation of our current prototype to the site without city or developer modifications. Permitting assumes only the cost of the building permit. Regional tap and impact fees may also be required and vary considerably. Those fees are not included in this number. Due diligence includes the cost of the Site Investigation Report, Soils Report, and the environmental study and survey.

9. Construction costs will vary depending on numerous factors, including the size and configuration of the site and the cost of materials and labor for constructing the building. We based these estimated costs on the cost of adapting our standard prototype architectural and design Restaurant plans to construct the Franchised Restaurant from the footings to building completion. Our current prototype contains approximately 5,000 to 6,000 square feet. The lower end of the estimate assumes that you are building a 5,000 square feet restaurant. Regional variances in construction costs may decrease that cost estimate by as much as 8% or increase it by as much as 35%.

10. This estimate includes freight, installation, and applicable state and local taxes. This number also includes point of sale equipment and décor.

11. This amount represents your cost for an exterior sign package. Each locality has different restrictions and ordinances that may affect your costs.

12. Our estimates of the amounts needed to cover your expenses for the start-up phase (i.e., 3 months from the date the Franchised Restaurant opens for business) of your business include: replenishing your inventory, lease payments, initial advertising and promotional expenditures, payroll for managers and other employees, uniforms, utilities and other variable costs. These figures are estimates and we cannot assure you there will not be additional expenses. Your actual cost will depend on management skill, experience, business acumen, local economic conditions, local market for casual dining, prevailing wage rates, competition and the sales level reached during the start-up phase and other factors. These amounts do not include any estimates for debt service on loans that you obtain to finance your business.

The estimated initial investment figures shown above for constructing and opening a Restaurant are based on a single, freestanding restaurant constructed by us that opened for business in 2023 with reasonable estimates based on our prototype building standards. You should review these figures carefully with a business advisor before making any decision to purchase this franchise.

YOUR ESTIMATED INITIAL INVESTMENT
(FOR AN AREA DEVELOPMENT AGREEMENT)

	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Fee for Multiple Restaurants (See Item 5)	$12,500 per Restaurant	Lump Sum	When you sign the Area Development Agreement.	Us
Total Estimated Initial Investment	$12,500 multiplied by the number of Restaurants.			

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards and Specifications

To ensure that each Restaurant is operated in a first-class manner in accordance with our quality standards, we issue specifications to you in our FOM, as defined below in Item 11 and you must operate the Franchised Restaurant in strict compliance with these standards and specifications. You must sell or offer for sale only those menu items, products and services that we have expressly approved in writing. We reserve the right to implement new and/or supplemental programs and/or procedures from time-to-time such as delivery, catering, off-premises food service, guest engagement, mystery shopper, safety, and nutrition programs. You are required to participate in such programs and/or procedures.

Approved Suppliers

To maintain the quality and uniformity of all food items, ingredients, supplies, paper goods, fixtures, furnishings, equipment, signage and other products (the "Restaurant Items") used in RED ROBIN® RESTAURANTS, you must purchase all Restaurant Items from suppliers approved by us in writing. We may designate ourselves or an affiliate as the sole supplier or an approved supplier of any Restaurant Item. We maintain a list of approved Restaurant Items and approved brands and suppliers for those Restaurant Items. We may provide a list of approved suppliers and approved Restaurant Items to you, including designation by brand and our standards and specifications, as contained in the FOM (see Item 11) or otherwise in writing. You must comply with all required purchases from approved suppliers and in conformity with our standards and specifications. All menu items and food products must be prepared in strict compliance with the recipes and the procedures we specify in the FOM or otherwise in writing. You may offer and sell only food products and menu items and services that we have specifically approved in writing. You may not deviate from our approved menu items without our prior written approval.

You may purchase approved Restaurant Items from any supplier approved or designated by us (which may include us and/or our affiliates). We maintain approved supplier criteria; however, we do not issue these criteria to you. If you propose to purchase any Restaurant Item from any unapproved supplier or purchase any unapproved Restaurant Item, you must first notify us in writing, using our supplier approval process and application, and submit to us sufficient specifications, photographs, drawings and/or other information or samples for us to determine whether the proposed Restaurant Items comply with our specifications and standards, and/or the supplier meets our approved supplier criteria, which we may

determine and communicate to you in writing within a reasonable time after receipt of the information from you or from the proposed supplier. However, if we do not respond within 60 days, your request will be deemed denied. We may require the proposed supplier to provide samples for us to test. We may charge you for the costs we incur in conducting a test of any proposed Restaurant Items, but such charge will not exceed the actual cost of the test. You acknowledge that we may reject your request for a new supplier if we or our affiliate already have a designated supplier for the product or material proposed to be offered by the new supplier. We also reserve the right to charge suppliers for the right to manufacture products for use in the Franchised Restaurant.

Insurance

1. Liability Insurance. During the Term, you must maintain, at your sole cost, comprehensive general liability insurance, including broad form contractual liability, broad-form property damage, personal injury, completed operations, products liability and fire damage coverage, in the amount of Two Million Dollars ($2,000,000) per occurrence for bodily injury and property damage, Two Million Dollars ($2,000,000) for liquor liability and Three Million Dollars ($3,000,000) general aggregate.

2. Property Insurance. During the Term, you must maintain, at your sole cost and expense, property insurance against damage or loss by fire and such other hazards (including without limitation, earthquake, lightning, windstorm, hail, explosion, riot, civil commotion, vandalism, malicious mischief, aircraft, vehicle and smoke) on an "all risk" basis on the Franchised Restaurant in an amount not less than the full replacement value.

3. Worker's Compensation Insurance. During the Term, you must subscribe to the workers' compensation law in the state in which the Franchised Restaurant is located and must maintain, at your sole cost, workers' compensation and employers' liability insurance covering all of your employees with employer's liability limits not less than Five Hundred Thousand Dollars ($500,000) for each bodily injury by accident and Five Hundred Thousand Dollars ($500,000) for each bodily injury of an employee by disease, and you must carry this insurance regardless of waiver or exemption of coverage under applicable state statute.

4. Builder's Risk Insurance. In connection with any construction, renovation, refurbishment or remodeling of the Franchised Restaurant, you must maintain "all risks" Builder's Risk insurance and performance and completion bonds in forms and amounts, and written by a carrier or carriers, reasonably satisfactory to RRI.

5. Automobile Insurance. During the Term, you must maintain, at your sole cost, automobile liability insurance for all owned, non-owned and hired vehicles covering bodily injury, death and property damage with a minimum combined single coverage limit of One Million Dollars ($1,000,000).

6. Excess Insurance. During the Term, you must maintain, at your sole cost, commercial umbrella liability or excess liability insurance with a minimum limit of Five Million Dollars ($5,000,000) per occurrence; such policy must provide excess limits for the general liability, automobile liability and employer's liability forms required above or at least as broad in coverage.

7. Additional Insurance Policies. During the Term, you must maintain, at your sole cost, cybersecurity, network risk, and/or cyber liability insurance policies in such amounts as a reasonably prudent franchisee would maintain or as reasonably required by us from time-to-time. In addition (and during the Term), you must maintain, at your sole cost, such additional insurance policies as a reasonably prudent franchisee would maintain or as reasonably required by us from time-to-time.

8. Policy Requirements. All insurance policies required under the Franchise Agreement must contain provisions to the effect that the insurance is primary and will not be canceled or modified without at least 30 days prior written notice to us and that no modification will be effective unless approved in writing by us. All such policies will be issued by a company or companies, rated "A" or better by Best's Insurance Guide, responsible and authorized to do business in the state in which the Franchised Restaurant is located, as you may determine, and as approved by us, which approval will not be unreasonably withheld.

(a) All insurance policies required hereunder, with the exception of Workers' Compensation Insurance, must name us, our affiliates, successors and assigns (and our respective officers, directors, shareholders, partners, employees, servants, representatives and agents) as additional insureds and must expressly provide that their interest will not be affected by any breach by you of any policy provisions. In addition, all insurance policies must waive subrogation in our favor, our affiliates, successors and assigns (and our respective officers, directors, shareholders, partners, employees, servants, representatives and agents).

(b) You may elect to have reasonable deductibles in connection with the insurance coverage required under the Franchise Agreement subject to a reasonable evaluation of your financial strength as compared to such deductibles and otherwise subject to our prior written consent. You may not agree to sublimits in the insurance policies required by the Franchise Agreement without our prior, written consent.

(c) Your obligation to maintain the insurance policies under the Franchise Agreement must not (i) release you from your indemnity obligations under the Franchise Agreement; or (ii) be limited by reason of any insurance which may be maintained by us.

(d) We reserve the right to reasonably revise and/or reasonably increase the insurance coverages required under the Franchise Agreement and you must promptly comply with any revisions and/or increases.

(e) Not less than once per year, you will deliver to us certificates of insurance evidencing the insurance coverages required under the Franchise Agreement. You will also deliver certificates and/or copies of your insurance policies within 10 days after our request.

9. Our Right to Procure Insurance. In the event you fail to comply with the insurance requirement under the Franchise Agreement, then (in addition to any other remedies available to us under the Franchise Agreement), we will have the right (but not the obligation) to procure insurance on your behalf and to charge same to you for the cost incurred by us with a reasonable fee for our expenses in so acting, you must pay us immediately upon notice from us.

Proprietary Products

We have developed and may continue to develop for use by RED ROBIN® RESTAURANTS certain products ("Proprietary Products") that bear our Marks (see Item 13). If any Proprietary Product becomes a part of the System, we may require you to purchase those items solely from us, our affiliate or from an approved supplier. We and our affiliates do not currently sell any products to franchisees, but we reserve the right to do so in the future. You may also be required to purchase these Proprietary Products from our designated third-party supplier. RRI and its affiliates did not receive revenue from franchisees for products or services that we sold to our franchisees during fiscal year 2025, except for non-material revenue from used and/or warehoused restaurant equipment sold to franchisees in voluntary, arms-length transactions.

Revenue and Other Benefits From Franchisee Purchases

Typically, you will purchase directly from suppliers that we designate or approve and, typically, you will receive discounts and/or rebates related to such purchases directly from such suppliers. Accordingly, we typically do not derive revenue, discounts, and/or rebates based on franchisees' purchases from such suppliers. If we receive discounts and rebates on purchases made by both our company-owned restaurants and franchisee-owned restaurants from such suppliers, then those discounts and rebates will typically be allocated across both company-owned and franchisee-owned restaurants based on usage at each Restaurant or other reasonable allocation methods. RRI received rebates in fiscal year 2025 from suppliers based on purchases made by both our company-owned restaurants and franchisee-owned restaurants in the approximate amount of $11.4 million and these rebates were allocated across both company-owned and franchisee-owned restaurants based on usage at each restaurant or other reasonable allocation methods. The basis for the calculation of these rebates varies and may depend on the product being purchased and the amount of usage of that product by us, our affiliates and our franchisees.

Other Supply Chain Matters

You must comply with the supply chain requirements under the Franchise Agreement and the FOM (and any other requirements that we may from time-to-time prescribe in the FOM or otherwise in writing). In the event of an update, modification, and/or revision to the FOM regarding these requirements, you must comply with the FOM, as updated, modified, and/or revised.

(a) We may, from time-to-time and at our option, provide training, guidance, and advisory assistance to you regarding supply chain matters in connection with your operation of the Franchised Restaurant, as we deem advisable. We may, from time-to-time and at our option, provide to you advice and written materials concerning techniques of managing the supply chain for the Franchised Restaurant, including information regarding distribution, logistics, and other supply chain matters. We reserve the right to charge reasonable fees to you for these services and/or require you to reimburse us for overhead, costs, and expenses incurred by us in connection with services.

(b) You are responsible for all cost, liability, expense, for all supply chain matters related to the Franchised Restaurant. You acknowledge that our rendering of assistance in connection with supply chain matters does not constitute a representation, promise, warranty, or guarantee by us regarding the viability and/or operational effectiveness of any supply chain matters. You release us and hold us harmless (including our subsidiaries, officers, directors, employees, and agents) from any and all liability, loss, or damages which may arise from supply chain matters related to the Franchised Restaurant.

(c) You must negotiate your own supply chain contracts with distributors, manufacturers, and suppliers, and you acknowledge and agree that those contracts may have terms, conditions, and pricing that are different from our contracts for similar supply chain items. You are solely responsible for the terms, conditions, and pricing of your supply chain contracts, subject to the terms of the Franchise Agreement and the FOM. In connection with certain supply chain contracts, we may elect (in our sole discretion) to combine the anticipated volume for our company-owned RED ROBIN® RESTAURANTS together with anticipated volume for some (or all) franchised RED ROBIN® RESTAURANTS to optimize pricing in such contracts, but you may still be required to negotiate your own supply chain contracts with distributors, manufacturers, and suppliers and those contracts may have terms, conditions, and pricing that are different from our contracts for similar supply chain items.

(d) We may elect, in our sole discretion, to negotiate certain FOB origin shipping terms that may be available to both company-owned and franchised RED ROBIN® RESTAURANTS, but

you may be required to negotiate your own supply chain terms such as freight costs to move contracted item(s) to the distribution center that services the Franchised Restaurant.

(e) We may elect, in our sole discretion, to enter supply chain contracts which contain terms and conditions for certain rebates where these rebates (if any) may be allocated and distributed based on the actual usage by each RED ROBIN® RESTAURANTS. If we elect to enter supply contracts with rebate structures, we will notify you of the terms and conditions of the rebates which apply to the Franchised Restaurant.

(f) You are solely responsible for (i) securing your own distribution contracts for the Franchised Restaurant at your sole cost, subject to the terms of the Franchise Agreement and the FOM and (ii) all matters related to such distribution contracts including, without limitation, delivery of approved products, management of inventory at the distribution center, product availability, product pricing, ordering guidelines, distribution logistics, and all other matters related to such distribution contracts.

(g) We may elect, in our sole discretion, to provide limited options for you to participate in certain aspects of the distribution contract(s) for our company-owned RED ROBIN® RESTAURANTS and, If so, you may be required to implement certain inventory management procedures, order management procedures, technology solutions, and other supply chain procedures that may be required by us or our distributors in connection with any your participation. You may be required to negotiate your own distribution contracts with distributors, and those contracts may have terms, conditions, and pricing that are different from our contracts for similar distribution matters. If we elect to enter any distribution contract where you have limited options to participate, then we will notify you of the terms and conditions of the contracts that apply to your Restaurant.

(h) We may elect, in our sole discretion, to create additional supply chain management structures and your participation in these structures may be mandatory or voluntary and subject to other requirements, documents and actions.

To the fullest extent permitted by applicable law, we reserve the right to establish maximum, minimum, or other requirements related to service charges, tariff charges and any other similar surcharges.

Other than as described above, we do not provide material benefits to you based on your use of designated or approved suppliers.

We estimate that 60% to 80% of your initial investment and 60% to 80% of your ongoing expenditures will be directed to purchasing products and services that may require our approval or may be otherwise restricted by us in some manner as determined by us from time to time.

None of our officers own any interest in any approved supplier.

As of the date of this disclosure document, there are no purchasing or distribution cooperatives.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
A. Site selection and acquisition/lease	Section 4.1 in Area Development Agreement. Not Applicable in Area Development Agreement.	Items 8 and 11
B. Pre-opening purchases/leases	Not Applicable in Area Development Agreement. Not Applicable in Franchise Agreement.	Items 5, 7, 8, and 11
C. Site development and other pre-opening requirements	Section 4.1 in Area Development Agreement. Not Applicable in Franchise Agreement.	Items 7, 8, and 11
D. Initial and ongoing training	Section 6.4 in Area Development Agreement. Sections 2.1 through 2.4 and 2.7 in Franchise Agreement.	Item 11
E. Opening	Not Applicable in Area Development Agreement. Sections 2.5 through 2.6 in Franchise Agreement.	Item 11
F. Fees	Sections 2.1 and 3.4 in Area Development Agreement. Sections 3.1 and 3.2 in Franchise Agreement.	Items 5, 6 and 7
G. Compliance with standards and policies/FOM	Sections 6.6 through 6.8 in Area Development Agreement. Sections 4.1 through 4.3 in Franchise Agreement.	Items 8, 11 and 14
H. Trademarks and proprietary information	Sections 6.9 and 6.12 in Area Development Agreement. Sections 7.1 through 7.4 and Section 8.4 of Franchise Agreement.	Items 13 and 14

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
I. Restrictions on products/services offered	Not Applicable in Area Development Agreement. Section 6.6 in Franchise Agreement.	Items 8 and 16
J. Warranty and customer service requirements	Not Applicable in Area Development Agreement. Sections 6.1, 6.13 and 6.16 in Franchise Agreement.	None.
K. Ongoing product/service purchases	Not Applicable in Area Development Agreement. Sections 6.1 and 6.1 in Franchise Agreement.	Item 8
L. Maintenance, appearance and remodeling requirements	Section 1.1(b) in Area Development Agreement. Sections 6.9 through 6.11 in Franchise Agreement.	Item 11
M. Insurance	Section 11.8 in Area Development Agreement. Sections 11.1 through 11.9 in Franchise Agreement.	Items 7 and 8
N. Advertising	Not Applicable in Area Development Agreement. Sections 10.1 through 10.11 in Franchise Agreement.	Items 6, 8 and 11
O. Indemnification	Section 11.2 in Area Development Agreement. Section 16.2 in Franchise Agreement.	Item 6
P. Owner's participation, management, and staffing	Section 6.3 in Area Development Agreement. Sections 6.2 and 6.4 in Franchise Agreement.	Items 11 and 15

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
Q. Records/reports	Not Applicable in Area Development Agreement. Section 9.1 in Franchise Agreement.	Items 6 and 11
R. Inspections and audits	Not Applicable in Area Development Agreement. Sections 6.12 and 9.5 in Franchise Agreement.	Items 6 and 11
S. Transfer	Article 8 in Area Development Agreement. Article 12 in Franchise Agreement.	Items 6 and 17
T. Renewal	Not applicable	Item 17
U. Post-termination obligations	Section 7.7 in Area Development Agreement. Section 15.3 in Franchise Agreement.	Item 17
V. Non-competition covenants	Section 9.3 in Area Development Agreement. Section 15.3 in Franchise Agreement.	Item 17
W. Dispute resolution	Article 14 in Area Development Agreement. Sections 20.1 through 20.6 in Franchise Agreement.	Item 17

ITEM 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your promissory notes, mortgages, leases or other obligations. We do not allow you to grant a security or collateral interest in the Area Development Agreement, Franchise Agreement, the System, and/or the Red Robin Marks.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

1. **Pre-opening Obligations.**

Before you open the Franchised Restaurant, we may provide the following assistance and services:

a. Under the Area Development Agreement, we may grant a franchise to you or an approved affiliate for the operation of a RED ROBIN® RESTAURANT located within your Territory (See Item 12). (Area Development Agreement – Section 1.1).

b. Provide you with our current site selection guidelines and any other site selection guidance and assistance we may think advisable. We may provide you with our network of real estate brokers who may be able to assist with the development for your RED ROBIN® RESTAURANT in the Territory. You will not be required to use brokers from our existing network, but if you wish to use a broker who is not in our existing network of approved brokers, we must approve any proposed brokers before you may use their services. We may additionally provide one (1) on-site evaluation for one (1) proposed site for each Restaurant to be developed at no additional charge. If additional on-site evaluations are necessary for any of your proposed sites, or you request additional on-site evaluations, we may require you to reimburse us for reasonable direct expenses we incur for the additional on-site evaluations, such as the cost of travel, lodging, meals and wages. (Area Development Agreement – Section 6.1).

c. Accept your proposed Restaurant site. We may accept or decline a proposed site by delivery of written notice to you. We may deliver such notification to you within 30 days after our receipt of all information required by us. If we fail to respond to your request for site review within the 45-day period, the site will be deemed disapproved **(**Area Development Agreement – Section 4.1(b)). We do not typically own the site where the Franchised Restaurant is located and lease it to you.

d. Approve your purchase contract or lease. If you will occupy the premises of the Franchised Restaurant under a lease, you must submit a copy of the final lease to us for written approval before you sign it (Area Development Agreement – Section 4.2).

e. Provide you specifications for the Franchised Restaurant, including requirements for dimensions, design, image, interior layout, decor, color scheme, interior decorating services, operating assets, computer system, and designated and approved suppliers for your purchase of all necessary products and supplies (Franchise Agreement – Section 6).

f. Provide you a list of qualified general contractors who have past experience with developing RED ROBIN® RESTAURANTS. If you wish to use a general contractor who is not on our list of qualified general contractors, we may provide you with a list of qualifications and requirements for general contractors, however, we must approve any proposed general contractors before you may use their services (Area Development Agreement – Section 4.3).

g. Provide you with online access to FOM (as described below), which we may revise during the term of the Franchise Agreement (Area Development Agreement - Section 6.6; Franchise Agreement – Section 4.1(d)).

h. Provide you with a list of approved suppliers (Franchise Agreement – Section 6.6).

i. Conduct a manager training program for your Principal Owner, Operating Partner, general manager, kitchen manager, and assistant managers (see description of training below). Some of this training will take place at a RED ROBIN® RESTAURANT that we have certified as a "Certified Training Restaurant" (Franchise Agreement – Sections 2.1(a) and 2.1(b)).

j. Provide New Restaurant Opening Training at the Franchised Restaurant (Franchise Agreement – Section 2.2).

k. Provide to you at cost, advertising and promotional materials developed pursuant to the NAP for your use in the pre-opening promotion of the Franchised Restaurant (Franchise Agreement – Section 10.2).

2. **Post-Opening Obligations.**

We provide the following services and assistance after you open the Franchised Restaurant:

a. Advertising and promotional materials for use in local advertising for the Franchised Restaurant, through the RAP and/or the NAP. We reserve the right to charge you a reasonable amount for the cost of the materials (Franchise Agreement – Sections 10.2 and 10.3).

b. Provide online access to our confidential and proprietary operations manuals (collectively, the "FOM") relating to the development, operation, and marketing techniques of Restaurants. The FOM contains mandatory specifications, standards and operating procedures we prescribe for RED ROBIN® RESTAURANTS and information relative to your other obligations. The FOM may also consist of one or more separate manuals or handbooks as well as recipe books, videotapes, DVDs, CDs, computer software, and/or other written materials, and other materials and intangibles. We have the right to modify the FOM to reflect changes in products, services, specifications, standards and operating procedures, including marketing techniques, of a RED ROBIN® RESTAURANT. We may periodically change the contents of the FOM and you must adhere to all such changes (Franchise Agreement – Section 4.1(d)). We offer prospective franchisees the opportunity to view the FOM before buying a franchise. As of the date of this disclosure document, the total number of pages in the FOM is 142. Below is the table of contents to the FOM:

SUBJECT	NUMBER OF PAGES
COVER PAGE AND TABLE OF CONTENTS	4
FRANCHISE OPERATIONS MANUAL	6
RESTAURANT OPERATIONS	34
BUSINESS HEALTH REVIEW	4
LEARNING AND DEVELOPMENT	4
FOOD SAFETY	23
SUPPLY CHAIN	10

EQUIPMENT AND REFRIGERATION	14
FACILITIES AND DESIGN BRAND STANDARDS	9
MARKETING	19
GUEST RELATIONS	3
FINANCIAL STATEMENTS & ACCOUNTING	3
RESTAURANT TECHNOLOGY	9
TOTAL NUMBER OF PAGES	142

c. We prescribe the training for any replacement manager of a RED ROBIN® RESTAURANT. We have the right to assess you reasonable charges for this training. We have the right to require that you (or a Principal Owner), the Operating Partner, any manager or assistant managers, and any other previously trained employees attend supplemental and refresher training programs during the term of the Franchise Agreement, to be furnished at a time and place we designate. We also have the right to assess you reasonable charges for any supplemental and refresher training programs. If you request the additional training, we require you to pay our reasonable expenses in providing the training (Franchise Agreement – Section 2.1(k)).

d. We may advise you regarding the Franchised Restaurant's operations based on reports that you submit to us or inspections made by us. We may evaluate the Franchised Restaurant and the products and services provided to ensure that you maintain the highest standards of quality, service and health and safety compliance with announced and unannounced evaluations (Franchise Agreement – Section 9.5).

e. Administer the NAP, and, if implemented, a RAP and any regional cooperatives we may establish (Franchise Agreement – Sections 10.2 and 10.4).

3. **Time Prior to Opening.**

If you sign a Franchise Agreement under an Area Development Agreement, you must open the Franchised Restaurant within the time stated in the Development Schedule. Franchisees typically open their restaurants within 180 days after the Effective Date of the Franchise Agreement. Factors that affect this time include: your ability to obtain a lease and the proper building permits; your ability to acquire a liquor license; zoning and local ordinances; weather conditions; and delayed installation of equipment, fixtures, and signs.

4. **Advertising.**

We currently maintain and administer a national advertising fund ("NAF") and a cooperative advertising program ("CAP") for the purpose of maintaining, administering, directing, and preparing advertising, public relations, and promotional activities for the benefit of the System, including, without limitation, the activities referenced below. In the future, we may utilize (and, we may require you to participate in) a National Advertising Program (or, NAP), a Regional Advertising Program (or, RAP) and/or a Local Advertising Program (or, LAP) and your fees to the NAP, RAP, and/or LAP will not exceed the Maximum Advertising Obligation as referenced below. We may require you to participate in the NAF and

CAP or we may require you to participate in the NAP, RAP, and/or LAP, in addition to other supplemental marketing programs. In fiscal year 2025, 33% of the CAP and NAF was used for media placement, 20% for production/PR/social media, 22% for loyalty/digital platforms and 25% for administrative expenses. Currently, our company-owned restaurants located in the United States of America contribute to the NAF and CAP on the same basis as existing franchisees.

a. Maximum Advertising Obligation. The aggregate amount of the NAP Fee, RAP Fee, and/or LAP Fee will not exceed four percent (4%) of the Gross Sales of the Franchised Restaurant (the "Maximum Advertising Obligation"). The NAP Fee, RAP Fee, and LAP Fee are collectively referenced as the "Advertising Fees".

b. National Advertising Program. We may require you to participate in a National Advertising Program (or, NAP). We are responsible for maintaining and administering the NAP.

(i) We are solely responsible to direct all advertising, production, media placement, marketing and public relations programs and activities undertaken by the NAP with sole discretion over the strategic direction, creative concepts, materials and endorsements used by the NAP and sole discretion over the geographic, market, and media placement and allocation of NAP Fees. We will have sole responsibility to direct the NAP to provide you with reasonable quantities of approved advertising, marketing, and promotional materials at cost (i.e., with no additional markup for general, administrative, and overhead costs). You acknowledge that our standards, specifications, and decisions in all aspects of these programs (including without limitation, the type, quantity, timing, placement, choice of media, market areas, advertising and public relation agencies) are final and binding on you with respect to the NAP.

(ii) The NAP may be used by us for the purpose of maintaining, administering, directing, and preparing advertising, public relations, and promotional activities for the benefit of the System, including, without limitation, the activities set forth below:

(1) preparation of, and payment for, marketing, consumer, public relations, and guest engagement research and studies;
(2) preparation of, and payment for, television, radio, magazine, newspaper, website, and social media advertising campaigns;
(3) preparation of, and payment for, creative design services;
(4) payment for direct mail and outdoor billboard advertising;
(5) printing and distribution costs;
(6) production, preparation and payment of marketing materials, advertising copy, and commercials;
(7) payment of tracking costs, agency fees, customer relationship management costs, engagement marketing costs, and similar costs;
(8) implementation of, and payments for, public relations activities;
(9) creation of training materials and other branding materials;
(10) retention of, and payments to, advertising agencies;
(11) implementation of, and payments for, marketing sponsorships;
(12) internet marketing and communications;
(13) monitoring and maintenance of social media and social networking sites;
(14) search engine optimization and similar marketing optimization activities;
(15) implementation of social media influencer campaigns and similar marketing stunts;
(16) creation and implementation of marketing sweepstakes and contests;
(17) implementing and administering guest loyalty (a/k/a royalty) programs;

(18) maintenance and administration of approved website(s) for the System;
(19) maintenance and administration of approved mobile application(s) for the System;
(20) creation of targeted local advertising programs including micro-market targeting programs and similar targeted local advertising programs;
(21) costs incurred by us for personnel and other departmental costs that are administered or prepared internally by us;
(22) other expenditures for marketing activities deemed necessary or appropriate by us, as determined by us in our sole discretion, to advertise, promote and market RED ROBIN® RESTAURANTS regionally or nationally; and
(23) all other similar activities typically undertaken by similar national advertising and promotional funds and all as determined by us in our sole discretion.

(iii) On or before the fifteenth (15th) day of each Accounting Period, you must pay to us a continuing monthly advertising fee in an amount up to or equal to four percent (4%) of Gross Sales (the "NAP Fee"). Subject to the Maximum Advertising Obligation, the NAP Fee will be determined by us in our sole discretion from time-to-time during the term of the Franchise Agreement. We may increase the NAP Fee at any time upon ten (10) days prior notice to you (subject to the Maximum Advertising Obligation) and, in such event, the increased NAP Fee will be due each Accounting Period after receipt of such notice.

(iv) You agree that the NAP Fees may be used to pay various costs and expenses, including costs incurred by us for personnel and other departmental costs for advertising that is administered or prepared internally by us, costs incurred by us for other marketing activities undertaken by us; provided that salary expenses for our personnel paid by the NAP must be commensurate with the amount of that time spent by such personnel on NAP matters. You agree to participate in all advertising, marketing, promotions, research and public relations programs instituted by the NAP.

(v) Upon receipt by us, NAP Fees are our sole and absolute property. We will account for NAP Fees as separate funds received in the ordinary course of business, but we will not be required to segregate NAP Fees from other funds.

(vi) We will not use NAP Fees to defray our general operating expenses, except for such reasonable salaries, administrative costs and overhead as we may incur in activities reasonably related to the administration and activities of the NAP and creation or conduct of its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials and collecting and accounting for contributions to the NAP.

(vii) We may spend in a fiscal year an amount greater or less than the aggregate contributions of all RED ROBIN® RESTAURANTS to the NAP in that year. The NAP may borrow from us or other lenders at standard commercial interest rates to cover deficits of the NAP or cause the NAP to invest any surplus for future use by the NAP. We reserve the right to cause the NAP to be incorporated or operated through a separate entity at such time as we deem appropriate, and such successor entity will have all the same rights and duties as we have with respect to the NAP.

(viii) We will provide an annual, unaudited statement of the operations of the NAP, at the NAP's expense, and the statement will be made available to you upon your request.

(ix) We may have the NAP audited annually, at the NAP's expense, by an independent certified public accountant. We reserve the right to cause the NAP to be incorporated and/or operated

through a separate, successor entity upon thirty (30) days prior written notice to you and, in such event, such entity will have the same rights and duties as we have with respect to the NAP. We reserve the right to terminate the NAP as determined by us in our sole discretion; provided that all NAP Fees must be expended for advertising and/or promotional purposes as referenced above.

(x) You acknowledge that the NAP is intended to maximize recognition of the Marks, the System and RED ROBIN® RESTAURANTS generally. Although we will attempt to use the NAP to develop advertising and marketing materials and programs, and to place advertising in order to benefit RED ROBIN® RESTAURANTS we do not have obligation to ensure that expenditures by the NAP in or affecting any geographic area are proportionate or equivalent to the contributions to the NAP by RED ROBIN® RESTAURANTS operating in that geographic area or that any RED ROBIN® RESTAURANTS will benefit directly or in proportion to its contribution to the NAP from the development of advertising and marketing materials or the placement of advertising. We may use the NAP to promote any type of RED ROBIN® RESTAURANTS in the System. You acknowledges that any failure to derive any such benefit will not serve as a basis for a reduction or elimination of NAP Fees. You further agree that the failure (whether with or without our permission) of any other franchisee to make the appropriate amount of contributions to the NAP will not in any way release or reduce your obligations with respect to the NAP, which are being your separate and independent obligations under the Franchise Agreement.

(xi) Except as expressly set forth in the Franchise Agreement, we do not have any direct or indirect liability or obligation to you with respect to the maintenance, direction, or administration of the NAP. We may at any time, upon thirty (30) days' prior written notice to you, reduce or suspend the NAP (including, without limitation, NAP Fees) and operations for one (1) or more periods of any length and terminate (and, if terminated, reinstate) the NAP; provided that we will not terminate the NAP until all monies contributed to the NAP have been expended for advertising, public relations, or promotional purposes, or distributed to the contributors in proportion to their respective NAP contributions during the preceding twelve (12) month period.

c. Regional Advertising Program. We may require you to participate in a Regional Advertising Program (or, RAP). We are responsible for maintaining and administering the RAP.

(i) We reserve the right, in our discretion, to designate any geographical area (e.g., an area of dominant influence or "ADI") as a region for purposes of establishing a ("RAP").

(ii) A RAP may be composed of one or more RED ROBIN® RESTAURANTS operated by us and/or one or more RED ROBIN® RESTAURANTS operated by you (and/or its parent company or affiliates) and/or other franchisees. If a Regional Advertising Program has been (or, is) established for the geographic area where the Franchised Restaurant is located, then you must become a member of such Regional Advertising Program.

(iii) The Regional Advertising Program will be organized, governed, and operated in accordance with written guidelines prepared and approved in advance by us (the "RAP Guidelines"), and we will maintain and administer advertising programs in the geographic area where the Franchised Restaurant is located in accordance with the RAP Guidelines. No advertising or promotional plans or materials may be used by the Regional Advertising Program or furnished to its members without our prior written consent. We will direct all advertising and production programs in the Regional Advertising Program, and we will have sole responsibility for all advertising, marketing, and/or promotional materials used in connection with the Regional Advertising Program all as determined by us in our sole discretion.

(iv) In the event we require you to participate in the Regional Advertising Program, then (and on or before the fifteenth (15th) day of each calendar month), you must pay to us a continuing

monthly advertising fee in an amount up to or equal to four percent (4%) of Gross Sales (the "RAP Fee"). Subject to the Maximum Advertising Obligation, the RAP Fee will be determined by us in our sole discretion from time-to-time, but it will not exceed four percent (4%) of Gross Sales.

(v) The RAP may be used by us for the purpose of maintaining, administering, directing, and preparing advertising, public relations, and promotional activities for the benefit of the System, including, without limitation, the activities set forth above with respect to the NAP. The RAP Fee will be used exclusively by us in connection with any and all costs incurred in connection with the Regional Advertising Program including, without limitation, (a) maintaining, directing, and preparing advertising materials such as the preparation and coordination of television, radio, magazine, direct mail, and newspaper advertising campaigns, outdoor billboard advertising; marketing surveys and other public relations activities; (b) the employment of advertising agencies to assist in the Regional Advertising Program; (c) the preparation and distribution of promotional brochures and other marketing materials in connection with the Regional Advertising Program; (d) the cost of developing and maintaining any website(s) related to the Regional Advertising Program; (e) reasonable administrative costs and overhead incurred by us in activities reasonably related to the administration or direction of the Regional Advertising Program; and (f) such other items as may be set forth in the RAP Guidelines.

(vi) In the event the RAP Fee is set by us at an amount less than four percent (4%) of Gross Sales, then we may require you to spend an amount equal to the difference between the actual RAP Fee and four percent (4%) of Gross Sales on local advertising.

(1) Within 15 days after the expiration of each fiscal quarter, you must submit to us written documentation to show that you have met your spending obligation. In the event you do not meet your spending obligation and/or in the event you fail to spend the required amount on local advertising approved by us for the benefit of the Franchised Restaurant, then we may require you to pay the shortfall to us as a contribution to the NAP or RAP (as applicable) and/or we may spend such funds on local advertising for the Franchised Restaurant.

(2) You must submit to us such other statements or reports as may be reasonably required by us in connection with the Regional Advertising Program.

(vii) We, in our sole discretion, may exclude RED ROBIN® RESTAURANTS operated by us from the Regional Advertising Program and we may grant to you (or, any other franchisee in the Regional Advertising Program) an exemption for any length of time from the requirement of membership in the Regional Advertising Program, upon written request stating reasons supporting the exemption. We may require as a condition of granting the exemption that you comply with other provisions of the Franchise Agreement; and spend additional amount on local advertising. Our decision concerning such request for exemption is final.

d. Local Advertising Program. We may require you to participate in a National Advertising Program (or, NAP). We are responsible for maintaining and administering the NAP. In addition to the NAP Fee and/or RAP Fee (as applicable, and otherwise subject to the Maximum Advertising Obligation), You agree to spend a percentage of the Gross Sales on (RRI-approved) local advertising during each calendar quarter (the "LAP Fee"). Subject to the Maximum Advertising Obligation, the LAP Fee may be determined by us in our sole discretion from time-to-time. We may increase the LAP Fee at any time upon ten (10) days prior notice to you (subject to the Maximum Advertising Obligation) and, in such event, the increased LAP Fee must be spent each Accounting Period after receipt of such notice. All local advertising (including the proposed schedule for expenditure of such local advertising fees) is subject to our prior written approval in our sole discretion. On or before the fifteenth (15th) day after each calendar

quarter, you must provide us with an accurate accounting of local advertising expenditures and marketing activities during the immediately preceding calendar quarter. You must provide us with other periodic reports and records of local advertising upon request. And we reserve the right to audit your local advertising expenditures and marketing activities. In the event the NAP Fee, RAP Fee, and/or LAP Fee are less than the annual Maximum Advertising Obligation, we reserve the right to require you to contribute an amount equal to such shortage to the NAP or RAP as applicable.

e. Your Separate Website. You acknowledge and agree that any website will be deemed "advertising" under the Franchise Agreement. Further, you cannot establish a separate website unless approved by us in writing as determined by us in our sole discretion and otherwise subject to our standards as set forth in the FOM or other written guidelines established by us.

(i) In the event you intend to establish a separate website, then you must submit to us, a sample of the proposed website including domain name, format, visible content, screen shots, non-visible content (including, but not limited to, meta tags), and such other items (and in the form and format) we may require.

(ii) In the event such website is approved by us (as determined by us in our sole discretion), then you must use such website in strict accordance with our approval and the FOM and not thereafter modify website without our prior written approval as to such proposed modification.

(iii) We reserve the right to designate one or more web page(s) to describe you and/or the Franchised Restaurant, with such web page(s) to be located within our website.

(iv) You must comply with our standards and specifications for websites as prescribed from time to time in the FOM or otherwise in writing. You must establish hyperlinks to our website (and other websites) as we may require in the FOM or otherwise in writing. We may revoke our approval of your separate website at any time and require that you immediately discontinue use of a separate website.

f. Social Media and Social Networking. Your use of any social networking websites (such as LinkedIn®, X®, TikTok, Facebook®, Instagram®, or YouTube®) constitutes "advertising" under the Franchise Agreement and any such use (including, without limitation, the posting of messages or other content) requires our prior written approval (as determined by us in our sole discretion) and is otherwise subject to our standards as set forth in the FOM or other written guidelines established by us. We reserve the right of prior written approval of any message, commentary, or content that you intend to post on a social networking website, and you cannot post any such message, commentary, or comment without our prior written approval.

g. Internet Search Engines. You must list and advertise the Franchised Restaurant on all major Internet search engines (for example, Google Review, Apple Review, etc.) and all major Internet consumer review websites (for example, Yelp, etc.).

h. Administration of Advertising Programs. We reasonably anticipate that the NAP Fee will be expended for advertising and/or promotional purposes as described herein during our fiscal year within which such fees are received. In the event excess amounts remain in such advertising programs at the end of such fiscal year, then all expenditures in the following fiscal year(s) will be made first out of accumulated fees from previous years and then from fees collected during the current year. The advertising programs and funds are operated as a conduit for the collection and expenditure of advertising fees.

i. Advertising Standards and Approval. All advertising and promotion by you in any medium must be conducted in a dignified manner and must conform to our standards and requirements as set forth

in the FOM or otherwise. You must obtain our prior written consent to all advertising and promotional plans and materials that you desire to use which have not been prepared or previously approved by us within one (1) year.

(i) You must not use any advertising, marketing, and/or promotional materials in connection with the Franchised Restaurant unless such materials have been approved by us in writing. You must submit any unapproved advertising, marketing, and/or promotional materials to us. You must not use advertising materials until they have been approved by us and must promptly discontinue use of any advertising, marketing, and/or promotional materials upon notice from us.

(ii) This applies to the distribution and display of advertising, marketing, and/or promotional materials in any medium including, without limitation, print, radio, television, internet, website, social media, and any other media or channel.

j. Internet and Electronic Commerce. You must not advertise the Franchised Restaurant over the Internet (or any other form of electronic commerce and/or electronic media) without our prior written consent. You must not use the Marks over the Internet (or any other form of electronic commerce and/or electronic media) without our prior written consent. You must not develop, create, establish, and/or use any website or other electronic media which uses, and/or creates any association with, the System and/or the Marks (including any abbreviation, acronym, phonetic variation, or visual variation).

(i) All domain names using, and/or creating any association with, the System and/or the Marks (including any abbreviation, acronym, phonetic variation, or visual variation) must be registered in our name. We may grant to you a non-exclusive license to use domain name(s) selected by us for your use in accordance with the Franchise Agreement. You must not register any domain name in any class or category that uses or creates any association with the System and/or Marks (including any abbreviation, acronym, phonetic variation, or visual variation) without our prior written consent.

(ii) Any consent by us for you to develop, create, establish, advertise, register, and/or use any of the Marks over the Internet (or any other form of electronic commerce and/or electronic media) subject to certain conditions including, without limitation, requirements as to form, content, and appearance; requirements of a hypertext link to our website(s); prohibitions on hypertext links to third-party websites; and other requirements, restrictions, and prohibitions deemed necessary by us.

(iii) On termination or expiration of the Franchise Agreement or in the event you fail to comply with the Franchise Agreement we reserve the right (in addition to our other rights and remedies hereunder) to revoke our consent to your development, creation, establishment, advertisement, registration, and/or use any of the Marks over the Internet or any other form of electronic commerce and/or electronic media (including, without limitation, website(s) and domain names) and, in such event, you must immediately cease all such activities and immediately take all actions reasonably required to disassociate from all such activities.

k. Supplemental Marketing Programs and Application(s). You acknowledge that (i) supplemental marketing programs (e.g., limited time offers, gift cards, gift certificates, coupons, loyalty programs, customer relationship management, and other supplemental marketing programs) are an integral part of the System and (ii) you are required to participate in (and comply with) such supplemental marketing programs established by us from time-to-time. You acknowledge you may be responsible for the payment of certain costs associated with these supplemental marketing programs and that any such costs are not subject to the Maximum Advertising Obligation.

(1) We reserve the right to establish (and set forth the terms and conditions of) such supplemental marketing programs through (A) a supplement and/or modification to the FOM or (B) a standard supplemental marketing program agreement which you agree to sign, if so requested by us.

(2) You acknowledge that we have developed a guest loyalty (a/k/a royalty) program and you are required to participate in (and comply with the terms and conditions of) our guest loyalty (a/k/a royalty) policy as amended or modified by us from time-to-time and any such costs associated with the guest loyalty (a/k/a royalty) program must be paid by you and are not subject to the Maximum Advertising Obligation.

(3) You acknowledge that we have developed a gift card program and you are required to participate in (and comply with the terms and conditions of) our gift card policy as amended or modified by us from time-to-time and any such costs associated with the gift card program must be paid by you and are not subject to the Maximum Advertising Obligation.

(4) You acknowledge that we have developed a mobile application (and may develop similar applications in the future) and you are required to integrate with, participate in, and comply with the terms and conditions of our mobile application usage policy as amended or modified by us from time-to-time and any such costs associated with the mobile application policy must be paid by you and are not subject to the Maximum Advertising Obligation.

l. Other Advertising Matters. We may modify, revise, update, supplement, and/or terminate the NAP, RAP and/or LAP at any time for any reason upon 30 days' notice to you. However, we will not terminate the NAP, RAP, and/or LAP until all monies contributed to such programs have been expended for advertising, public relations, promotional purposes, other permitted uses, or returned to contributing franchisees and to us on the basis of our respective contributions. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the NAP in that year. We may arrange for loans to, or for the benefit of, the NAP by third parties and we may make loans to the NAP bearing reasonable interest to cover any deficits of the NAP and cause the NAP to invest any surplus for future use by the NAP. Franchisor will not use funds from either the NAP or RAP principally for soliciting sales of franchises. We periodically consult with current franchisees who are members of a franchise advisory board regarding various matters, including advertising activities.

5. Computer Hardware and Software.

We require that you purchase and use the following hardware, software and IT services.

a. POS System. You will, at your sole cost, install and maintain a computerized point-of-sale system (the "POS System") at the Franchised Restaurant and such POS System will be subject to our prior written approval. We reserve the right to require you to install and maintain a POS System designated by us, at your sole cost. We also reserve the right to require you to replace your existing POS System at the Franchised Restaurant with a POS System designated by us and, in such event, we will give you a minimum of two (2) years to replace your then existing POS System with a POS System designated by us all at your sole cost.

b. FOH and BOH Software Systems. You cannot install any back-of-house ("BOH") software system, front-of-house ("FOH") software system, or any other software systems in the Franchised Restaurant without our prior written approval. We may require you to install and maintain a BOH software system designated by us and/or FOH software system designated by us, all at your sole cost. We also reserve the right to require you replace your existing FOH and/or BOH software systems at the Franchised Restaurant with system(s) designated by us and, in such event, we will give you a minimum of two (2)

years to replace your then existing system with a FOH and/or BOH software system designated by us, all at your sole cost.

c. Hardware Requirements. You cannot install any computer hardware without our prior written approval. We may require you to install and maintain specific computer hardware designated by us, at your sole cost.

d. Other Hardware and Software Items. We may, from time-to-time and at our option, make available to you, at a reasonable cost to be paid by you to us (or other third-party(ies) designated by us), software systems and/or hardware equipment related to FOH operations, BOH operations, point-of-sale systems, and other software systems and/or hardware equipment. You will be required to execute such documents related to the licensing of the software and register systems as we may reasonably require and to pay any licensing fees, installation costs, maintenance costs, and any other fees and costs associated with these systems. We reserve the right to access the information generated by your computer system related to the operation of the Franchised Restaurant.

Neither we nor any affiliate have an ongoing obligation for maintenance, repairs, upgrades, or updates to the above-listed systems. You will contract with third parties for ongoing maintenance, repairs, upgrades or updates. You must install all updates and releases to software within the time periods we specify. There are no contractual limitations on the frequency and cost of upgrades or updates.

We estimate that the required and recommended computer hardware and software will cost between $110,000 to $195,000 per site plus an estimated reoccurring annual cost of $75,000 to $125,000 including required support contracts. We cannot estimate the annual cost for updates and upgrades that are not included in annual support contracts. You must obtain our written approval; should you wish to deviate from the required computer hardware and software requirements.

The tables below show current specifications for mandated (and, non-mandated) technology solutions. Currently, all hardware, software, and communications systems must be compliant with PCI standards DSS 4.01 or such other standards as we may prescribe. We may update, revise, and/or supplement these specifications for such technology solutions from time-to-time in our sole discretion.

Mandated Technology Solutions | Overview **Technology Requirement & Definition**	**Vendor & Product**
Point-of-Sale A Point of Sale (POS) system is the combination of hardware and software that a business uses to complete sales transactions with customers. It's essentially where a customer pays for products or services. The POS systems is a core system that integrates with kitchen systems, online ordering platforms, loyalty programs, and payment solutions. POS Version Requirement – Must always maintain same version as Franchisor.	Aloha/NCR Voyix
KDS system (Kitchen Display System) A KDS System is a digital screen used in restaurant kitchens to manage and display customer orders. Instead of printing tickets on a physical printer, orders are sent directly from the POS (Point of Sale) system to the KDS screen, where kitchen staff can view and track them in real-time. • Displays orders electronically as soon as they're entered into the POS • Organizes items by prep station (e.g., hotside, coldside, sauté) • Tracks order timing, helping kitchens meet speed-of-service expectations. • Highlights modifiers or special requests (e.g., allergies, no onions)	Aloha/NCR Voyix

Mandated Technology Solutions | Overview Technology Requirement & Definition	Vendor & Product
• Color codes or prioritizes orders based on how long they've been active. • Reduces paper waste and improves accuracy over traditional kitchen printers	
Website, iOS, and Android App Redrobin.com is Red Robin's website and is maintained and managed by a 3rd party developer alongside Red Robin internal Marketing and Technology Teams. The website includes but not limited to: • Menu • Online ordering • Specific Location pages • Loyalty program sign-ups • Career pages • Contact info or customer support	Bounteous
Online Ordering – Backend The Online Ordering platform is the link between our ordering site and the point-of-sale. This platform you will manage menu, payments & promotions for the digital space. • Online Ordering Platform: Olo is an online ordering system that allows restaurants to manage digital orders from various channels, including their own websites, apps, and third-party marketplaces. • Catering: online platform to manage high volume catering orders and the menu, payments and workflows associated. • Dispatch (Delivery Management): Olo's Dispatch service enables delivery by connecting our restaurants with third-party courier services. This allows for delivery options without managing their own fleet of drivers. Rails: Rails integrates with third-party marketplaces like DoorDash & UberEats, allowing restaurants to increase their visibility and receive orders from multiple sources.	Olo
Card Processor A credit card processor is a company or service that handles credit and debit card transactions between your business, your customer's bank, and your bank. This service will work in conjunction with the POS and digital platforms to collect payment from a guest.	WorldPay
Loyalty Engine A digital system used for guest engagement enabling increased visit frequency and maximize spend. This product will integrate directly with the point-of-sale and digital platforms interfacing directly with guests and team members.	Punchh
Guest Survey Platform A software platform used to collect feedback from their customers or guests. Through POS receipts, table-top devices or web applications we engage our guests to gather feedback on service, food quality and overall experience. This data is used to re-engage guests and drive business decisions.	Tattle

Non-Mandated Technology Solutions | Overview Technology Requirement & Definition	Vendor & Product
Table Management (Optional) A digital tool used at the host stand to help staff optimize table turns and reduce wait times. Enabled through a mobile tablet this product supports operational execution through waitlist management and guest seating optimization.	Olo Host
To-Go Bag Labels Used in conjunction with the Kitchen Display System this product supports off-premise execution and accuracy. Print outs on sticky paper are attached to both individual containers and order bags to capture item details for team member and guest.	Sticky Media / Epson L100
Tabletop Kiosk A tabletop tablet designed to enhance service efficiencies and support an optimized guest experience with the following functionality: • Browse the menu and place food and drink orders. • Play games and view entertainment content. • Pay at the table using credit/debit cards or mobile payment options. • Split checks and add tips. • Print receipts directly from the device. • Provide feedback through post-meal surveys.	Tabletop Media (Ziosk)
Server Handhelds A mobile device or tablet used by service team members to take guest orders. This is a tableside / mobile extension of the POS that enable our service model.	NCR/Voyix
Backoffice Inventory Management A comprehensive platform designed to optimized back-of-house operations. A vital tool that helps control cost of goods while maintain food quality. Key functions of the platform include: • Recipe Management • Item Ordering • Sales Forecasting • Food Preparation Guidance • Reporting & Analytics	NCR/Voyix
Labor Management A labor management platform (such as HotSchedule) assists with employee scheduling, labor forecasting, and time & attendance tracking. Through an optimized tool we control costs while ensuring we have the appropriate staffing to meet our standards of service.	HotSchedules

6. Training

a. We will provide the Principal Owner, Operating Partner, "Managers" (i.e., managing partner, general manager, kitchen manager, assistant managers, or any other managers at the Franchised Restaurant), and (RRI-approved) key operating employees with training programs for operation of the Franchised Restaurant in accordance with the Franchise Agreement and the FOM (collectively, the "Training Programs").

b. You are responsible for all costs and expenses of such Training Programs which are due and payable to us within thirty (30) days after receipt of invoice. Subject to our approval, you may invite additional employees to attend the Training Programs; provided we reserve the right to limit attendance at the Training Programs and we reserve the right to charge additional training fees for such additional employees.

c. We reserve the right to require all Training Programs to occur at restaurant(s) designated by us in our sole discretion. Subject to our approval, you may also request that we provide certain portion(s) of the Training Programs at the Franchised Restaurant, and we will determine whether to provide such portion(s) of the Training Programs at the Franchised Restaurant in our sole discretion. If we provide any portion of the Training Programs at the Franchised Restaurant, then we reserve the right to charge our then-current training fee, plus any travel and living expenses for the trainers sent by us to the restaurant for such training programs.

d. The Training Programs are set forth in the FOM and consist of such programs as Management Foundations Training and Team Member Foundations Training, in addition to any other training programs set forth in the FOM. The Training Programs are subject to change without prior notice due to updates in the FOM and updates in materials, methods, manuals and personnel. You must provide at least six (6) weeks prior written notice to us regarding your desire to attend the Training Programs including the names and contact information for the proposed trainees.

e. All approved trainees must commence the Training Programs no later than nineteen (19) weeks prior to the Franchised Restaurant's scheduled opening date. If more than ninety (90) days pass between the successful completion of the Training Programs by the Managers and such opening date, then we may require your Managers to attend additional training at Franchisee's cost and expense.

f We have operations and training teams that we typically use for training restaurant managers for our company-owned restaurants. We will generally use these teams to train all Managers that participate in the Training Programs. However, we will determine the identity and composition of the trainer(s) conducting all portions of the Training Programs in its sole discretion, and our training teams are subject to change without prior notice in our sole discretion.

g. You are solely responsible for all costs and expenses of the Training Programs including, without limitation, payment to us for training costs, compensation costs, travel, airfare, lodging, meals, and all other similar costs, compensation paid to your employees, travel, lodging, meals, living expenses, and all other similar costs and expenses related to such Training Programs.

h. We reserve the right to stop and discontinue the Training Programs at any point if the Managers or other designated team members are not progressing to our satisfaction. We will determine whether the Managers and Operating Partners in training are qualified to remain in training based on their performance while attending the training, and such Managers and Operating Partners must complete the Training Programs to our satisfaction.

i. We acknowledge that our determination that a Manager or Operating Partner has successfully completed the training curriculum is not a representation or warranty of any kind, express or implied that such individual will successfully perform his or her duties at the Franchised Restaurant.

j. In the event the Franchised Restaurant has been designated by us as a "Certified Training Restaurant" (or, CTR) in accordance with the requirements in the FOM (or such other requirements designated by us), then we reserve the right to review this designation on an ongoing basis and reserve the right to remove such designation in the event the Franchised Restaurant no longer satisfies the CTR requirements.

k. We may deliver training reports to you from time-to-time and those training reports may include recommendations for correcting any deficiencies in your training programs at the Franchised Restaurant. In such event, you must follow such recommendations by incorporating such additional training and training personnel into your training program at the Franchised Restaurant.

l. In the event of any change to the Managers or Operating Partner (e.g. resignation, termination, disability, death, etc.), then you are required to identify, hire, and have the successor manager complete the Training Programs within one hundred eighty (180) days following such event. Each successor Manager or Operating Partner must successfully complete the required Training Programs. Your failure to require such personnel to attend and successfully complete the Training Programs to our satisfaction in a timely manner constitutes a material default under the Franchise Agreement.

m. In connection with the opening and initial operations of the Franchised Restaurant, the Training Programs may also include New Restaurant Opening (or, NRO) Training. The NRO Training is set forth in the FOM and typically consists of a minimum of seven (7) days of training commencing prior to opening. We will determine the nature and extent of the NRO Training, in our sole discretion, based upon our assessment of management team at the Franchised Restaurant.

n. You are responsible for all costs and expenses of the NRO Training including, without limitation, payment to us for training costs, compensation costs, travel, airfare, lodging, meals, and all other similar costs, compensation paid to your employees, travel, lodging, meals, living expenses, and all other similar costs and expenses related to the NRO Training. We may provide a credit against such NRO Training costs in an amount determined by us from time-to-time.

o. We may, at our option, elect to provide on-site supervision and assistance prior to opening of the Franchised Restaurant which may include, at your expense, an opening crew and otherwise subject to the availability of such opening crew and all as more particularly set forth in the FOM.

As of the date of this Disclosure Document, we provide the following initial training:

TRAINING PROGRAMS

Manager in Training (MIT) Program

Subject	Hours of Classroom Training	Hours of On-the-job Training[1]	Location[2]
Core Program	0	400	EL, OJT

Team Member Foundations Training Program

Subject	Hours of Classroom Training	Hours of On-the-job Training[1]	Location[2]
Server	0	30	EL, OJT
Bartender	0	41	EL, OJT
Busser	0	11	EL, OJT
Host	0	15	EL, OJT
To-Go Specialist	0	15	EL, OJT
Expo	0	23	EL, OJT
Line Cook Hot Side	0	24	EL, OJT
Line Cook Cold Side	0	23	EL, OJT
DMO	0	12	EL, OJT

The training hours devoted to each position are estimates and may vary based on how quickly trainees learn the material, their prior experience with the subject, and scheduling. On-the-job training includes hands on practice with all tasks and responsibilities for a given position.

Key: EL=E-learning; and OJT = On the job Training

Our Vice President of Learning & Development, Jared Kulka, will oversee all Training Program Content. Mr. Kulka has been with RED ROBIN since May 2006 and has over 19 years of experience in the areas taught. The training materials are electronic based and are accessible via an iPad and generally consist of videos and written materials.

In connection with the opening and initial operations of the Franchised Restaurant, the Training Programs may also include New Restaurant Opening (or, NRO) Training. The NRO Training is set forth in the FOM and typically consists of a minimum of seven (7) days of training commencing prior to opening. We may determine the nature and extent of the NRO Training, in our sole discretion, based upon our assessment of management team at the Franchised Restaurant (Franchise Agreement - Section 2.2).

ITEM 12

TERRITORY

Area Development Agreement

The Area Development Agreement grants you certain rights (as described below) to develop more than one (1) Restaurant within a designated geographic area (the "Territory") set forth in the Area Development Agreement. The boundaries of the Territory will be described by map coordinates, city limits,

counties, states, or other boundaries when appropriate, or by an area encompassed within a circle having a radius of a specific length. We may determine in our discretion the Territory we offer to you before you sign the Area Development Agreement based on various market and economic factors. The Term of the Area Development Agreement expires on the first to occur of (i) a specific date set forth in the Area Development Agreement or (ii) date on which the last Restaurant required by this Development Schedule is open and operating. When the Area Development Agreement expires or terminates, your right to use the System will be limited to those Restaurants operating under Franchise Agreements you have entered into with us before the expiration or termination of the Area Development Agreement.

If you comply with your obligations under the Area Development Agreement and all your Franchise Agreements, we will not establish, or license others to establish, RED ROBIN® RESTAURANTS within your Territory during the Term of the Area Development Agreement, except for the rights reserved below. If you fail to satisfy your obligations under the Development Schedule, your failure will be a material breach of the Area Development Agreement, which may result in our terminating the Area Development Agreement.

Under the Area Development Agreement, we reserve right to do all the following:

(1) establish and operate, and allow others to establish and operate, other RED ROBIN® RESTAURANTS at any location outside your Territory;

(2) establish and operate, allow others to establish and operate, or acquire the ownership interests or assets of another business that establishes or operates, any business using trade names, trademarks, service marks and commercial symbols other than the Marks;

(3) establish, and allow others to establish, other distribution channels (including, but not limited to, the internet, social media, websites, retail stores, and supermarkets) wherever located or operating and regardless of the nature or location of the customers, with whom such other distribution channels do business, that operate under the Red Robin Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from RED ROBIN® RESTAURANTS, and that sell products and/or services that are identical or similar to, and/or competitive with, those that RED ROBIN® RESTAURANTS customarily sell;

(4) offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by RED ROBIN® RESTAURANTS, at or through any quick-service restaurants, fast-casual restaurants, ghost kitchens, dark kitchens, cloud kitchens, execution kitchens, preparation kitchens, container kitchens, concession trailers, food trucks, and any similar food-preparation operations under the Marks or other trademarks and service marks;

(5) offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by RED ROBIN® RESTAURANTS at or through any nontraditional venues, including, without limitation, permanent, temporary, or seasonal food service facilities in any stadium, entertainment or amusement park, airport, highway travel plaza, museum, university, elementary or secondary school, office or commercial building, hospital, military facility, or special events, under the Marks or other trademarks and service marks;

(6) acquire the assets or ownership interests of one or more businesses that operate, or grant franchises or licenses to operate, one or more restaurants or food-service businesses, notwithstanding the fact that such restaurants may be the same as or similar to RED ROBIN® RESTAURANTS; and in the event of such an acquisition, we or our affiliates (as applicable) will have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept;

(7) be acquired by a business, even if such business operates, grants franchises or licenses for the operation of restaurants which may be the same as or similar to RED ROBIN® RESTAURANTS; and in the event of such an acquisition, the acquirer and its affiliates (as applicable) will have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept; and

(8) engage in all other activities not expressly prohibited by the Area Development Agreement.

We are not required to pay you if we exercise any of the rights specified above inside your Territory. You are not granted any options, rights of first refusal or similar rights to acquire additional development rights or to expand your Territory under the Area Development Agreement. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Franchise Agreement

The Franchise Agreement grants you the right to operate a RED ROBIN® RESTAURANT at a single location (the "Approved Location") that you select, and we approve. You must operate the Franchised Restaurant only at the Approved Location. You may not establish or operate another Restaurant unless you enter into a separate Franchise Agreement for that Restaurant. You may not relocate the Franchised Restaurant from the Approved Location.

The Franchise Agreement grants you territorial protection in a geographic area consisting of a three (3) mile radius around your Approved Location (the "Limited Protected Area"). During the term of the Franchise Agreement, if you comply with your obligations under the Franchise Agreement, we will not establish or operate (or allow others to establish or operate) a RED ROBIN® RESTAURANT within the Limited Protected Area. If you default under the Franchise Agreement, even if you cure the default, your Limited Protected Area will automatically terminate. Your rights granted in the Limited Protected Area do not depend on your achievement of a certain sales volume or market penetration.

All RED ROBIN® RESTAURANTS, whether franchised or company-owned, are free to advertise, solicit and accept orders from any customer regardless of whether such customer is located within a Limited Protected Area or a Territory.

Under the Franchise Agreement, we reserve the right to do all the following:

(1) establish and operate, and allow others to establish and operate, other RED ROBIN® RESTAURANTS at any location outside your Limited Protected Area;

(2) establish and operate, allow others to establish and operate, or acquire the ownership interests or assets of another business that establishes or operates, any

business using trade names, trademarks, service marks and commercial symbols other than the Marks;

(3) establish, and allow others to establish, other distribution channels (including, but not limited to, the internet, social media, websites, retail stores, and supermarkets) wherever located or operating and regardless of the nature or location of the customers, with whom such other distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from RED ROBIN® RESTAURANTS, and that sell products and/or services that are identical or similar to, and/or competitive with, those that RED ROBIN® RESTAURANTS customarily sell;

(4) offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by RED ROBIN® RESTAURANTS, at or through any quick-service restaurants, fast-casual restaurants, ghost kitchens, dark kitchens, cloud kitchens, execution kitchens, preparation kitchens, container kitchens, concession trailers, food trucks, and any similar food-preparation operations under the Marks or other trademarks and service marks;

(5) offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by RED ROBIN® RESTAURANTS at or through any nontraditional venues, including, without limitation, permanent, temporary, or seasonal food service facilities in any stadium, entertainment or amusement park, airport, highway travel plaza, museum, university, elementary or secondary school, office or commercial building, hospital, military facility, or special events, under the Marks or other trademarks and service marks;

(6) acquire the assets or ownership interests of one or more businesses that operate, or grant franchises or licenses to operate, one or more restaurants or food-service businesses, notwithstanding the fact that such restaurants may be the same as or similar to RED ROBIN® RESTAURANTS; and in the event of such an acquisition, we or our affiliates (as applicable) will have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept;

(7) be acquired (regardless of the form of transaction) by a business, whether or not such business is a Competitive Restaurant (defined below), even if such business operates, franchises and/or grants licenses for the operation of restaurants which may be the same as or similar to RED ROBIN® RESTAURANTS; and in the event of such an acquisition, the acquirer and its affiliates (as applicable) will have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept; and

(8) engage in all other activities not expressly prohibited by the Franchise Agreement.

We are not required to pay you if we exercise any of the rights specified above inside your Limited Protected Area. Unless you have also signed an Area Development Agreement, you have no options, rights of first refusal or similar rights to acquire additional franchises. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of

distribution or competitive brands that we control. We do not plan to operate a business under a different trademark that sells goods or services similar to those offered by RED ROBIN® RESTAURANTS.

ITEM 13

TRADEMARKS

We grant you a license to operate your business under the service mark RED ROBIN® during the term of the Franchise Agreement. You may be required to use other current or future trademarks of ours to operate the Franchised Restaurant. By "trademark" we mean trade names, trademarks, service marks and logos used to identify RED ROBIN® RESTAURANTS (the "Marks").

The following table sets forth the status of certain federal trademark registrations for with the U.S. Patent and Trademark Office ("PTO") on the Principal Register of the principal marks we license to you.

MARK	REGISTRATION DATE	REGISTRATION NO.
Red Robin	April 22, 1980	1,133,872
YUMMM	June 8, 2010	3,800,456
Red Robin (Design)	October 13, 2015	4,833,158
Red Robin Gourmet Burgers + Brews	March 14, 2017	5,161,286

All required affidavits of use have been filed in a timely manner.

We may establish new Marks in the future and you must use and display these marks in accordance with specifications and bear all costs associated with changes to Marks or introduction of new Marks. You must follow our rules when you use these marks. You cannot use a Mark as part of a corporate name or with modifying words, designs or symbols except with our consent which we may withhold in our absolute discretion. You may not use our Marks in the sale of an unauthorized product or service or in any manner we do not authorize in writing. You may not use any other mark, name, commercial symbol or logotype in connection with the operation of the Franchised Restaurant.

There is presently no effective determination of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, nor any pending infringement, opposition or cancellation proceeding or any pending material litigation involving our principal trademarks, service marks, trade names, logo-types or other commercial symbols.

You must not contest, directly or indirectly, anywhere in the world, our ownership of the Marks, trade secrets, methods and procedures that are a part of the System. You must not register, seek to register or contest our sole right to register, use and license others to use the marks, names, information and symbols.

Any goodwill associated with Marks, including any goodwill which might be deemed to have arisen through your activities, inures directly and exclusively to the benefit of RED ROBIN®.

There are no agreements currently in effect which significantly limit the rights of RED ROBIN to use or license the use of any trademarks, service marks, trade names, logo-types or other commercial symbols, except that we have agreed not to operate or franchise third parties to operate restaurants under the "Red Robin®" name in Marin, Sonoma and San Francisco Counties, California.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights in any Mark or any similar trade name, trademark or service mark of which you become aware. You may not communicate with any person other than RED ROBIN and its counsel regarding any infringement, challenge or claim. We have discretion to take any action we deem appropriate and we have the right to exclusively control any litigation, PTO proceeding or other administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must sign all documents, render assistance and do such things as we or our counsel deem advisable to protect and maintain our interests.

We have sole discretion to take such action as deem we appropriate and the right to exclusively control any litigation, Patent and Trademark Office action or other proceeding arising out of any infringement, challenge or litigation relating to the Marks.

If it becomes advisable at any time, in our discretion, for us and/or you to modify or discontinue use of any Mark, and/or use one or more additional or substitute trademarks or service marks, you must comply within a reasonable time after notice by us. We are not required to reimburse you for any costs or expenses associated with making such changes, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute Mark.

We do not know of any uses that could materially affect your use of the Marks in any state where the Franchised Restaurant is to be located.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not own any rights to any patent or have any patent applications pending that are material to the franchise. We claim copyright protection for the FOM and for any other written materials we develop to assist you in the development and operation of the Franchised Restaurant. There are no determinations of the U.S. Copyright Office (Library of Congress) or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the copyrighted materials which are relevant to their use by our franchisees. No agreement limits our right to use or license the use of our copyrighted materials. We are not obligated under any agreement to protect or defend our copyrights, although we intend to do so. We do not know of any infringing uses of, or superior rights in, our copyrighted materials.

You acknowledge that we or our affiliates own the worldwide copyright and other ownership rights to the FOM, and all components of the System that are written, electronic, and/or magnetic media subject to copyright (collectively, the "Copyright Materials"). You acknowledge and agree that it may only make modifications to the Copyright Materials upon receiving our prior written consent. You agree to use proper copyright and other proprietary notices in connection with all Copyright Materials or translations, modifications or adaptations of the Copyright Materials and conform to our standards for protecting its rights. You agree to promptly cause the execution of any assignments, waivers of rights, or other documents, and take any further actions needed or advisable to ensure that we have such copyright and other rights described in this Section.

Confidential Information

We possess certain proprietary and confidential information, including trade secrets relating to the operation of RED ROBIN® RESTAURANTS. This proprietary and confidential information includes processes, methods, techniques, recipes, training materials, checklists and other information that is valuable and treated by RED ROBIN as confidential information, and may be in written, electronic, or other media. Much of this confidential information is included or referenced in our FOM. You and your owners will not acquire any interest in the confidential information other than the right to use it in operating the Franchised Restaurant. You must maintain the absolute confidentiality of the confidential information during and after the expiration or termination of the Franchise Agreement. You and your owners can divulge this confidential information only to your employees who must have access to it to operate the Franchised Restaurant. Neither you nor your owners are permitted to make unauthorized copies, record or otherwise reproduce the materials or information or make them available to any unauthorized person. You will be required to have certain individuals to whom you disclose confidential information sign confidentiality agreements. We may require that you provide us a copy of any such signed confidentiality agreements.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Area Development Agreement

Principal Owner

You must designate and retain an individual to serve as the "Principal Owner". The Principal Owner (i) will be deemed as a "Developer's Owner" and must have the largest share of unencumbered equity ownership in Developer, (ii) must be authorized by the Developer to bind the Developer in any dealings with us and authorized distributors, suppliers, and contractors of Developer, (iii) must be authorized by the Developer to direct any actions necessary to ensure compliance with this Development Agreement, and (iv) must devote his full time and best efforts toward the satisfaction of Developer's obligations under the "Area Development Agreement". Principal Owner's interest in Developer will be and will remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options. Developer has not taken and agrees that it will not take, whether directly or indirectly, any action to avoid the authority requirements of the Principal Owner through the entry of limiting board resolutions, management agreements, amendment of governing documents or any other similar device or arrangement. Developer agrees to furnish us with such evidence as we may request from time to time for the purpose of assuring us that the Principal Owner's authority remains as represented herein.

Operating Partner

If the Principal Owner does not intend to devote his full time and best efforts toward the satisfaction of Developer's obligations under this Development Agreement, then Developer must also designate an individual Operating Partner who must be approved by us and the Operating Partner (i) will be deemed as a "Developer's Owner" and must be authorized by the Developer to bind the Developer in any dealings with us and authorized distributors, suppliers, and contractors of Developer, (ii) must be authorized by the Developer to direct any actions necessary to ensure compliance with this Development Agreement, and (iii) must devote his full time and best efforts toward the satisfaction of Developer's obligations under the Development Agreement with no operational or management commitments to other businesses. The Operating Partner must live within the Territory. Except as may otherwise be provided in this Development Agreement, the Operating Partner's interest in Developer will be and will remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options.

Franchise Agreement

Principal Owner

If you are an entity, you will designate and retain an individual to serve as the Principal Owner of the Franchised Restaurant. The Principal Owner (i) will be deemed as "Franchisee's Owner" and must have the largest share of unencumbered equity ownership in you, but not less than ten percent (10%), (ii) must be authorized by you to bind you in any dealings with us and authorized distributors, suppliers, and contractors, (iii) must be authorized by you to direct any actions necessary to ensure compliance with the Franchise Agreement, and (iv) must devote full time and best efforts to the satisfaction of your obligations under the Franchise Agreement and the daily operations of the Franchised Restaurant. Except as may otherwise be provided in the Franchise Agreement, the Principal Owner's interest in you will be and will remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options. You have not taken and agree that you will not hereafter take, whether directly or indirectly, any action to avoid the authority requirements of the Principal Owner through the entry of limiting board resolutions, management agreements, amendment of governing documents or any other similar device or arrangement. You agree to furnish us with such evidence as we may request from time to time for the purpose of assuring us that the Principal Owner's authority remains as represented herein.

Operating Partner

If the Principal Owner does not intend to devote his full time and best efforts to the daily operation of the Franchised Restaurant, then you must also designate an individual Operating Partner who must be approved by us and the Operating Partner (i) will be deemed as a "Franchisee's Owner" hereunder and must be authorized by you to bind you in any dealings with us and authorized distributors, suppliers, and contractors, (ii) must be authorized by you to direct any actions necessary to ensure compliance with the Franchise Agreement, and (iii) must devote full time and best efforts to the satisfaction of your obligations under the Franchise Agreement and the daily operations of the Franchised Restaurant with no operational or management commitments to other businesses. The Operating Partner must live within the general area (100-mile radius) of the Franchised Restaurant. Except as may otherwise be provided in the Franchise Agreement, the Operating Partner's interest in you will be and will remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options.

You must also designate and retain at all times one (1) General Manager and one (1) Kitchen Manager to assist in the operation and management of the Franchised Restaurant. Each of these persons must satisfy our educational and business experience criteria as established in the FOM and must complete

to our satisfaction our training requirements. We may review technical and management capabilities of such persons, in our discretion.

Guaranty

If you are a single-purpose entity (or, similar corporate entity created for the purpose of operating the Franchised Restaurant), then you acknowledge and agree that we may require your parent company to (i) execute the Franchise Agreement and to be jointly and severally liable for all obligations, liabilities, terms, and conditions applicable to you under the Franchise Agreement or (ii) execute a Guaranty of Franchise Agreement similar to the form set forth on Exhibit B to the Franchise Agreement, all as determined by us in our sole discretion.

Your Principal Owner, Operating Partner and your other owners will not be obligated to execute a personal guaranty, provided that, in the event you default under the Franchise Agreement (even if such default is cured by you), we reserve the right, in addition to our other rights and remedies hereunder, to require: (1) the Principal Owner to sign the Guaranty in the form set forth on Attachment D to the Franchise Agreement and/or (2) Franchisee to post a Letter of Credit (or, LOC) in accordance with Section 13.6 of the Franchise Agreement.

Confidentiality

Your Principal Owner must agree in writing to preserve confidential information to which they have access and not to compete with you, us and other franchisees.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale all menu items, food products, beverages, and other products and services we require, in the manner and style we require. You must sell only approved menu items, and other products and services that we expressly authorize in the FOM or otherwise in writing. You must strictly comply with all of our standards and specifications (including brand specifications and brand identity) relating to the purchase of designated food products and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment, including electronic cash register, computer hardware and software, and other products used or sold at the Franchised Restaurant, as designated in the FOM. You must not deviate from our standards and specifications without first obtaining our written consent. You must discontinue selling and offering for sale any unapproved menu items, products or services. We have the right to change the authorized menu items, products and services and their respective standards, specifications and requirements in our discretion. We may periodically set the maximum and minimum price that you may charge for services and products. You must promptly comply with such changes.

Food and beverage products must be prepared and served in strict compliance with our recipes and procedures contained in the FOM or other written instructions. You must maintain the Franchised Restaurant and provide related services in the manner and in strict accordance with the standards that we prescribe in the Franchise Agreement, FOM or otherwise. You must also comply with our requirements as to the types of services and products that may be used, promoted or offered at the Franchised Restaurant (See Item 8).

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	Section 5 in Area Development Agreement Section 1.1 in Franchise Agreement	Term of Area Development Agreement will expire on the first to occur of: (i) date on which Developer has completed the Development Schedule in accordance with the terms of the Development Agreement or (ii) date the last Franchised Restaurant required by the Development Agreement is open and operating. Term of Franchise Agreement will expire on the last day of the last calendar month of the 20th anniversary of the effective date of the Franchise Agreement.
b. Renewal or extension of the term	Not applicable	No right to renew term of Area Development Agreement or Franchise Agreement.
c. Requirements for franchisee to renew or extend	Not applicable	No right to renew term of Area Development Agreement or Franchise Agreement.
d. Termination by franchisee	Not applicable in Area Development Agreement. Section 13.10 in Franchise Agreement.	No right to terminate Area Development Agreement You may terminate only if we default and fail to cure such default within 60 days after you deliver written notice of the default to us.
e. Termination by franchisor without cause	Not applicable in Area Development Agreement Not applicable in Franchise Agreement	We may not terminate the Area Development Agreement without cause. We may not terminate the Franchise Agreement without cause.
f. Termination by franchisor with cause	Section 7.3 and 7.4 in Area Development Agreement	We may terminate your Area Development Agreement for cause if you are in default under the terms of your Area Development Agreement or you (or your affiliate) are in default under the terms of any Franchise Agreement between you (or your affiliate) and us.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
	Sections 13.2 and 13.3 in Franchise Agreement	We may terminate your Franchise Agreement for cause if you are in default under the terms of your Franchise Agreement.
g. "Cause" defined – curable defaults	Not applicable in Area Development Agreement Section 13.3 and 13.4 in Franchise Agreement	Not applicable Curable defaults include the following (10-day cure period for all defaults below except (c), which is 3-day cure period): (a) you cease to operate or otherwise abandons the Franchised Restaurant for three (3) consecutive days unless the Franchised Restaurant has been closed (i) for a purpose that has been expressly approved in writing by us; (ii) due to governmental order; or (iii) due to fire, flood, other casualty, or other catastrophic forces beyond Franchisee's control; provided (1) such event was not caused by Franchisee's intentional and/or negligent acts, (2) that Franchisee applies within thirty (30) days after such event, for our approval to relocate or reconstruct the Franchised Restaurant (which approval will not be unreasonably withheld), and (3) Franchisee diligently pursues such reconstruction or relocation, and (4) any such approval by us may be conditioned upon the payment of an agreed minimum royalty to us during the period in which the Franchised Restaurant is not in operation; (b) you (i) breach the lease agreement for your location and/or lose the right to possession and/occupancy of the location, and/or (ii) lose the right to transact business in the

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		jurisdiction where the Franchised Restaurant is located; (c) you or any of your owners engages in conduct that is deleterious or reflects unfavorably on us, the System, the Red Robin Marks, and/or the goodwill associated with the System or the Marks, including, without limitation, conduct which exhibits a disregard for the physical and mental well-being of employees, guests, our representatives, the public at large (e.g., battery, assault, sexual harassment, discrimination, and other forms of threatening, outrageous, or socially unacceptable behavior) (3-day cure period); (d) you fail to comply with the Franchise Agreement, the System, and/or any health, safety, or sanitation law, rule, or regulation relating to cleanliness and sanitation of the Franchised Restaurant. your construction, maintenance, and/or operation of the Franchised Restaurant represents a threat or danger to public health or safety; (e) you misuse or make any unauthorized use of the Red Robin Marks or otherwise materially impairs the goodwill associated with the Marks or our rights in the Marks. (f) you and/or any of your Owners enters a subfranchise agreement, management agreement, consulting arrangement, subcontracting arrangement, outsourcing arrangement, or any other similar

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		arrangement relating to the Franchise Agreement and/or the Franchised Restaurant; (g) you fail to pay the Franchise Fee, Royalty Fee, Advertising Fee, and/or any other amounts due under the Franchise Agreement; (h) Any failure by you to pay the Royalty Fee in full as and when due (without any retention, deduction, credit, and/or offset whatsoever, except any deduction and/or credit expressly permitted under the definition of Gross Sales) will automatically be deemed a failure to pay the Royalty Fee and an event of default by you under the Franchise Agreement; (i) you or any of your Owners fails to comply with any provision of the Franchise Agreement; (j) you repeatedly fail to comply with the provisions of the Franchise Agreement (whether or not cured after notice); or (k) you do not open the Franchised Restaurant for business to the general public within 180 days after the Effective Date of the Franchise Agreement.
h. "Cause" defined– non-curable defaults	Section 7.3 in Area Development Agreement and Section 13.2 in Franchise Agreement	Non-curable defaults include: (a) becoming insolvent or making a general assignment for the benefit of creditors; (b) any purported assignment, transfer, conveyance, give away, gift, pledge, mortgage or other encumbrance (by operation of law

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		or otherwise) which does not comply with the transfer provisions; (c) filing a voluntary petition (or an involuntary petition involving you is filed) under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; (d) admitting in writing your inability to pay your debts when due; (e) being adjudicated bankrupt or insolvent in proceedings filed against you under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; (f) a bill in equity or other proceeding for the appointment of a receiver of you or other custodian for your business or assets is filed and consented to by you; (g) a receiver or other custodian (permanent or temporary) of your assets or property, or any part, is appointed by any court of competent jurisdiction; (h) proceedings for a composition with creditors under any state or federal law should be instituted by or against you; (i) final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); (j) you are dissolved or if execution is levied against your business or property;

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		(k) suit or other proceeding to foreclose any lien or mortgage against the Franchised Restaurant (or equipment within the Franchised Restaurant) is instituted against you and not dismissed within thirty (30) days; (l) if the real or personal property of the Franchised Restaurant will be sold after levy by any sheriff or other person with competent jurisdiction; or (m) you or any of your Owners (A) violates any "Anti-Terrorism Laws", as defined below, (B) is listed under any such Anti-Terrorism Laws, (C) has any dealings with any person listed under any such Anti-Terrorism Laws, and/or (D) or your assets are blocked under any such Anti-Terrorism Laws (the term "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority (including, without limitation, the United States Department of Treasury Office of

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war).
i. Franchisee's obligations on termination/ nonrenewal.	Section 7.4 in Area Development Agreement.	In addition to the defaults described above, the following defaults are also non-curable defaults under the Area Development Agreement: (a) you fail to comply with the Development Schedule; (b) you fail to pay the Development Fee and/or any other amounts due under the Area Development Agreement; (c) you fail to lease or purchase and construct and open each Franchised Restaurant in accordance with the terms and conditions of the Area Development Agreement; (d) If you or any of your Owners is convicted (regardless of any pending appeal) of a felony, a crime involving moral turpitude, or any other crime or offense that us believes is reasonably likely to have an adverse effect on us, the System, the Red Robin Marks, and/or the goodwill associated with any of the above; (e) you or any of your Owners engages in conduct that is deleterious or reflects unfavorably on us, the System, the Red Robin Marks, and/or the goodwill associated with the System or the Marks including, without limitation, conduct which exhibits a disregard for the physical and mental well-being of employees, customers, our representatives, the public at large (e.g., battery, assault, sexual harassment, discrimination, and

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		other forms of threatening, outrageous, or socially unacceptable behavior); (f) failure by you to maintain a responsible credit rating by failing to make prompt payment of undisputed bills, invoices and statements from suppliers of goods and services to you (including where such supplier is us); you or any of your Owners enters a subdevelopment agreement, subfranchise agreement, management agreement, consulting arrangement, subcontracting arrangement, outsourcing arrangement, or any other similar arrangement relating to the rights and obligations of you under the Area Development Agreement; (g) submission by you or any of your Owners of a franchise application and/or management commitment form (or other documentation required under the Area Development Agreement) which contains any material false or misleading statements or omits any material fact; (h) repeated breaches of provisions of the Area Development Agreement, whether or not cured after notice' failure by you, your Owners, Principal Owner, and/or Operating Partner to comply with any other provisions of the Area Development Agreement; (i) you (including its affiliates, subsidiaries, successors, and assigns), your Owners, Principal Owner, and/or Operating Partner fail to comply with the terms of any

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		other agreement between you (or one of its affiliates) and us (including any Franchise Agreement); or (j) you or one of your affiliates as the "Franchisee" under a Franchise Agreement fails to comply with the terms of any Franchise Agreement (and such failure is not cured within the applicable cure period, if any, set forth in such Franchise Agreement).
j. "Cause" defined – other non-curable defaults in Franchise Agreement	Sections 13.3(c) and 13.4 in Franchise Agreement	Your or any of your owners is convicted (regardless of any pending appeal) of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated with the System or the Marks, or our interest in any of the above or the submission by you or any of your owners of a franchise application and/or management commitment form (or other documentation required under the Franchise Agreement) which contains any material false or misleading statements or omits any material fact.
k. Franchisee's obligations on termination/non-renewal	Sections 7.7 in Area Development Agreement Section 14.1 in Franchise Agreement	You must cease holding yourself out as a developer; return all confidential information; pay all amounts owing to us; and comply with post-termination non-compete and non-solicitation. You must pay us all amounts due; remove all signs containing the Marks; return to us or destroy all materials containing any Mark; cease identifying yourself as a franchisee; cancel all assumed names using the Marks; notify the telephone company and authorize the transfer of the Franchised Restaurant phone numbers; comply with laws applicable to de-identification; cease using e-mails associated with the Marks or domain names we own; cease use of websites and social media associated with

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		the Marks; provide us evidence of your compliance with post-termination obligations; cease use of and return the FOM and Confidential Information; and comply with post-termination non-compete and non-solicit.
l. Assignment of contract by franchisor	Section 8.1 in Area Development Agreement AND Section 12.1 in Franchise Agreement	No restriction on our right to assign.
m. "Transfer" by franchisee-definition	Section 8.2 in Area Development Agreement AND Section 12.2 in Franchise Agreement	Includes voluntary or involuntary sale, assignment, subdivision, sub-franchising; grant of mortgage, charge, lien or security interest; merger or consolidation; sale or exchange of voting securities; or transfer caused by divorce or death.
n. Franchisor approval of transfer by franchisee	Section 8.2(a) in Area Development Agreement AND Sections 12.2 in Franchise Agreement	We have the right to approve or disapprove all transfers by you or your owners.
o. Conditions for franchisor approval of transfer	Section 8.2(c) in Area Development Agreement	Must transfer all franchise agreements contemplated by the Area Development Agreement; you have met all requirements of the Development Schedule; transferee has experience and financial capacity to complete the Development Schedule; you have not violated any term of the Area Development Agreement for at least 60 days preceding your request for the transfer; transferee has no ownership interest in a Competitive Business; transferee signs our then-current form of Area Development Agreement, which may contain materially different terms; you pay a non-refundable transfer fee of $10,000 multiplied by the

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		number of Restaurants remaining to be developed; you and your owners sign a general release; transferee and its owners sign personal guaranties; the purchase price paid by the transferee will not adversely affect the transferee's ability to comply with the requirements of the Area Development Agreement; the transferee's obligations under any notes or security interests are subordinate to the transferee's obligations to us; you and your owners comply with all post-termination obligations.
	Section 12.3 in Franchise Agreement	Transferee has experience and financial capacity to operate the Franchised Restaurant; you have paid all amounts owed to us and submitted all reports; you have not violated any term of the Franchise Agreement for at least 60 days preceding your request for the transfer; transferee has no ownership interest in a Competitive Business; transferee and its managers have satisfactorily completed Training Programs; landlord consents to the transfer of the lease or sublease to transferee; transferee signs our then-current form of Franchise Agreement, which may contain materially different terms; you pay a non-refundable transfer fee of $10,000; you and your owners sign a general release; transferee and its owners sign personal guaranties; the purchase price paid by the transferee will not adversely affect the transferee's ability to operate the Franchised Restaurant; the transferee's obligations under any notes or security interests are subordinate to the transferee's obligations to us; you have corrected any deficiencies to the Franchised Restaurant and transferee agrees to upgrade, remodel, and refurbish the Franchised Restaurant to our then-current standards; you and your owners comply with all post-termination obligations. A transfer of the franchise agreement requires the transfer to the same recipient of all franchise agreements owned by you or your affiliates.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
p. Franchisor's right of first refusal to acquire franchisee's business	Section 8.4 in Area Development Agreement and Attachment C to Area Development Agreement AND Section 12.6 in Franchise Agreement and Attachment C to Franchise Agreement	We have a right of first refusal to match any offer for the franchisee's business or ownership interest of any owner in your entity within 30 days after you provide us with written notice of a bona fide offer.
q. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable
r. Death or disability of franchisee	Section 8.5 in Area Development Agreement Section 12.7 in Franchise Agreement	A transfer incident to death or disability requires our consent and satisfaction of the conditions described in item (o) above. Upon the death or permanent disability of you (or the Principal Owner), the executor, administrator, conservator or other personal representative of that person, or the remaining owners, must appoint a new manager within 30 days from the date of death or permanent disability. The appointed manager must attend and successfully complete the Training Programs within 120 days of the appointment. If the Franchised Restaurant is not being managed by a manager approved by us within thirty (30) days after death or permanent disability, we may appoint a manager (and charge you a management fee) to maintain the operations of the Franchised Restaurant on your behalf until an approved assignee is able to assume the management and operation of the Franchised Restaurant. Completion of any transfer incident to death must be completed within 12 months.
s. Non-competition covenants during the term of the franchise	Section 9.3 in Area Development Agreement	No involvement in a Competitive Business. No solicitation of our employees or the managers of any other RED ROBIN® RESTAURANT. No interference with our

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
	AND Section 15.3 in Franchise Agreement	relationships with third parties. A "Competitive Business" means any restaurant or food service business (other than a Red Robin® Restaurant) in the full-service, "casual" or "family" segment of the restaurant industry that offers burgers and may reasonably be expected to generate more than fifteen percent (15%) of its food sales from the sale of burgers.
t. Non-competition covenants after the franchise is terminated or expires	Section 9.3 in Area Development Agreement	No involvement in a Competitive Business for 2 years in Territory or within a 5-mile radius of any RED ROBIN® RESTAURANT in existence or under development. No solicitation of our employees or managers of any other RED ROBIN® RESTAURANT and no interference with our relationships with third parties for 2 years.
	Section 15.3 in Franchise Agreement	No involvement in a Competitive Business for 2 years at the Franchised Restaurant's premises, in your Protected Area, or within a 5-mile radius of any RED ROBIN® RESTAURANT in existence or under development. No attempt to divert customers, and no solicitation of our employees or employees of any other RED ROBIN® RESTAURANT for 2 years.
u. Modification of the agreement	Section 15.9 in Area Development Agreement AND Section 19.1 in Franchise Agreement	No modifications except in writing and signed by both you and us.
v. Integration /merger clause	Section 15.9 in Area Development Agreement AND Section 19.1.in Franchise Agreement	Only the written terms of the agreement are binding (subject to state law). Any other promises may not be enforceable. However, nothing in the Area Development Agreement or Franchise Agreement is intended to disclaim the representations we

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		made in the Disclosure Document that we furnished to you.
w. Dispute resolution by arbitration or mediation	Not applicable	Not applicable
x. Choice of forum	Section 14.2 in Area Development Agreement AND Section 20.2 in Franchise Agreement	Subject to state law, all actions must be commenced in state courts located in Englewood, Arapahoe County, Colorado or federal court - United States District Court for the District of Colorado.
y. Choice of law	Section 14.2 in Area Development Agreement AND Section 20.2 in Franchise Agreement	Subject to state law, Colorado law governs. Subject to state law, Colorado law governs.

ITEM 18
PUBLIC FIGURES

RED ROBIN does not use any public figure for the purpose of selling franchises.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting LeAnne Stine, Red Robin International, Inc., 10000 East Geddes Avenue, Suite 500, Englewood, Colorado 80112, (303) 846-6000, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION
TABLE NO. 1

US SYSTEMWIDE RESTAURANT SUMMARY FOR FISCAL YEARS 2023 TO 2025

Outlet Type	Year	Restaurants at the Start of the Year	Restaurants at the End of the Year	Net Change
Franchised	2023	85	81	-4
	2024	81	80	-1
	2025	80	79	-1
Company-owned	2023	414	415	+1
	2024	415	407	-8
	2025	407	385	-22
Total Outlets	**2023**	**499**	**496**	**-3**
	2024	**496**	**487**	**-9**
	2025	**487**	**464**	**-23**

TABLE NO. 2

TRANSFERS OF RESTAURANTS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2023 TO 2025

State	Year	Number of Transfers
Texas	2023	0
	2024	0
	2025	4
Total	**2023**	**0**
	2024	**0**
	2025	**4**

TABLE NO. 3

STATUS OF FRANCHISED RESTAURANTS
FOR YEARS ENDED 2023 TO 2025

State	Year	Restaurants at Start of Year	Restaurants Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations -Other Reasons	Restaurants at End of Year
Alaska	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Arizona	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Arkansas	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
	2025	0	0	0	0	0	0	0
Connecticut	2023	3	0	0	0	3	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Delaware	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	1	4
Kansas	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Massachusetts	2023	2	0	0	0	2	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Michigan	2023	19	0	0	0	0	0	19
	2024	19	0	0	0	0	0	19
	2025	19	0	0	0	0	0	19
Missouri	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Montana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Jersey	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Ohio	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Oregon	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
	2023	20	0	0	0	0	0	20

State	Year	Restaurants at Start of Year	Restaurants Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations -Other Reasons	Restaurants at End of Year
Pennsylvania	2024	20	0	0	0	0	0	20
	2025	20	0	0	0	0	0	20
Texas	2023	9	0	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	0	0	0	0	0	9
Utah	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Totals	2023	85	1	0	0	5	0	81
	2024	81	0	0	0	0	1	80
	2025	80	0	0	0	0	1	79

TABLE NO. 4

STATUS OF COMPANY-OWNED RESTAURANTS[(1)]
FOR YEARS 2023 TO 2025

State	Year	Restaurants at Start of Year	Restaurants Opened	Restaurants Reacquired from Franchisee	Restaurants Closed	Restaurants Sold to Franchisee	Restaurants at End of Year
Alabama	2023	4	0	0	0	0	4
	2024	4	0	0	1	0	3
	2025	3	0	0	0	0	3
Arizona	2023	17	1	0	0	0	18
	2024	18	0	0	0	0	18
	2025	18	0	0	1	0	17
Arkansas	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
California	2023	57	0	0	0	0	57
	2024	57	0	0	0	0	57
	2025	57	0	0	2	0	55
Colorado	2023	22	0	0	0	0	22
	2024	22	0	0	1	0	21
	2025	21	0	0	0	0	21
Connecticut	2023	0	0	3	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Florida	2023	18	0	0	1	0	17
	2024	17	0	0	1	0	16
	2025	16	0	0	0	0	16
Georgia	2023	6	0	0	0	0	6
	2024	6	0	0	0	0	6

State	Year	Restaurants at Start of Year	Restaurants Opened	Restaurants Reacquired from Franchisee	Restaurants Closed	Restaurants Sold to Franchisee	Restaurants at End of Year
	2025	6	0	0	0	0	6
Idaho	2023	8	0	0	0	0	8
	2024	8	0	0	0	0	8
	2025	8	0	0	0	0	8
Illinois	2023	20	0	0	0	0	20
	2024	20	0	0	3	0	17
	2025	17	0	0	3	0	14
Indiana	2023	11	0	0	0	0	11
	2024	11	0	0	0	0	11
	2025	11	0	0	1	0	10
Iowa	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
	2025	5	0	0	0	0	5
Kentucky	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	1	0	3
Louisiana	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Maine	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Maryland	2023	12	0	0	1	0	11
	2024	11	0	0	0	0	11
	2025	11	0	0	0	0	11
Massachusetts	2023	3	0	2	0	0	5
	2024	5	0	0	0	0	5
	2025	5	0	0	0	0	5
Minnesota	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	1	0	3
Missouri	2023	8	0	0	0	0	8
	2024	8	0	0	0	0	8
	2025	8	0	0	1	0	7
Nebraska	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Nevada	2023	6	0	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6
New Hampshire	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
New Jersey	2023	11	0	0	0	0	11
	2024	11	0	0	0	0	11

State	Year	Restaurants at Start of Year	Restaurants Opened	Restaurants Reacquired from Franchisee	Restaurants Closed	Restaurants Sold to Franchisee	Restaurants at End of Year
	2025	11	0	0	4	0	7
New Mexico	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
New York	2023	14	0	0	0	0	14
	2024	14	0	0	0	0	14
	2025	14	0	0	0	0	14
North Carolina	2023	17	0	0	0	0	17
	2024	17	0	0	0	0	17
	2025	17	0	0	1	0	16
Ohio	2023	17	0	0	1	0	16
	2024	16	0	0	0	0	16
	2025	16	0	0	1	0	15
Oklahoma	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
	2025	5	0	0	0	0	5
Oregon	2023	15	0	0	0	0	15
	2024	15	0	0	0	0	15
	2025	15	0	0	0	0	15
Pennsylvania	2023	11	0	0	0	0	11
	2024	11	0	0	0	0	11
	2025	11	0	0	0	0	11
Rhode Island	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
South Carolina	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
South Dakota	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Tennessee	2023	9	0	0	0	0	9
	2024	9	0	0	0	0	9
	2025	9	0	0	2	0	7
Texas	2023	20	0	0	2	0	18
	2024	18	0	0	0	0	18
	2025	18	0	0	2	0	16
Utah	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Virginia	2023	20	0	0	0	0	20
	2024	20	0	0	2	0	18
	2025	18	0	0	1	0	17
Washington	2023	37	0	0	0	0	37
	2024	37	0	0	0	0	37

State	Year	Restaurants at Start of Year	Restaurants Opened	Restaurants Reacquired from Franchisee	Restaurants Closed	Restaurants Sold to Franchisee	Restaurants at End of Year
	2025	37	0	0	1	0	36
Wisconsin	2023	11	0	0	0	0	11
	2024	11	0	0	0	0	11
	2025	11	0	0	0	0	11
Totals	2023	414	1	5	5	0	415
	2024	415	0	0	8	0	407
	2025	407	0	0	22	0	385

TABLE NO. 5

PROJECTED OPENINGS
AS OF DECEMBER 28, 2025

State	Franchise Agreements Signed But Restaurant Not Opened	Projected New Franchised Restaurants in the Next Fiscal Year	Projected New Company-Owned Restaurants in the Next Fiscal Year
Totals	**0**	**0**	**0**

Attached as Exhibit E is a list of the names of all of our franchisees and area developers and the addresses and telephone numbers of their RED ROBIN® RESTAURANTS as of December 28, 2025.

Attached as Exhibit F is a list of the names, cities and states and business telephone numbers (or, if unknown, the last known home telephone numbers) of every franchisee and area developer who had a Franchise Agreement or Area Development Agreement terminated, cancelled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement or Area Development Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document.

If you buy this franchise, your contact information may be disclosed to buyers when you leave the franchise system.

In some instances, current and former franchisees have signed provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

We are not aware of any trademark-specific franchisee organizations associated with our franchise system.

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Development Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document.

If you buy this franchise, your contact information may be disclosed to buyers when you leave the franchise system.

In some instances, current and former franchisees have signed provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

We are not aware of any trademark-specific franchisee organizations associated with our franchise system.

ITEM 21

FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit A are the audited consolidated financial statements of Red Robin Gourmet Burgers, Inc., as of the fiscal year 2025 (and related notes to the financial statements).

ITEM 22

CONTRACTS

The following contracts are attached as exhibits to this Disclosure Document:

Exhibit B -- Area Development Agreement
Exhibit C -- Franchise Agreement
Exhibit H -- Receipts

ITEM 23

RECEIPTS

Exhibit H contains detachable documents acknowledging your receipt of the Disclosure Document.

EXHIBIT A

FINANCIAL STATEMENTS

ITEM 8. Financial Statements and Supplementary Data

RED ROBIN GOURMET BURGERS, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Red Robin Gourmet Burgers, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Red Robin Gourmet Burgers, Inc. and subsidiaries (the "Company") as of December 28, 2025 and December 29, 2024, the related consolidated statements of operations and comprehensive loss, stockholders' (deficit) equity, and cash flows, for the periods ended December 28, 2025, December 29, 2024 and December 31, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 28, 2025 and December 29, 2024, and the results of its operations and its cash flows for the periods ended December 28, 2025, December 29, 2024 and December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 28, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment of Long-Lived Assets – Refer to Notes 1, 4 and 9 in the Financial Statements

Critical Audit Matter Description

The Company assesses long-lived assets for impairment at the individual restaurant level whenever events and circumstances indicate the carrying amount of an asset group may not be recoverable. Identifiable cash flows are measured at the restaurant level. Expected future cash flows associated with an asset are the key factor in determining the recoverability of the asset. The estimate of cash flows is based upon, among other things, certain assumptions about expected future operating performance, including assumptions of future revenue trends. If the sum of the cash flows is less than the carrying value of the asset, an impairment loss is recognized and measured as the amount by which the carrying value exceeds the fair value of the asset.

We identified the evaluation of long-lived asset impairment as a critical audit matter because of the significant judgments made by management to estimate future cash flows, including assumptions about expected future operating performance, and the fair value of the lease assets. This required a significant degree of auditor judgment and an increased extent of effort, when performing audit procedures to evaluate whether management appropriately identified and evaluated potential impairment indicators, and when evaluating the reasonableness of management’s estimates and assumptions, particularly related to cash flows, market rent, and discount rates.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the impairment of long-lived assets included the following, among others:

- We tested the design and operating effectiveness of internal controls over the Company's assessment and evaluation of potential impairment indicators for long-lived assets and over forecasted cash flows, discount rates, and market rents used in their recoverability and impairment analyses.
- We evaluated the reasonableness of the Company's evaluation of impairment indicators by:
    - Evaluating the Company's process for identifying qualitative and quantitative impairment indicators by location and whether the Company appropriately considered such indicators.
    - Conducting a completeness assessment to determine whether additional impairment indicators were present during the period that were not identified by the Company.
- We tested the mathematical accuracy of management's calculations and the underlying source of information for a selection of restaurant sites.
- We evaluated the reasonableness of the information in the Company's forecasted cash flows used in their recoverability and impairment analyses, by comparing the forecasts to:
    - Historical actual results.
    - Internal communications between management and the Board of Directors.
    - Forecasted information included in analyst and industry reports for the Company.
- We evaluated the Company's forecasted cash flows for consistency with evidence obtained in other areas of the audit.
- With the assistance of our fair value specialists, we evaluated the market rents and discount rates provided to management by Stout, a third party specialist, by developing a range of independent estimates and comparing those to the market rent and discount rate used by management.

/s/ Deloitte & Touche LLP

Denver, Colorado

February 25, 2026

We have served as the Company's auditor since 2021.

RED ROBIN GOURMET BURGERS, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except per share amounts)

	December 28, 2025	December 29, 2024
Assets:		
Current assets:		
Cash and cash equivalents	$ 19,924	$ 30,651
Accounts receivable, net	19,441	19,688
Inventories	25,729	26,737
Prepaid expenses and other current assets	14,234	13,608
Restricted cash	9,615	8,750
Total current assets	$ 88,943	$ 99,434
Property and equipment, net	158,105	181,224
Operating lease assets, net	295,996	331,617
Intangible assets, net	9,155	11,064
Assets held for sale	2,263	4,313
Other assets, net	9,065	13,662
Total assets	$ 563,527	$ 641,314
Liabilities and stockholders' equity (deficit):		
Current liabilities:		
Accounts payable	$ 31,391	$ 29,783
Accrued payroll and payroll-related liabilities	44,039	39,672
Unearned revenue	27,287	27,083
Current portion of operating lease liabilities	49,111	50,083
Accrued liabilities and other	46,801	42,931
Total current liabilities	$ 198,629	$ 189,552
Long-term debt	164,741	181,641
Long-term portion of operating lease liabilities	300,055	345,635
Other non-current liabilities	6,450	8,755
Total liabilities	$ 669,875	$ 725,583
Commitments and contingencies (see Note 12.)		
Stockholders' equity (deficit):		
Common stock, $0.001 par value: 45,000 shares authorized; 22,050 shares issued; 18,009 and 17,403 shares outstanding as of December 28, 2025 and December 29, 2024	$ 22	$ 22
Preferred stock, $0.001 par value: 3,000 shares authorized; no shares issued and outstanding as of December 28, 2025 and December 29, 2024	—	—
Treasury stock: 4,041 and 4,647 shares, at cost as of December 28, 2025 and December 29, 2024	(143,247)	(164,937)
Paid-in capital	213,180	233,667
Accumulated other comprehensive income (loss), net of tax	(60)	(62)
Retained earnings (accumulated deficit)	(176,243)	(152,959)
Total stockholders' equity (deficit)	$ (106,348)	$ (84,269)
Total liabilities and stockholders' equity (deficit)	$ 563,527	$ 641,314

See Notes to Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

(In thousands, except per share amounts)

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Revenues:			
Restaurant revenue	$ 1,189,780	$ 1,224,254	$ 1,274,294
Franchise revenue	14,076	14,941	15,867
Other revenue	6,369	9,365	12,885
Total revenues	$ 1,210,225	$ 1,248,560	$ 1,303,046
Costs and expenses:			
Restaurant operating costs (excluding depreciation and amortization shown separately below):			
Cost of sales	$ 283,883	$ 292,392	$ 308,962
Labor (includes $0, $0, and $475 of stock-based compensation)	437,242	479,631	473,538
Other operating	213,187	216,242	224,999
Occupancy	103,958	103,359	102,761
Depreciation and amortization	51,120	57,729	66,190
General and administrative (includes $5,573, $6,940, and $6,329 of stock-based compensation)	76,254	81,721	89,360
Selling	31,328	36,719	34,770
Pre-opening costs	—	—	587
Other (gains) charges, net (includes $(4,104), $71, and $128 of stock-based compensation)	10,463	33,848	(2,663)
Total costs and expenses	$ 1,207,435	$ 1,301,641	$ 1,298,504
Income (loss) from operations	$ 2,790	$ (53,081)	$ 4,542
Other (income) expense:			
Interest expense	$ 25,956	$ 25,277	$ 26,560
Interest (income) and other, net	(140)	(727)	(1,100)
Total other expenses, net	$ 25,816	$ 24,550	$ 25,460
Income (loss) before income taxes	$ (23,026)	$ (77,631)	$ (20,918)
Income tax (benefit) expense	$ 258	$ (90)	$ 310
Net income (loss)	$ (23,284)	$ (77,541)	$ (21,228)
Income (loss) per share:			
Basic	$ (1.31)	$ (4.93)	$ (1.34)
Diluted	$ (1.31)	$ (4.93)	$ (1.34)
Weighted average shares outstanding:			
Basic	17,789	15,736	15,835
Diluted	17,789	15,736	15,835
Other comprehensive income (loss):			
Foreign currency translation adjustment	$ 2	$ (40)	$ 12
Other comprehensive income (loss), net of tax	$ 2	$ (40)	$ 12
Total comprehensive income (loss)	$ (23,282)	$ (77,581)	$ (21,216)

See Notes to Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(In thousands)

	Common Stock		Treasury Stock		Paid-in Capital	Accumulated Other Comprehensive Income (Loss), net of tax	Retained Earnings (Deficit)	Total
	Shares	Amount	Shares	Amount				
Balance, December 25, 2022	20,449	$ 20	4,515	$ (182,810)	$ 238,803	$ (34)	$ (54,190)	$ 1,789
Exercise of options, issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(456)	18,068	(16,063)	—	—	2,005
Acquisition of treasury stock	—	—	862	(9,960)	—	—	—	(9,960)
Non-cash stock compensation	—	—	—	—	6,940	—	—	6,940
Net income (loss)	—	—	—	—	—	—	(21,228)	(21,228)
Other comprehensive income (loss)	—	—	—	—	—	12	—	12
Balance, December 31, 2023	20,449	$ 20	4,921	$ (174,702)	$ 229,680	$ (22)	$ (75,418)	$ (20,442)
Issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(274)	9,765	(10,065)	—	—	(300)
Non-cash stock compensation	—	—	—	—	6,961	—	—	6,961
Net income (loss)	—	—	—	—	—	—	(77,541)	(77,541)
Common stock issuance	1,601	2	—	—	7,091	—	—	7,093
Other comprehensive income (loss)	—	—	—	—	—	(40)	—	(40)
Balance, December 29, 2024	22,050	$ 22	4,647	$ (164,937)	$ 233,667	$ (62)	$(152,959)	$ (84,269)
Issuance of restricted stock, shares exchanged for exercise and tax, and stock issued through employee stock purchase plan	—	—	(606)	21,690	(21,218)	—	—	472
Non-cash stock compensation	—	—	—	—	1,210	—	—	1,210
Net income (loss)	—	—	—	—	—	—	(23,284)	(23,284)
Equity issuance costs	—	—	—	—	(479)	—	—	(479)
Other comprehensive income (loss)	—	—	—	—	—	2	—	2
Balance, December 28, 2025	22,050	$ 22	4,041	$ (143,247)	$ 213,180	$ (60)	$(176,243)	$(106,348)

See Notes to Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Year Ended		
	December 28, 2025	**December 29, 2024**	**December 31, 2023**
Cash Flows From Operating Activities:			
Net income (loss)	$ (23,284)	$ (77,541)	$ (21,228)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	51,120	57,729	66,190
Gift card breakage	(5,243)	(7,930)	(9,874)
Asset impairment	2,713	32,838	9,130
Non-cash other (gains) charges	(1,633)	(5)	(1,404)
Stock-based compensation expense	1,469	6,961	6,933
Gain on sale of property	(1,127)	(7,425)	(30,137)
Amortization of debt issuance costs	3,764	2,467	2,032
Other, net	927	(114)	(794)
Changes in operating assets and liabilities:			
Accounts receivable and other, net	247	1,903	397
Inventories	134	(220)	(280)
Prepaid expenses and other current assets	(653)	(597)	1,558
Operating lease assets, net of liabilities	(6,173)	(1,455)	(11,841)
Trade accounts payable and accrued liabilities	7,748	3,441	(9,843)
Unearned revenue	5,446	(1,054)	(1,097)
Other operating assets and liabilities, net	1,553	(1,951)	(899)
Net cash provided by (used in) operating activities	$ 37,008	$ 7,047	$ (1,157)
Cash Flows From Investing Activities:			
Purchases of property, equipment and intangible assets	$ (30,784)	$ (26,034)	$ (49,440)
Proceeds from sales of property and equipment, and other	6,166	24,287	61,195
Acquisition of franchised restaurants	—	—	(3,529)
Net cash provided by (used in) investing activities	$ (24,618)	$ (1,747)	$ 8,226
Cash Flows From Financing Activities:			
Net (repayments) borrowings on revolving credit facility	$ (17,000)	$ 20,000	$ (15,000)
Repayments of borrowings on term loan	(2,770)	(21,232)	(9,857)
Repayments of finance lease obligations	(1,036)	(923)	(898)
Proceeds from borrowings for insurance premium financing	3,540	4,265	—
Repayments of insurance premium financing	(4,403)	(3,619)	—
Purchase of treasury stock	—	—	(9,960)
Debt issuance costs	(575)	(2,749)	—
Proceeds from issuance of common stock, net of stock issuance costs	(479)	7,093	—
Proceeds (uses) from other financing activities, net	471	(299)	2,003
Net cash provided by (used in) financing activities	$ (22,252)	$ 2,536	$ (33,712)
Effect of exchange rate changes on cash	$ —	$ —	$ 2
Net change in cash and cash equivalents, and restricted cash	$ (9,862)	$ 7,836	$ (26,641)
Cash and cash equivalents, and restricted cash, beginning of period	$ 39,401	$ 31,565	$ 58,206
Cash and cash equivalents, and restricted cash, end of period	$ 29,539	$ 39,401	$ 31,565
Supplemental disclosure of cash flow information			
Net (refunds received) income taxes paid	$ (30)	$ 83	$ 454
Interest paid	23,133	22,737	24,084
Accrued purchases of property, equipment and intangible assets	3,296	2,707	1,836

See Notes to Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business and Summary of Significant Accounting Policies

(a) Description of Business

Red Robin Gourmet Burgers, Inc., a Delaware corporation, is the parent company for Red Robin International, Inc., a Nevada corporation, that, together with its subsidiaries ("Red Robin," "we," "us," "our", or the "Company"), primarily operates, franchises, and develops casual dining restaurants in North America. As of December 28, 2025, the Company owned and operated 385 restaurants located in 39 states. The Company also had 90 casual dining restaurants operated by franchisees in 13 states and one Canadian province. The Company operated its business as one operating and one reportable segment.

(b) Basis of Presentation and Principles of Consolidation

The accompanying Consolidated Financial Statements include the accounts of Red Robin and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Fiscal Year	Year End Date	Number of Weeks in Fiscal Year
Current and Prior Fiscal Years:		
2025	December 28, 2025	52
2024	December 29, 2024	52
2023	December 31, 2023	53
Upcoming Fiscal Years:		
2026	December 27, 2026	52
2027	December 26, 2027	52

(c) Reclassifications

Certain amounts presented have been reclassified to conform with the current period presentation. The reclassifications had no effect on the Company's consolidated results. We made adjustments to the Consolidated Statements of Cash Flows to include income tax receivable within accounts receivable and other, net, to net borrowings with repayments on revolving credit facilities, to include net proceeds from sale-leaseback within net proceeds from sale of property, equipment, and other, and to separately disclose the following captions: to disaggregate gift card breakage from the change in unearned revenue; and to disaggregate amortization of debt issuance costs from other, net. We have also revised the presentation of operating expenses in the Consolidated Statements of Operations and Comprehensive Income (Loss) to separately disclose selling expenses and general and administrative expenses. Previously, these amounts were presented on a combined basis as selling, general, and administrative expenses. Certain prior-year amounts related to restaurant closure costs have been disaggregated and reclassified into closed store rent and other costs and lease modification (gains) losses within Note 4. Other (Gains) Charges, net to conform to the current-year presentation.

(d) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

(e) Summary of Significant Accounting Policies

Revenue Recognition - Revenues consist of sales from restaurant operations (including third party delivery), franchise revenue, and other revenue including gift card breakage and miscellaneous revenue. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a restaurant guest, franchisee, or other customer.

The Company recognizes revenues from restaurant operations when payment is tendered at the point of sale, as the Company's performance obligation to provide food and beverage to the customer has been satisfied.

The Company sells gift cards that do not have an expiration date, and it does not deduct dormancy fees from outstanding gift card balances. We recognize revenue from gift cards as either: (i) restaurant revenue, when the Company's performance obligation to provide food and beverage to the customer is satisfied upon redemption of the gift card, or (ii) gift card breakage, as discussed below.

Gift card breakage is recognized when the likelihood of a gift card being redeemed by the customer is remote and the Company determines there is not a legal obligation to remit the unredeemed gift card balance to the relevant jurisdiction. The determination of the gift card breakage rate is based upon the Company's specific historical redemption patterns. The Company recognizes gift card breakage by applying its estimate of the rate of gift card breakage on a pro rata basis over the period of estimated redemption.

During the second quarter of fiscal 2024, we re-launched our Red Robin Royalty™ program ("Royalty"). Under the re-launched program, Royalty members generally earn points for every dollar spent. We may also periodically offer promotions, which typically provide the customer with the opportunity to earn bonus points or other rewards. Upon reaching certain point thresholds, Royalty members earn rewards that may be redeemed for food and beverage items. Earned rewards generally expire 90 days after they are issued, and points generally expire if a qualifying purchase is not made within 365 days of the last purchase. We defer revenue based on the estimated stand-alone selling price of points or rewards earned by customers as each point or reward is earned, net of points or rewards we do not expect to be redeemed. Our estimate of points and rewards expected to be redeemed is based on historical Company-specific data. We evaluate Royalty redemption rates annually, or more frequently as circumstances warrant. Estimating future redemption rates requires judgment based on current and historical trends, and actual redemption rates may vary from our estimates.

Revenues we receive from our franchise arrangements include sales-based royalties, advertising fund contributions, area development fees, and franchise fees. Red Robin franchisees are required to remit 4% to 5% of their revenues as royalties to the Company and contribute up to 3% of revenues to two national advertising funds. The Company recognizes these sales-based royalties and advertising fund contributions as the underlying franchisee sales occur. Contributions to these advertising funds from franchisees are recorded as revenue under franchise revenue in the Consolidated Statements of Operations and Comprehensive Income (Loss) in accordance with ASC Topic 606, *Revenue from Contracts with Customers*.

The Company typically grants franchise rights to franchisees for a term of 20 years, with the right to extend the term for an additional 10 years if various conditions are satisfied by the franchisee.

Other revenue consists of gift card breakage, licensing income, and recycling income.

Cash and Cash Equivalents, and Restricted Cash - The Company considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents. Amounts receivable from credit card issuers are typically converted to cash within two days to four days of the original sales transaction and are considered to be cash equivalents.

Cash and cash equivalents are maintained with multiple financial institutions. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions with reputable credit and therefore bear minimal credit risk. The Company holds cash and cash equivalents at financial institutions in excess of amounts covered by the Federal Depository Insurance Corporation (the "FDIC") and sometimes invests excess cash in money market funds not insured by the FDIC. The Company periodically assesses the credit risk associated with these financial institutions and believes that the risk of loss is minimal.

The Company is required to carry restricted cash balances that are reserved as collateral for existing letters of credit. The amounts issued under letters of credit, which are undrawn, totaled $9.3 million at December 28, 2025.

Accounts Receivable, net - Accounts receivable, net consists primarily of third-party gift card receivables, third party delivery partner receivables, rebate receivables, and trade receivables due from franchisees for royalties and advertising fund contributions.

(In thousands)	2025	2024
Gift card receivable	$ 8,131	$ 9,241
Third party delivery partner receivable	2,816	2,164
Rebate receivable	3,246	3,169
Trade receivable	1,374	1,014
Other receivable	3,874	4,100
Total accounts receivable, net	$ 19,441	$ 19,688

Inventories - Inventories consist of food, beverages, and supplies valued at the lower of cost (first-in, first-out method) or net realizable value.

(In thousands)	2025	2024
Food & beverage inventory	$ 9,330	$ 9,206
Supplies inventory	16,399	17,531
Inventories	$ 25,729	$ 26,737

Property and Equipment, net - Property and equipment are recorded at cost. Expenditures for major additions and improvements are capitalized, and minor replacements, maintenance, and repairs are expensed as incurred. Depreciation is computed on the straight-line method based on the shorter of the estimated useful lives or the terms of the underlying leases of the related assets. Interest incurred on funds used to place Company-owned assets in service is capitalized and amortized over the estimated useful life of the related assets, which amounted to $0.6 million and $1.0 million in fiscal 2025 and fiscal 2024, respectively.

The estimated useful lives for property and equipment are:

Buildings	5 years to 20 years
Leasehold improvements	Shorter of lease term or estimated useful life, not to exceed 20 years
Furniture, fixtures, and equipment	3 years to 20 years
Computer equipment	2 years to 5 years

The Company capitalizes certain overhead related to the development and construction of its new restaurants as well as certain information technology capital investments. Costs incurred for the potential development of restaurants that are subsequently terminated are expensed.

Cloud Computing Arrangements - The Company capitalizes cloud computing implementation costs and amortizes these costs on a straight-line basis over the term of the related service agreement, including renewal periods that are reasonably certain to be exercised. Capitalized cloud computing implementation costs were $1.2 million and $1.2 million, net of accumulated amortization, as of December 28, 2025 and December 29, 2024, respectively. These costs are included in prepaid expenses and other current assets and other assets, net in our Consolidated Balance Sheets. Related amortization expense were $1.0 million, $0.5 million, and $0.4 million for the years ended December 28, 2025, December 29, 2024, and December 31, 2023, respectively, and was included in other operating, selling, and general and administrative in our Consolidated Statements of Operations and Comprehensive Income (Loss).

Leases - The Company leases land, buildings, and equipment used in its operations under operating and finance leases. Our leases generally have remaining terms of 1-13 years, most of which include options to extend the leases for additional five-year periods. Generally, the lease term is the minimum of the non-cancelable period of the lease or the lease term inclusive of reasonably certain renewal periods up to a term of 20 years.

We determine if a contract contains a lease at inception. Operating lease assets and liabilities are recognized at the lease commencement date. Operating lease liabilities represent the present value of lease payments not yet paid. Operating lease assets represent our right to use an underlying asset and are based upon the operating lease liabilities adjusted for prepayments or accrued lease payments, initial direct costs, lease incentives, and impairment of operating lease assets. To determine the present value of lease payments not yet paid, we estimate incremental secured borrowing rates corresponding to the maturities of the leases. We estimate this rate based on prevailing financial market conditions, comparable company and credit analysis, and management judgment.

Our leases typically contain rent escalations over the lease term. We recognize expense for these leases on a straight-line basis over the lease term. Additionally, tenant incentives used to fund leasehold improvements are recognized when earned and reduce our right-of-use asset related to the lease. These are amortized through the right-of-use asset as reductions of expense over the lease term.

Some of our leases include rent escalations based on inflation indexes and fair market value adjustments. Certain leases contain contingent rental provisions that include a fixed base rent plus an additional percentage of the restaurant's sales in excess of stipulated amounts. Operating lease liabilities are calculated using the prevailing index or rate at lease commencement. Subsequent escalations in the index or rate and contingent rental payments are recognized as variable lease expenses. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

We have elected the short-term lease recognition exemption for all applicable classes of underlying assets. Short-term disclosures include only those leases with a term of 12 months or less, and expense is recognized on a straight-line basis over

the lease term. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that we are reasonably certain to exercise, are not recorded in our Consolidated Balance Sheets.

We have elected the practical expedient that does not require us to separate lease and non-lease components for our population of real estate assets.

Intangible Assets, net - Intangible assets comprise primarily leasehold interests, acquired franchise rights, and the costs of purchased liquor licenses. Leasehold interests primarily represent the fair values of acquired lease contracts having contractual rents lower than fair market rents and are amortized on a straight-line basis over the remaining initial lease term. Acquired franchise rights, which represent the acquired value of franchise contracts, are amortized over the term of the franchise agreements. The costs of obtaining non-transferable liquor licenses from local government agencies are capitalized and generally amortized over a period of up to 20 years. The costs of purchasing transferable liquor licenses through open markets in jurisdictions with a limited number of authorized liquor licenses are capitalized as indefinite-lived intangible assets.

Impairment of Long-Lived Assets - The Company reviews its long-lived assets, including restaurant sites, leasehold improvements, information technology systems, right of use assets, and amortizable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to the future undiscounted net cash flows expected to be generated by the assets. Identifiable cash flows are measured at the lowest level, for which they are largely independent of the cash flows of other groups of assets and liabilities, generally at the restaurant-level. If the assets are determined to be impaired, the amount of impairment recognized is the amount by which the carrying amount of the assets exceeds their fair value. Fair value is generally determined using projected cash flows discounted using an estimated weighted average cost of capital. Management may also utilize other market information to determine fair value such as market rent and discount rates, to estimate the fair value of restaurant right of use lease assets. Restaurant sites and other assets to be disposed of are reported at the lower of their carrying amount or fair value, less estimated costs to sell. Information technology systems, such as internal-use computer software, are reviewed and tested for recoverability if the internal-use computer software is not expected to provide substantive service potential, a significant change occurs in the extent or manner in which the software is used or is expected to be used, a significant change is made or will be made to the software program, or costs of developing or modifying internal-use software significantly exceed the amount originally expected to develop or modify the software.

Advertising - Under the Company's franchise agreements, both the Company and the franchisees must contribute up to 3% of revenues to two national media advertising funds (the "Advertising Funds"). These Advertising Funds are used to drive initial guest trial and repeat visits and build the Company's brand equity and awareness. Primary advertising channels include television advertising, digital media, social media programs, email, loyalty, and public relations initiatives. Additionally, for corporate owned stores, we may choose to invest additional discretionary advertising above and beyond the 3% of revenues.

Total advertising costs of $18.7 million, $23.5 million, and $21.6 million in fiscal years 2025, 2024, and 2023, respectively, and were included in selling expenses in our Consolidated Statements of Operations and Comprehensive Income (Loss).

Advertising production costs are expensed in the period when the advertising first takes place. Other advertising costs are expensed as incurred.

Self-Insurance Programs - The Company utilizes a self-insurance plan for health, general liability, and workers' compensation coverage. Predetermined loss limits have been arranged with insurance companies to limit the Company's per occurrence cash outlay. The self-insurance liability represents an estimate of the ultimate cost of claims incurred and unpaid as well as claims incurred but not reported ("IBNR") as of the balance sheet date. Our estimated liability is based on information provided by third-party actuaries, combined with our judgments regarding several assumptions, including the frequency and severity of claims, our loss development factors, loss cost, claims history, and our claims settlement practice. Significant judgment is required to estimate IBNR claims as parties have yet to assert such claims. Accrued liabilities and other current liabilities and accrued payroll and payroll-related liabilities include the estimated cost to settle reported claims and incurred but not reported claims.

Legal Contingencies - In the normal course of business, we are subject to various legal proceedings and claims, the outcomes of which are uncertain. We record an accrual for legal contingencies when we determine it is probable that we have incurred a liability and we can reasonably estimate the amount of the loss. In making such determinations we evaluate, among other things, the probability of an unfavorable outcome, and when we believe it probable that a liability has been incurred, our ability to make a reasonable estimate of the loss.

Pre-opening Costs - Pre-opening costs are expensed as incurred. Pre-opening costs include rental expenses through the date of opening for each restaurant, travel expenses, wages, and benefits for the training and opening teams, as well as food, beverage, and other restaurant opening costs incurred prior to a restaurant opening for business. Costs related to preparing restaurants to introduce Donatos® are expensed as incurred and included in pre-opening costs.

Income Taxes - Deferred tax liabilities are recognized for the estimated effects of all taxable temporary differences, and deferred tax assets are recognized for the estimated effects of all deductible temporary differences, net operating income (losses), and tax credit carryforwards. Realization of net deferred tax assets is dependent upon profitable operations and future reversals of existing taxable temporary differences. However, the amount of the deferred tax assets considered realizable could be adjusted if estimates of future taxable income during the carry forward period are increased or reduced or if there are differences in the timing or amount of future reversals of existing taxable temporary differences. Management regularly evaluates the future realization of deferred tax assets and provides a valuation allowance against the deferred tax assets, if considered necessary, based on such evaluation.

Pursuant to the guidance for uncertain tax positions, a taxpayer must be able to more likely than not sustain a position to recognize a tax benefit, and the measurement of the benefit is calculated as the largest amount that is more than 50 percent likely to be realized upon resolution of the benefit. The Company has analyzed filing positions in all of the federal, state, and foreign jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions. The only periods subject to examination for the Company's federal and state returns are the 2020 through 2025 tax years.

The Company records interest and penalties associated with audits as a component of income before taxes. The Company recorded immaterial penalty and interest expense on the identified tax liabilities in fiscal years 2025, 2024, and 2023.

Income (Loss) Per Share - Basic income (loss) per share amounts are calculated by dividing net income (loss) by the weighted average number of common shares outstanding during the year. Diluted income (loss) per share amounts are calculated based upon the weighted average number of common and potentially dilutive common shares outstanding during the year. Potentially dilutive shares are excluded from the computation in periods in which they have an anti-dilutive effect. Diluted income (loss) per share reflects the potential dilution that could occur if holders of options and awards exercised their holdings into common stock. As the Company was in a net loss position for each of the fiscal years ended December 28, 2025, December 29, 2024, and December 31, 2023, all potentially dilutive common shares are considered anti-dilutive.

The Company uses the treasury stock method to calculate the impact of outstanding stock options and awards. Basic weighted average shares outstanding is reconciled to diluted weighted average shares outstanding as of the fiscal years ended December 28, 2025, December 29, 2024, and December 31, 2023, were as follows (in thousands):

	2025	2024	2023
Basic weighted average shares outstanding	$ 17,789	$ 15,736	$ 15,835
Dilutive effect of stock options and awards	—	—	—
Diluted weighted average shares outstanding	$ 17,789	$ 15,736	$ 15,835
Awards excluded due to anti-dilutive effect on diluted earnings per share	$ 2,599	$ 1,749	$ 1,409

Comprehensive Income (Loss) - Total comprehensive income (loss) consists of the net income (loss) and other gains and losses affecting stockholders' equity that, under GAAP, are excluded from net income (loss). Other comprehensive income (loss) as presented in the Consolidated Statements of Operations and Comprehensive Income (Loss) for fiscal years 2025, 2024, and 2023 consisted of the foreign currency translation adjustment resulting from the Company's Canadian franchise operations.

Stock-Based Compensation - The Company maintains several equity incentive plans under which it may grant stock options, stock appreciation rights, restricted stock units, performance stock units, or other forms of awards granted or denominated in the Company's common stock or units of the Company's common stock, as well as cash variable compensation awards to employees, non-employees, directors, and consultants. The Company also maintains an employee stock purchase plan. The Company issues shares relating to stock-based compensation plans and the employee stock purchase plan from treasury shares. We recognize compensation expenses for only the portion of share-based awards that are expected to vest. Therefore, we apply estimated forfeiture rates that are derived from our historical forfeitures of similar awards when a team member leaves the Company.

Deferred Compensation - The Company has assets and liabilities related to a deferred compensation plan. The assets of the deferred compensation plan are held in a rabbi trust, where they are invested in certain mutual funds that cover an investment spectrum range from equities to money market instruments. Fluctuations in the market value of the investments held in the trust result in the recognition of deferred compensation expense or income. Refer to Note 15. Employee Benefit Programs for additional information.

2. Recent Accounting Pronouncements

In December 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-12, Codification Improvements, which included amendments intended to clarify, improve, and correct various sections of

the Accounting Standards Codification. The amendments addressed a variety of topics, including earnings per share, equity, leases, revenue recognition, credit losses, and other areas, and are primarily intended to improve the consistency and clarity of existing guidance without significantly changing current accounting practice. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods, with early adoption permitted. The Company is evaluating the impact of the adoption of ASU 2025-12 on the Consolidated Financial Statements.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements to clarify and improve the guidance in ASC 270 regarding interim reporting. ASU 2025-11 improved the navigability of the guidance, clarifying when the interim reporting guidance applies, and specifying the disclosures and form and content requirements for interim financial statements and accompanying notes under GAAP. The amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is evaluating the impact of the adoption of ASU 2025-11 on the Consolidated Financial Statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other— Internal-Use Software (Subtopic 350-40) to introduce a principles-based framework for capitalizing costs related to the development of internal-use software. ASU 2025-06 also incorporated website development costs into the internal-use software guidance and enhanced related disclosure requirements. The amendments are effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. The Company is evaluating the impact of the adoption of ASU 2025-06 on the Consolidated Financial Statements.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, to provide a practical expedient and an accounting policy election related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under Accounting Standards Codification ("ASC") 606 - Revenue from Contracts with Customers. The amendments are effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. The Company is evaluating the impact of the adoption of ASU 2025-05 on the Consolidated Financial Statements.

In November 2024, the FASB issued ASU 2024-03 which expands disclosures about specific expense categories presented on the face of the income statement. ASU 2024-03 is effective for financial statements issued for annual periods beginning after December 15, 2026, with early adoption permitted. The Company is evaluating the impact of the adoption of ASU 2024-03 on the Consolidated Financial Statements.

In December 2023, the FASB issued ASU 2023-09 to improve income tax disclosure requirements, primarily related to rate reconciliations and income taxes paid. ASU 2023-09 is effective for financial statements issued for annual periods beginning after December 15, 2024. The adoption of this standard has been reflected in Note 11. Income Taxes within the Notes to the Consolidated Financial Statements.

We reviewed all other recently issued accounting pronouncements and concluded they were either not applicable or not expected to have a material impact on the Consolidated Financial Statements.

Recently Issued Tax Legislation

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act and the restoration of favorable tax treatment for specific business provisions. The legislation has multiple effective dates, with some provisions taking effect in tax year 2025 and others phased in through tax year 2027. In accordance with ASC 740 - Income Taxes, the effects of changes in tax rates and laws are recognized in the period in which the legislation is enacted. The OBBBA did not have a material impact on the Consolidated Financial Statements.

3. Revenue

Disaggregation of Revenue

In the following table, revenue is disaggregated by type of good or service (in thousands):

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Restaurant revenue	$ 1,189,780	$ 1,224,254	$ 1,274,294
Franchise revenue	14,076	14,941	15,867
Gift card breakage	5,243	7,930	9,874
Other revenue	1,126	1,435	3,011
Total revenues	$ 1,210,225	$ 1,248,560	$ 1,303,046

Contract Liabilities

Components of unearned revenue in the Consolidated Balance Sheets are as follows (in thousands):

	December 28, 2025	December 29, 2024
Unearned gift card revenue	$ 24,096	$ 24,333
Unearned Royalty revenue	3,191	2,750
Unearned revenue	$ 27,287	$ 27,083

Revenue recognized in the Consolidated Statements of Operations and Comprehensive Income (Loss) for the redemption and breakage of gift cards that were included in the liability balance at the beginning of the fiscal year was as follows (in thousands):

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Gift card revenue	$ 13,070	$ 16,782	$ 19,224

We recognize revenue from our customer loyalty program, Red Robin Royalty ("Royalty"), within restaurant revenue in the Consolidated Statements of Operations and Comprehensive Income (Loss) when a customer redeems an earned reward. Unearned revenue associated with our Royalty program is included in unearned revenue in our Consolidated Balance Sheets.

Changes in our unearned revenue balance related to our Royalty program (in thousands):

	Year Ended	
	December 28, 2025	December 29, 2024
Unearned Royalty revenue, beginning balance	$ 2,750	$ 7,509
Revenue deferred	5,352	4,817
Revenue recognized[(1)]	(4,911)	(9,576)
Unearned Royalty revenue, ending balance	$ 3,191	$ 2,750

[(1)] Restaurant revenue recognized during the fifty-two weeks ended December 29, 2024 included a credit of approximately $6.4 million related to the transition to the new Royalty program in the second quarter of fiscal 2024, primarily due to the cancellation of unused points that were earned more than 365 days prior to the launch of the new program.

4. Other (Gains) Charges, net

Other (gains) charges, net consisted of the following (in thousands):

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Asset impairment and restaurant closure costs, net	$ 2,785	$ 34,080	$ 12,192
Gain on sale of restaurant property	(1,127)	(7,425)	(29,543)
Severance and executive transition[1]	2,181	1,181	3,419
Litigation contingencies	2,198	1,037	9,140
Asset disposal and other, net	4,426	4,975	2,129
Other (gains) charges, net	$ 10,463	$ 33,848	$ (2,663)

[1] Severance and executive transition included $(4.1) million, $0.1 million, and $0.1 million of stock-based compensation (benefit) expense in fiscal years 2025, 2024, and 2023, respectively.

Asset Impairment and Restaurant Closure Costs, net

Asset impairment and restaurant closure costs, net consisted of the following (in thousands, except for location data):

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Number of non-operating locations	10	9	13
Non-operating location rent, restaurant closure costs, and other	$ 4,291	$ 3,676	$ 5,432
Number of impaired locations	4	58	19
Non-cash impairment	$ 2,713	$ 32,838	$ 9,130
Number of locations with lease remeasurement	17	7	9
Net lease remeasurement (gain) loss	$ (4,219)	$ (2,434)	$ (2,370)
Total asset impairment and restaurant closure costs, net	$ 2,785	$ 34,080	$ 12,192

Gain on Sale of Restaurant Property

During fiscal 2025, the Company sold three restaurant properties for total proceeds of $5.8 million that resulted in a gain, net of expenses of $1.1 million. The net proceeds were included within cash flows from investing activities on the Consolidated Statements of Cash Flows for the year ended December 28, 2025, and were used to repay long-term debt.

During fiscal 2024, the Company sold ten restaurant properties for total proceeds of $23.9 million in sale-leaseback transactions that resulted in a gain, net of expenses of $7.4 million. The net proceeds were included within cash flows from investing activities on the Consolidated Statements of Cash Flows for the year ended December 29, 2024.

During fiscal 2023, the Company sold 18 restaurant properties for total proceeds of $58.8 million in a sale-leaseback transaction that resulted in a gain, net of expenses of $29.4 million. In addition, during 2023, the Company sold one restaurant property for total proceeds of $1.5 million which resulted in a gain, net of expenses of $0.1 million. The net proceeds were included within cash flows from investing activities on the Consolidated Statements of Cash Flows for the year ended December 31, 2023.

Severance and Executive Transition

Severance and executive transition consisted of the following (in thousands):

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Executive severance	$ 4,915	$ 476	$ 2,298
Stock-based compensation[1]	(4,104)	71	128
Team member severance[2]	1,370	634	993
Total severance and executive transition	$ 2,181	$ 1,181	$ 3,419

(1) For fiscal 2025, the stock-based compensation benefit related primarily to the forfeiture of unvested stock-based compensation by certain executive leadership.

(2) During fiscal 2025, team member severance was primarily associated with a reduction in force, which occurred during the second quarter of fiscal 2025.

Litigation Contingencies

In fiscal years 2025, 2024, and 2023, the Company recorded certain accruals associated with litigation contingencies. See Note 12. Commitments and Contingencies, for further discussion.

Asset Disposal and Other

Asset disposal and other primarily related to asset disposals, strategic projects and other non-recurring items.

5. Property and Equipment, net

Property and equipment, net consisted of the following as of December 28, 2025 and December 29, 2024 (in thousands):

	December 28, 2025	December 29, 2024
Land	$ 6,542	$ 9,760
Buildings	12,645	13,496
Leasehold improvements	579,623	574,256
Furniture, fixtures, and equipment	368,545	360,611
Construction in progress	1,310	13,307
Property and equipment, gross	$ 968,665	$ 971,430
Accumulated depreciation and amortization	$ (810,560)	$ (790,206)
Property and equipment, net	$ 158,105	$ 181,224

Depreciation and amortization expense on property and equipment were $49.3 million, $55.4 million, and $63.8 million in fiscal years 2025, 2024, and 2023, respectively.

6. Intangible Assets, net

Intangible assets, net consisted of the following as of December 28, 2025 and December 29, 2024 (in thousands):

	December 28, 2025			December 29, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Intangible assets subject to amortization:						
Franchise rights	$ 45,117	$ (42,332)	$ 2,785	$ 46,091	$ (41,647)	$ 4,444
Leasehold interests	12,845	(11,113)	1,732	12,867	(10,906)	1,961
Liquor licenses and other	8,999	(8,843)	156	9,596	(9,419)	177
	$ 66,961	$ (62,288)	$ 4,673	$ 68,554	$ (61,972)	$ 6,582
Indefinite-lived intangible assets:						
Liquor licenses and other	$ 4,482	$ —	$ 4,482	$ 4,482	$ —	$ 4,482
Intangible assets, net	$ 71,443	$ (62,288)	$ 9,155	$ 73,036	$ (61,972)	$ 11,064

The aggregate amortization expense related to intangible assets subject to amortization were $1.8 million, $2.3 million, and $2.4 million for fiscal years 2025, 2024, and 2023, respectively.

The estimated aggregate future amortization expense as of December 28, 2025 were as follows (in thousands):

2026	$ 1,435
2027	1,070
2028	611
2029	343
2030	290
Thereafter	924
	$ 4,673

7. Accrued Payroll and Payroll-Related Liabilities, and Accrued Liabilities and Other

Accrued payroll and payroll-related liabilities consisted of the following as of December 28, 2025 and December 29, 2024 (in thousands):

	December 28, 2025	December 29, 2024
Payroll and payroll-related taxes	$ 17,087	$ 18,438
Workers compensation insurance	6,071	6,459
Corporate and restaurant incentive compensation[(1)]	10,713	4,168
Accrued vacation	6,398	6,583
Other	3,770	4,024
Accrued payroll and payroll-related liabilities	$ 44,039	$ 39,672

[(1)] This balance was inclusive of $2.9 million and $0.0 million for fiscal years 2025 and 2024, respectively, related to severance and executive transition costs.

Included within corporate and restaurant incentive compensation are accrued termination benefits, which represent one-time termination benefits primarily related to changes in leadership positions as a result of strategic pivots under previous strategies and the First Choice plan. These plans, and the related reductions in force, are accounted for in accordance with ASC Topic 420, *Exit or Disposal Cost Obligations*. The charges incurred under previous strategies were recognized in fiscal 2023 and fully paid as of the end of fiscal 2024. The Company incurred a cumulative total of $1.4 million in one-time termination benefits during fiscal 2025 related to the First Choice plan reduction in force, and was included in Other (gains) charges, net in the Consolidated Statements of Operations and Comprehensive Income (Loss). One-time termination benefits activity for the fiscal years ended December 29, 2024 and December 28, 2025, respectively, were as follows:

	Termination Benefits
Balance as of December 31, 2023	$ 184
Charges	—
Cash Payments	(184)
Balance as of December 29, 2024	$ —
Charges	1,370
Cash Payments	(1,033)
Balance as of December 28, 2025	$ 337

Accrued liabilities and other consisted of the following as of December 28, 2025 and December 29, 2024 (in thousands):

	December 28, 2025	December 29, 2024
State and city sales tax payable	$ 5,838	$ 6,224
Real estate, personal property, state income, and other taxes payable	7,937	6,933
Insurance	10,092	10,201
Utilities	2,615	3,016
Legal	5,510	4,935
Accrued interest	1,220	1,536
Accrued marketing	2,824	2,830
Current portion of finance lease liabilities	1,092	1,019
Other	9,673	6,237
Accrued liabilities and other	$ 46,801	$ 42,931

8. Borrowings

Borrowings as of December 28, 2025 and December 29, 2024 are summarized below:

	December 28, 2025		December 29, 2024	
(Dollars in thousands)	Borrowings	Variable Interest Rates	Borrowings	Variable Interest Rates
Revolving line of credit	$ 3,000	11.40 %	$ 20,000	12.03 %
Term loan	$ 167,217	11.50 %	$ 169,470	12.21 %
Total borrowings	$ 170,217		$ 189,470	
Less: unamortized debt issuance costs[1]	$ 5,476		$ 7,829	
Long-term debt	$ 164,741		$ 181,641	
Revolving line of credit unamortized debt issuances costs[1]:	$ 932		$ 1,298	

[1] Unamortized debt issuance costs associated with the Company's Credit Facility were included as deferred costs in other assets, net for financing charges allocated to the revolving line of credit, and long-term debt for financing charges associated with the term loan in the accompanying Consolidated Balance Sheets.

Maturities of long-term debt as of December 28, 2025 were as follows (in thousands):

2026	$ —
2027	170,217
2028	—
2029	—
Thereafter	—
	$ 170,217

Credit Facility

As of December 28, 2025, the Company's credit facility allowed for up to $240.0 million of borrowings and is comprised of a $40.0 million revolving line of credit and a $200.0 million term loan (collectively, the "Credit Facility"). As of December 28, 2025 and December 29, 2024, the Company had outstanding borrowings of $170.2 million and $189.5 million, respectively, inclusive of $3.0 million and $20.0 million drawn on its revolving line of credit, respectively, under its Credit Facility. In addition, the Company had amounts issued under letters of credit of $9.3 million and $8.5 million as of December 28, 2025 and December 29, 2024, respectively.

The Credit Facility will mature on September 3, 2027. The term loans require quarterly principal payments in an aggregate annual amount equal to 1.0% of the original principal amount of the term loan. As of December 28, 2025, the Company has fulfilled this obligation for the duration of the Credit Facility via previous principal payments. The Credit Facility's interest rate references the Secured Overnight Financing Rate ("SOFR"), which is an index calculated by short-term repurchase agreements and backed by U.S. Treasury securities, or the Alternate Base Rate ("ABR"), which represents the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 0.5% per annum, or (c) one-month term SOFR plus 1.0% per annum.

On March 4, 2022, the Company replaced its prior amended and restated Credit Agreement (the "Prior Credit Agreement") with a new Credit Agreement (the "Credit Agreement") by and among the Company, Red Robin International, Inc., as the borrower, the lenders from time to time party thereto, the issuing banks from time to time party thereto, Fortress Credit Corp., as Administrative Agent and as Collateral Agent and JPMorgan Chase Bank, N.A., as Sole Lead Arranger and Sole Bookrunner.

Red Robin International, Inc., is the borrower under the Credit Agreement, and certain of its subsidiaries and the Company are guarantors of borrower’s obligations under the Credit Agreement. Borrowings under the Credit Agreement are secured by substantially all of the assets of the borrower and the guarantors, including the Company, and are available to: (i) refinance certain existing indebtedness of the borrower and its subsidiaries, (ii) pay any fees and expenses in connection with the Credit Agreement, and (iii) provide for the working capital and general corporate requirements of the Company, the borrower and its subsidiaries, including permitted acquisitions and capital expenditures, but excluding restricted payments.

On March 4, 2022, Red Robin International, Inc., the Company, and the guarantors also entered into a Pledge and Security Agreement (the "Security Agreement") granting to the Administrative Agent a first priority security interest in substantially all of the assets of the borrower and the guarantors to secure the obligations under the Credit Agreement.

Red Robin International, Inc., as the borrower is obligated to pay customary fees to the agents, lenders and issuing banks under the Credit Agreement with respect to providing, maintaining, or administering, as applicable, the credit facilities.

On July 17, 2023, the Company amended the Credit Agreement (the "First Amendment") to, among other things, remove the previously included $50.0 million aggregate cap on sale-leasebacks of Company-owned real property that are permitted under the Credit Agreement, subject to certain conditions set forth in the Credit Agreement.

On August 21, 2024, the Company entered into the second amendment to the Credit Agreement (the "Second Amendment"). The Second Amendment, among other things, provided certain relief from the financial covenant by increasing the required maximum net total leverage ratio beginning in the third quarter of 2024 through the end of the third quarter of fiscal 2025; increased the aggregate revolving commitments by $15.0 million to $40.0 million through the end of the third quarter of fiscal 2025; removed the variable pricing grid and increases the applicable margin on all term loans and revolving loans that are SOFR-based loans to 7.50% per annum and that are ABR-based loans to 6.50% per annum; and added certain additional reporting requirements.

On November 4, 2024, the Company entered into the third amendment to the Credit Agreement (the "Third Amendment"). The Third Amendment extended the provisions of the Second Amendment through the end of the first fiscal quarter of 2026.

On November 7, 2025, the Company entered into the fourth amendment to the Credit Agreement (the "Fourth Amendment"). The Fourth Amendment extended the maturity date of the Credit Agreement by six months to September 3, 2027. In connection with the Fourth Amendment, the Company paid customary amendment fees to the lenders under the Credit Facility. The Company performed an analysis of the Fourth Amendment under ASC Topic 470, Debt, and determined that debt modification accounting was appropriate. As a result, the Company capitalized $1.0 million of the amendment fees as debt issuance costs, which will be amortized over the remaining term of the Credit Facility, and expensed the remaining $0.1 million of fees. Approximately $0.5 million of the Fourth Amendment fees were paid-in-kind and added to the principal balance of the term loan.

The summary descriptions of the Credit Agreement, the Security Agreement, the First Amendment, the Second Amendment, the Third Amendment, and the Fourth Amendment do not purport to be complete and are qualified in their entirety by reference to the full text of each agreement, which are listed as exhibits to this Annual Report on Form 10-K.

9. Fair Value Measurements

Fair value measurements are made under a three-tier fair value hierarchy, which prioritizes the inputs used in the measuring of fair value:

Level 1: Observable inputs that reflect unadjusted quote prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs that are generally unobservable. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The carrying amounts of the Company's cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses and other current liabilities approximate fair value due to the short-term nature or maturity of the instruments.

The Company maintains a rabbi trust to fund obligations under a deferred compensation plan. Amounts in the rabbi trust are invested in mutual funds, which are designated as trading securities and carried at fair value and are included in prepaid expenses and other current assets in the accompanying Consolidated Balance Sheets. The Company records equal and offsetting amounts to the deferred compensation plan assets for the Company's payment liabilities which are included in accrued liabilities and other in the accompanying Consolidated Balance Sheets. The fair market value of mutual funds is measured using Level 1 inputs (quoted prices for identical assets in active markets), and were $1.9 million and $1.8 million as of December 28, 2025, and December 29, 2024, respectively. See Note 15. Employee Benefit Programs for additional information.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value on the Consolidated Financial Statements on a nonrecurring basis include items such as property, plant and equipment, right of use assets, and intangible assets. These assets are measured at fair value if determined to be impaired.

During fiscal years 2025, 2024, and 2023, the Company measured non-financial assets for impairment using continuing and projected future cash flows, as discussed in Note 4. Other (Gains) Charges, net which were based on significant inputs not observable in the market and thus represented a Level 3 fair value measurement.

Based on our fiscal years 2025, 2024, and 2023 impairment analyses, we impaired long-lived assets at 4, 58 and 19 locations with carrying values of $6.1 million, $71.3 million, and $36.5 million, respectively. We determined the fair value of these long-lived assets in fiscal years 2025, 2024, and 2023 to be $3.4 million, $39.4 million and $27.4 million, respectively, based on Level 3 fair value measurements.

Liquor licenses with indefinite lives are reviewed for impairment annually or whenever events or changes in circumstances indicate the carrying amount may not be recoverable. If the carrying amount is not recoverable, we record an impairment charge for the excess of the carrying amount over the fair value. We determine fair value based on quoted prices in the active market for the license in the same or similar jurisdictions, representing a Level 1 fair value measurement. During the fourth quarter of fiscal 2025, the Company performed its annual review of its indefinite lived liquor licenses that had a carrying value of $4.0 million, resulting in no impairment recorded. Impairment charges of $1.1 million and $0.2 million were recorded to liquor licenses with indefinite lives in fiscal years 2024 and 2023, respectively.

Disclosures of Fair Value of Other Assets and Liabilities

The carrying value of our variable rate Credit Facility, which utilized level 2 fair value inputs, approximated fair value as of December 28, 2025 and December 29, 2024, as such debt bears interest at floating rates which approximate market rates.

10. Leases

The Company's finance and operating lease assets and liabilities as of December 28, 2025 and December 29, 2024 were as follows (in thousands):

December 28, 2025	Finance[1]	Operating[2]
Lease assets, net	$ 4,388	$ 295,996
Current portion of lease obligations	1,092	49,111
Long-term portion of lease obligations	5,646	300,055
Total	$ 6,738	$ 349,166

December 29, 2024	Finance[1]	Operating[2]
Lease assets, net	$ 5,328	$ 331,617
Current portion of lease obligations	1,019	50,083
Long-term portion of lease obligations	6,746	345,635
Total	$ 7,765	$ 395,718

[1] Finance lease assets and obligations are included in other assets, net, accrued liabilities and other, and other non-current liabilities within our Consolidated Balance Sheets.

[2] Operating lease assets and obligations are included in operating lease assets, net, current portion of operating lease liabilities, and long-term portion of operating lease liabilities within our Consolidated Balance Sheets.

The components of lease expense, including variable lease costs primarily consisting of common area maintenance charges and real estate taxes, are included in occupancy on our Consolidated Statements of Operations and Comprehensive Income (Loss) are as follows (in thousands):

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Operating lease cost	$ 73,388	$ 75,059	$ 72,346
Finance lease cost:			
Amortization of right of use assets[1]	$ 886	$ 936	$ 985
Interest on lease liabilities [2]	385	438	520
Total finance lease cost	$ 1,271	$ 1,374	$ 1,505
Variable lease cost	$ 20,140	$ 19,077	$ 19,806
Total lease costs	$ 94,799	$ 95,510	$ 93,657

[1] Amortization of finance lease right of use assets is recorded to depreciation and amortization in our Consolidated Statements of Operations and Comprehensive Income (Loss).

[2] Interest on finance lease liabilities is recorded to interest expense in our Consolidated Statements of Operations and Comprehensive Income (Loss).

Maturities of our lease liabilities as of December 28, 2025 were as follows (in thousands):

	Finance Leases	Operating Leases
2026	$ 1,433	$ 78,240
2027	1,340	72,440
2028	1,111	64,925
2029	953	56,061
2030	715	48,375
Thereafter	2,460	178,023
Total future lease liability	$ 8,012	$ 498,064
Less imputed interest	$ 1,274	$ 148,898
Present value of lease liability	$ 6,738	$ 349,166

Supplemental cash flow information related to leases are as follows (in thousands, except other information):

	Year Ended		
	December 28, 2025	December 29, 2024	December 31, 2023
Cash flows from operating activities:			
Cash paid related to lease liabilities			
Operating leases	$ 80,358	$ 83,043	$ 80,469
Finance leases	385	438	520
Cash flows from financing activities:			
Cash paid related to lease liabilities			
Finance leases	$ 1,036	$ 923	$ 898
Cash paid for amounts included in the measurement of lease liabilities	$ 81,779	$ 84,404	$ 81,887
Right of use assets obtained in exchange for operating lease obligations	$ 20,446	$ 26,089	$ 53,915
Right of use assets obtained in exchange for finance lease obligations	$ —	$ —	$ 81
Other information related to operating leases as follows:			
Weighted average remaining lease term	7.69	8.25	8.68
Weighted average discount rate	9.11 %	8.62 %	8.15 %
Other information related to financing leases as follows:			
Weighted average remaining lease term	7.64	8.47	9.34
Weighted average discount rate	4.83 %	4.85 %	4.87 %

11. Income Taxes

Income (loss) before income taxes included the following components for the fiscal years ended December 28, 2025, December 29, 2024, and December 31, 2023 (in thousands):

	2025	2024	2023
U.S.	$ (23,019)	$ (77,641)	$ (20,894)
Foreign	(7)	10	(24)
Income (loss) before income taxes	$ (23,026)	$ (77,631)	$ (20,918)

Income tax (benefit) expense included the following components for the fiscal years ended December 28, 2025, December 29, 2024, and December 31, 2023 (in thousands):

	2025	2024	2023
Current:			
Federal	$ (11)	$ (37)	$ 37
State	269	(53)	273
Foreign	—	—	—
Total current income tax (benefit) expense	$ 258	$ (90)	$ 310
Deferred:			
Federal	$ —	$ —	$ —
State	—	—	—
Foreign	—	—	—
Total deferred income tax (benefit) expense	$ —	$ —	$ —
Income tax (benefit) expense, net	$ 258	$ (90)	$ 310

The reconciliation between the income tax (benefit) expense and the amount of income tax computed by applying the U.S. federal statutory rate to income (loss) before income taxes as shown in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss) for fiscal years ended December 28, 2025, December 29, 2024, and December 31, 2023 were as follows:

	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
Tax provision at U.S. federal statutory rate	$ (4,835)	21.0 %	$ (16,257)	21.0 %	$ (4,382)	21.0 %
State and local income tax, net of federal (national) income tax effect[1]	220	(1.0)	(512)	0.7	(15)	0.1
Foreign tax effects	317	(1.4)	(586)	0.8	121	(0.6)
Changes in valuation allowance	3,512	(15.2)	14,321	(18.6)	2,868	(13.8)
Nontaxable or nondeductible items	546	(2.4)	621	(0.8)	698	(3.3)
Other	498	(2.1)	2,323	(3.0)	1,020	(4.9)
Effective tax rate	$ 258	(1.1)%	$ (90)	0.1 %	$ 310	(1.5)%

[1] State taxes in California, Colorado, Illinois, Oregon, and Texas made up the majority (greater than 50%) of the tax effect in this category.

The Company's federal and state deferred taxes as of December 28, 2025 and December 29, 2024 were as follows (in thousands):

	2025	2024
Deferred tax assets:		
Leasing transactions	$ 92,318	$ 104,831
General business and other tax credits	39,718	41,009
Net operating loss carryover	50,302	50,688
Accrued compensation and related costs	4,907	4,810
Goodwill	7,332	7,250
Stock-based compensation	5,933	6,423
Advanced payments	—	—
Interest expense	21,670	15,938
Property & Equipment	7,463	8,318
Other non-current deferred tax assets	1,561	1,594
Subtotal	$ 231,204	$ 240,861
Valuation allowance	$ (141,148)	$ (136,595)
Total	$ 90,056	$ 104,266
Deferred tax liabilities:		
Leasing transactions	$ (80,035)	$ (89,804)
Property and equipment	—	—
Supplies inventory	(4,114)	(4,349)
Prepaid expenses	(1,282)	(1,862)
Advanced Payments	(1,056)	(364)
Other non-current deferred tax liabilities	(3,569)	(7,887)
Total	$ (90,056)	$ (104,266)
Net deferred tax asset	$ —	$ —

The Company had net operating loss carryforwards for tax purposes of $50.3 million as of December 28, 2025. This was comprised of approximately $21.4 million of federal net operating loss carryovers, approximately $19.8 million of state net operating loss carryovers, and approximately $9.1 million of foreign net operating loss carryovers. The federal net operating loss has an indefinite carryforward period, the state net operating loss carryovers expire at various dates between 2026 and 2046, and the foreign net operating loss carryovers expire at various dates between 2036 and 2046.

As of December 28, 2025, the Company had a deferred tax asset of $39.7 million related to federal tax credits, which expire at various dates between 2026 and 2040.

The Company establishes a valuation allowance to reduce the carrying amount of deferred income tax assets when it is more likely than not that it will not realize some portion or all the tax benefit of its deferred income tax assets. The realization of deferred tax assets depends on the generation of future taxable income during the periods in which the temporary differences become deductible. In making this determination, the Company considers all available positive and negative evidence including historical operating losses, the reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies. In 2020, management determined that a full valuation allowance was required and has recorded a full valuation allowance as of December 28, 2025 and at December 29, 2024.

Based on the Company's evaluation of its deferred tax assets, a valuation allowance of approximately $141.1 million had been recorded against the deferred tax asset for federal and state tax credits, federal and state deferred tax assets, all net operating loss carry forwards and the deferred taxes of our foreign subsidiary.

The following table summarizes the Company's unrecognized tax benefits as of December 28, 2025, December 29, 2024, and December 31, 2023 (in thousands):

	2025	2024	2023
Beginning of year	$ 51	$ 185	$ 185
Increase due to current year tax positions	—	—	—
Due to decrease to a position taken in a prior year	—	—	—
Settlements	—	—	—
Reductions related to lapses in the statute of limitations	(51)	(134)	—
End of year	$ —	$ 51	$ 185

The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate is approximately $0.0 million. The Company does not anticipate significant changes in the aggregate amount of unrecognized tax benefits within the next 12 months, other than nominal tax settlements.

The following table summarizes the Company's net cash paid (refunds received) for income taxes, which consisted of the following as of December 28, 2025, December 29, 2024, and December 31, 2023 (in thousands):

	2025	2024	2023
Federal	$ 72	$ 21	$ 50
Aggregated state and local jurisdictions	53	96	168
Disaggregated state and local jurisdictions			
Maryland	(293)	(191)	—
Oregon	50	55	43
Pennsylvania	31	31	118
Texas	57	71	75
Foreign	—	—	—
Net (refunds received) cash paid for income taxes	$ (30)	$ 83	$ 454

12. Commitments and Contingencies

Because litigation is inherently unpredictable, assessing contingencies related to litigation is a complex process involving highly subjective judgment about potential outcomes of future events. When evaluating litigation contingencies, we may be unable to provide a meaningful estimate due to a number of factors, including the procedural status of the matter in question, the availability of appellate remedies, insurance coverage related to the claim or claims in question, the presence of complex or novel legal theories, and the ongoing discovery and development of information important to the matter. In addition, damage amounts claimed in litigation against us may be unsupported, exaggerated, or unrelated to possible outcomes, and as such are not meaningful indicators of our potential liability or financial exposure. Accordingly, we review the adequacy of accruals and disclosures each quarter in consultation with legal counsel, and we assess the probability and range of possible losses associated with contingencies for potential accrual in the Consolidated Financial Statements. However, the ultimate resolution of litigated claims may differ from our current estimates.

As of December 28, 2025, we had reserves of $5.5 million for loss contingencies included within accrued liabilities and other on our Consolidated Balance Sheets. We increased our estimate of loss contingency liabilities by approximately $1.1 million for the year ended December 28, 2025 related to ongoing legal matters. In the normal course of business, there are various claims in process, matters in litigation, administrative proceedings, and other contingencies. These include employment related claims and class action lawsuits, claims from guests or team members alleging illness, injury, food quality, health, or operational concerns, and lease and other commercial disputes. While it is not possible to predict the outcome of these suits, legal proceedings, and claims with certainty, management is of the opinion that adequate provision for potential losses associated with these matters has been made in the financial statements and that the ultimate resolution of pending or threatened matters will not have a material adverse effect on our financial position and results of operations. However, a significant increase in the number of these claims, or one or more successful claims resulting in greater liabilities than we currently anticipate, could materially and adversely impact our business, financial condition, results of operations, and cash flows. We ultimately may be subject to greater or less than the accrued amount for this and other matters.

As of December 28, 2025, we had non-cancellable purchase commitments primarily related to certain vendors who provide food and beverage and other supplies to our restaurants, for an aggregate of $214.5 million. We expect to fulfill our commitments under these agreements in the normal course of business, and as such, no liability has been recorded.

The Company has a potential contingent lease liability for lease payments related to certain franchisees' lease arrangements. The maximum amount of potential future payments under the potential contingent lease liability was $3.0 million and $3.8 million as of December 28, 2025 and December 29, 2024, respectively. The Company does not believe these arrangements have or are likely to have a material effect on its results of operations, financial condition, revenues or expenses, capital expenditures or liquidity.

13. Stockholders' Equity (Deficit)

On November 10, 2025, the Company entered into a distribution agreement (the "Distribution Agreement") with Evercore Group L.L.C. ("Evercore") to establish an "at-the-market equity offering" program ("ATM Program"), pursuant to which the Company may offer and sell, from time to time, through Evercore, shares of the Company's common stock, par value $0.001 per share, having an aggregate offering price of up to $40.0 million. As of December 28, 2025, the Company had not issued or sold any shares under the ATM Program, which the Company voluntarily terminated on February 23, 2026. The cost to establish this program was $0.5 million, comprised of legal and other regulatory fees, and is included in the proceeds from issuance of common stock, net of stock issuance costs of the Consolidated Statements of Cash Flows.

On December 3, 2024 the Company entered into an Equity Purchase Agreement with JCP Investment Management, LLC and certain of its affiliates (collectively, "JCP") and Jumana Capital, LLC and certain of its affiliates (collectively, "Jumana," and together with the JCP Parties, the "Investor Parties"), pursuant to which the Investor Parties purchased an aggregate of 1,600,909 shares of Common Stock, at a purchase price of $5.19 per share, resulting in $8.3 million in gross proceeds.

On August 9, 2018, the Company's Board of Directors authorized an increase to the Company's share repurchase program of approximately $21 million to a total of $75 million of the Company's common stock. The increased share repurchase authorization became effective on August 9, 2018 and will terminate upon completing repurchases of $75 million of common stock unless otherwise terminated by the board. Purchases under the repurchase program may be made in open market or privately negotiated transactions. Purchases may be made from time to time at the Company's discretion, and the timing and amount of any share repurchases will be determined based on share price, market conditions, legal requirements, and other factors. The repurchase program does not obligate the Company to acquire any particular amount of common stock, and the Company may suspend or discontinue the repurchase program at any time. In fiscal 2025, the Company did not repurchase any shares under its share repurchase program. From the date of the current program approval through December 28, 2025, we have repurchased a total of 1,088,588 shares at an average price of $15.18 per share for an aggregate amount of $16.5 million. Accordingly, as of December 28, 2025, we had $58.5 million of availability under the current share repurchase program.

14. Stock Incentive Plans

In May 2024, the Company's stockholders approved the 2024 Performance Incentive Plan (the "2024 Stock Plan"). Following the date of approval, all grants are made under the 2024 Stock Plan and no new awards may be granted under the Second Amended and Restated 2017 Performance Incentive Plan (the "2017 Stock Plan"). The 2024 Stock Plan authorizes the issuance of stock options, stock appreciation rights, restricted stock units, performance stock units, and other forms of awards granted or denominated in the Company common stock or unit of the Company's common stock, as well as cash performance awards pursuant to the plan. Persons eligible to receive awards under the 2024 Stock Plan include officers, employees, directors, consultants, contractors, and other service providers or any affiliate of the Company. The maximum number of shares of the Company's common stock that may be issued or transferred pursuant to awards granted under the 2024 Stock Plan is 2,072,163 shares.

As of December 28, 2025, 253,675 and 2,227,091 options and awards to acquire the Company's common stock remained outstanding under the 2017 Stock Plan and the 2024 Stock Plan, respectively.

Stock-based compensation costs recognized in general and administrative for fiscal years 2025, 2024, and 2023 were $5.6 million, $6.9 million, and $6.3 million, respectively. Total stock-based compensation costs, inclusive of amounts recognized in labor and other (gains) charges, net for fiscal years 2025, 2024, and 2023 were $1.5 million, $7.0 million, and $6.9 million, respectively, with related income tax benefits of $0.6 million, $0.5 million, and $0.8 million, respectively.

As of December 28, 2025, there was $4.9 million of unrecognized compensation cost, excluding estimated forfeitures. Unrecognized compensation costs are expected to be recognized over the weighted average remaining vesting period of approximately 0.73 years for the restricted stock units ("RSU") and 1.90 years for the performance stock units ("PSU"). There is no unrecognized compensation cost for stock options in the year ended December 28, 2025.

Time-Based RSUs

During fiscal years 2025, 2024, and 2023, the Company issued time-based restricted stock units ("RSUs") to certain participants. The RSUs granted to employees typically vest in equal installments over three to four years. For the Company's non-employee directors, RSUs vest in full on the later of fifty weeks following the date of grant and the Company's next annual meeting of stockholders. Upon vesting, one share of the Company's common stock is issued for each RSU. The fair value of each RSU granted is equal to the market price of the Company's stock at the date of grant, and expense is recognized straight line over the vesting period.

The table below summarizes the activity of the Company's time-based restricted stock units (shares in thousands):

	Restricted Stock Units	
	Shares	Weighted Average Grant-Date Fair Value (per share)
Outstanding, December 29, 2024	1,037	$ 8.05
Awarded	1,610	3.79
Forfeited	(965)	5.66
Vested	(443)	8.23
Outstanding, December 28, 2025	1,239	$ 4.30

Performance Stock Units

During fiscal years 2025, 2024, and 2023, the Company granted performance-based stock unit awards ("PSUs") to certain employees. Each PSU represents the right to receive one share of the Company's common stock on the vesting date.

The PSU awards use a performance metric based on relative total stockholder return defined as increases in the Company's stock price during a performance period of three years as compared to the total stockholder return of a group of peer companies. Expense is recorded to general and administrative expenses on a straight-line basis over the performance period based on the fair value of shares as determined by a Monte Carlo simulation on the grant date. PSUs remain unvested until the last day of the three-year performance period and are generally forfeited in the event of termination of employment of a grantee prior to the last day of the three-year performance period. If the relative total stockholder return target is not met, then the compensation cost for these PSUs is not reversed.

The table below summarizes the activity of the Company's performance stock units (shares in thousands):

	Performance Stock Units	
	Shares	Weighted Average Grant-Date Fair Value (per share)
Outstanding, December 29, 2024	936	$ 13.62
Awarded	1,557	0.99
Forfeited	(875)	9.20
Vested	—	—
Outstanding, December 28, 2025	1,618	$ 2.79

The fair value of PSUs was estimated on the grant date using a Monte Carlo simulation model with the following assumptions:

	Fiscal Year of Grant		
	2025	2024	2023
Volatility	66.8 %	66.2 %	76.1 %
Risk-free interest rate	4.0 %	4.8 %	3.8 %
Expected life (years)	2.60	2.60	2.78
Fair value of market-based awards granted	$3.38	$9.11	$18.95

Phantom Performance Stock Units

During fiscal 2025, the Company granted phantom performance stock unit awards ("PPSUs") to certain employees. Each PPSU represents the right to receive either one share of the Company's common stock upon vesting or the cash equivalent on that date. The PPSUs use a performance metric based on relative total stockholder return defined as increases in the Company's

stock price during a performance period of three years as compared to the total stockholder return of a group of peer companies. PPSUs remain unvested until the last day of the three-year performance period and are generally forfeited in the event of termination of employment of a grantee prior to the last day of the three-year performance period. The option to settle the PPSUs in common stock or cash upon vesting is at the sole discretion of the Company. While the Company may opt to settle any earned PPSUs with common stock, as of December 28, 2025, the PPSUs were liability-classified awards due to the lack of available shares under the 2024 Stock Plan. The PPSUs are included within other non-current liabilities on the Company's Consolidated Balance Sheets.

The fair value of each PPSU granted is determined using a Monte Carlo valuation model and is remeasured at each reporting date until settlement. Compensation expense is recognized or reversed on each remeasurement date based on the change in fair value of the PPSUs between remeasurement periods, pro-rated based on the remaining term to vest.

The table below summarizes the status of the Company's phantom performance stock units under the 2024 Stock Plan (shares in thousands):

	Phantom Performance Stock Units	
	Shares	Weighted Average Grant-Date Fair Value (per share)
Outstanding, December 29, 2024	—	$ —
Awarded	477	8.40
Forfeited	(190)	8.40
Vested	—	—
Outstanding, December 28, 2025	287	$ 8.40

The following table summarizes the key inputs and valuation assumptions used in determining the fair value of the Company’s PPSU awards as of December 28, 2025:

	Fiscal Year of Grant		
	2025	2024	2023
Volatility	77.9 %	N/A	N/A
Risk-free interest rate	3.5 %	N/A	N/A
Expected life (years)	2.01	N/A	N/A
Fair value of market-based awards granted	$6.13	N/A	N/A

Long-Term Cash Incentive Plan

Beginning in 2020, the long-term cash incentive plan is based on relative total stockholder return defined as increases in the Company's stock price during a performance period of three years as compared to the total stockholder return of a group of peer companies. Compensation expense is recognized variably over the 3-year performance period. All long-term cash incentive awards cliff vest after three years at the end of each performance cycle. In fiscal years 2025, 2024, and 2023, the Company recorded $(0.1) million, $(0.1) million, and $(0.1) million, respectively, in compensation (benefit) expense to general and administrative expenses in the Consolidated Statements of Operations and Comprehensive Income (Loss) related to the 2020 long-term cash incentive plan. The amounts recorded in fiscal years 2025, 2024, and 2023 included the reversal of the expense related to 2023, 2022, and 2021 grants for which performance targets were not fully achieved.

During fiscal years 2025 and 2024, there were no long-term cash incentive plan payouts. At December 28, 2025 and December 29, 2024, a $0.2 million and $0.3 million long-term cash incentive plan liability was included in accrued payroll and payroll-related liabilities on the Consolidated Balance Sheets.

15. Employee Benefit Programs

Employee Deferred Compensation Plan

In fiscal 2025 and prior years, the Company offered a deferred compensation plan that permitted key employees and other members of management defined as highly compensated employees under the IRS code to defer portions of their compensation in a pre-tax savings vehicle that allows for retirement savings above 401(k) limits. Under this plan, eligible team members could elect to defer up to 75% of their base salary and up to 100% of variable compensation and commissions each plan year.

The Company terminated its deferred compensation plan effective October 23, 2025, with no new deferral election allowed. All assets will be fully distributed by the end of fiscal 2026. Given the termination of the deferred compensation plan

and scheduled distribution within the next fiscal year, the plan's assets and liabilities have been classified as current in the December 28, 2025 Consolidated Balance Sheets.

The assets of the deferred compensation plan are currently held in a rabbi trust, where they are invested in certain mutual funds that cover an investment spectrum ranging from equities to money market instruments and are available to satisfy the claims of the Company's creditors in the event of bankruptcy or insolvency. These mutual funds have published market prices and are reported at fair value. See Note 9. Fair Value Measurements. Changes in the market value of the investments held in the trust result in the recognition of a corresponding gain or loss reported in interest (income) and other, net in the Consolidated Statements of Operations and Comprehensive Income (Loss). A corresponding change in the liability associated with the deferred compensation plan results in an offsetting deferred compensation expense, or reduction of expense, reported in General and administrative expenses in the Consolidated Statements of Operations and Comprehensive Income (Loss).

As of December 28, 2025 and December 29, 2024, $0.0 million and $1.7 million of deferred compensation assets were included in Other assets, net, in the accompanying Consolidated Balance Sheets. As of December 28, 2025 and December 29, 2024, $1.9 million and $0.1 million of this deferred compensation was included in Prepaid expenses and other current assets in the accompanying Consolidated Balance Sheets.

As of December 28, 2025 and December 29, 2024, $0.0 million and $1.7 million of deferred compensation plan liabilities were included in Other non-current liabilities in the accompanying Consolidated Balance Sheets. As of December 28, 2025, and December 29, 2024, $1.9 million and $0.1 million of this deferred compensation was included in Accrued liabilities and other in the accompanying Consolidated Balance Sheets.

Employee Stock Purchase Plan

As of December 28, 2025, there were 600,000 shares authorized to be granted under the Amended and Restated Employee Stock Purchase Plan (the "ESPP Plan"). During fiscal 2025, the Company issued a total of 105,534 shares under the ESPP Plan with 121,269 shares available for future issuance. During fiscal 2024, the Company issued a total of 42,592 shares under the ESPP Plan. Under the ESPP Plan, eligible team members may voluntarily contribute up to 15% of their salary, subject to limitations, to purchase common stock at a price equal to 85% of the fair market value of a share of the Company's common stock on the first day of each offering period or 85% of the fair market value of a share of the Company's common stock on the last day of each offering period, whichever amount is less. In general, all of the Company's officers and team members who have been employed by the Company for at least one year and who are regularly scheduled to work more than 20 hours per week are eligible to participate in this plan, which operates in the successive six-month periods commencing on January 1 and July 1 of each fiscal year.

For fiscal 2025, in accordance with the guidance for accounting for stock compensation, the Company estimated the fair value of the shares granted pursuant to the stock purchase plan using the Black-Scholes multiple-option pricing model based on the following assumptions:

	2025	2024	2023
Risk-free interest rate	3.79 %	5.03 %	5.46 %
Expected life in years	0.50	0.50	0.50
Expected volatility	57.47 %	55.76 %	55.25 %
Dividend yield	— %	— %	— %
Weighted average fair value per share at grant date	$ 0.92	$ 0.93	$ 1.72

Employee Defined Contribution Plan

The Company maintains a 401(k) Savings Plan ("401k Plan") which covers eligible team members who have satisfied the service requirements and reached 21 years of age. The 401k Plan, which qualifies under Section 401(k) of the Internal Revenue Code, allows team members to defer specified percentages of their compensation on a pre-tax basis. The Company may make matching contributions in an amount determined by the Board of Directors. In addition, the Company may contribute each period, at its discretion, an additional amount from profits. In fiscal 2025, the Company made matching contributions in an amount equal to 100% of the first 3% of an employee's compensation and 50% on the next 2% of compensation. The Company matches contributions when the employee contribution is made, and the employer matching contributions are not subject to a vesting schedule. The Company recognized matching contribution expense of $3.3 million, $3.3 million, and $3.0 million in fiscal years 2025, 2024, and 2023, respectively.

16. Acquisitions and Dispositions

As of December 28, 2025, the land and building assets at one owned restaurant location were classified as held for sale. These long-lived assets had a total carrying amount of $2.3 million as of December 28, 2025, and were included in assets held

for sale in our Consolidated Balance Sheets. We expect to close on the sale of these assets during the first quarter of fiscal 2026. As the fair value of these assets was greater than their carrying amounts as of December 28, 2025, there was no gain or loss to record in our Consolidated Statements of Operations and Comprehensive Income (Loss) until the transaction is closed.

As of December 29, 2024, the land and building assets at three owned restaurant locations were classified as held for sale. These long-lived assets had a total carrying amount of $4.3 million as of December 29, 2024, and were included in assets held for sale in our Consolidated Balance Sheets. We closed on the sale of these assets during the first quarter of fiscal 2025, which resulted in a gain on sale of $1.1 million recorded in our Consolidated Statements of Operations and Comprehensive Income (Loss).

17. Segment Reporting

In accordance with ASC 280 - Segment Reporting, the Company uses the management approach for determining its reportable segments. The management approach is based upon the way that management reviews performance and allocates resources.

The Company had one operating and one reportable segment: restaurants. We manage our business activities on a consolidated basis, as Red Robin restaurants all have similar customers, sell similar products, and have a similar process to sell those products. We primarily derive our revenue in the United States through the sale of food and beverage through our Company-owned locations as well as earn royalties and fees from franchise restaurants. There have been no material changes to the accounting policies of the restaurant segment.

Our Chief Operating Decision Maker ("CODM") is our Chief Executive Officer. The Company measures segment profit using consolidated net income (loss). The CODM uses consolidated net income (loss), as reported on our Consolidated Statements of Operations and Comprehensive Income (Loss), in deciding whether to reinvest excess cash flow into the restaurant segment or into other parts of the Company. The CODM does not review assets in evaluating the results of the restaurant segment, and therefore, such information is not presented.

As Red Robin operated in one reportable operating segment, all required financial segment information is included in the Consolidated Financial Statements.

EXHIBIT B

AREA DEVELOPMENT AGREEMENT



Red Robin® Gourmet Burgers and Brews
Area Development Agreement

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RED ROBIN® GOURMET BURGERS AND BREWS
AREA DEVELOPMENT AGREEMENT

This Red Robin® Gourmet Burgers and Brews Area Development Agreement (this "Development Agreement") is entered into between Red Robin International, Inc.., a Nevada corporation ("RRI", as franchisor), and _____ ("Developer") to be effective as of _____ (the "Effective Date").

Recitals

- RRI (and/or its parent company, affiliates, and subsidiaries), as the result of the expenditure of time, skill, effort and money, has developed and owns a distinctive system and proprietary system for establishing, developing, owning, operating, promoting and franchising casual dining, full-service, brick-and-mortar restaurants featuring gourmet burgers and spirits under the Red Robin® brand (the "System") where the System is used in the establishment and operation of restaurants under the tradename Red Robin® Gourmet Burger and Brews and related tradenames (collectively, "Red Robin Restaurants").

- The distinguishing characteristics of the System include, without limitation, distinctive business formats, distinctive exterior and interior design, decor, color scheme, furnishings; special recipes and menu items; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by RRI from time to time.

- RRI identifies the System by means of certain tradenames, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, Red Robin® Gourmet Burger and Brews and such other tradenames, service marks, and trademarks as are now designated (and may hereafter be designated) by RRI for use in connection with the System (collectively, the "Red Robin Marks").

- RRI continues to develop and use (and control the use of) the Red Robin Marks to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service.

- RRI has established a high reputation and a positive image with the public as to the quality of products and services available at Red Robin Restaurants, which reputation and image have been and continue to be unique benefits to RRI and its franchisees.

- Developer desires to acquire development rights to obtain licenses to develop, construct, and operate Red Robin Restaurants under the System in the Territory specified in Article 1 of this Development Agreement.

NOW THEREFORE, with the intent of being legally bound hereby, in consideration of the mutual covenants and promises hereinafter set forth, and other good and valuable consideration, which the parties acknowledge is sufficient to create a legally binding agreement, the parties agree as set forth herein.

ARTICLE 1
TERRITORY AND DEVELOPMENT SCHEDULE

Section 1.1 Territory and Development Schedule. Subject to this Development Agreement, RRI hereby grants to Developer, and Developer accepts, certain rights to develop Red Robin Restaurants (the "Franchised Restaurant(s)") in the "Territory" set forth in Article 1 and in accordance with the "Development Schedule" set forth in Article 1.

(a) Developer agrees the rights and duties set forth in this Development Agreement are personal to Developer and that RRI entered into this Development Agreement in reliance on the business skill, financial capacity, restaurant development experience, restaurant operating experience, restaurant operating systems, organizational expertise, corporate infrastructure, staffing resources, and personal character of Developer and owners of Developer ("Developer's Owners").

(b) Developer acknowledges and agrees that RRI reserves the right to require Developer to reimage, remodel, and/or refurbish any (or, all) of the franchised Red Robin Restaurants that are operated Developer (including its subsidiaries and affiliates) and open for business as of the Effective Date of this Development Agreement upon such terms and conditions as may required by RRI (all as determined by RRI in its sole discretion).

(c) Description of Territory. *[To Be Inserted]*

(d) Development Schedule. Recognizing that time is of the essence, Developer agrees to exercise each of the development rights granted hereunder in accordance with this Development Agreement and the "Development Schedule" set forth below. Developer's failure to comply to the Development Schedule shall constitute a material event of default under this Development Agreement as provided in Article 7.

BY DATE ----------	CUMULATIVE TOTAL NUMBER OF FRANCHISED RESTAURANTS WHICH DEVELOPER SHALL HAVE OPEN AND IN OPERATION IN THE TERRITORY ----------

Section 1.2 Territorial Exclusivity and Exceptions. Except as set forth below and otherwise subject to Developer's compliance with this Development Agreement and any Franchise Agreement, RRI shall not develop, nor license anyone other than Developer to develop, a Red Robin Restaurant under the System in the Territory during the term of this Development Agreement.

(a) RRI, any franchisee of RRI, and any other authorized person or Entity (defined below) may, at any time, advertise or promote the System and fulfill customer orders in the Territory. The term "Entity" means a corporation, general partnership, joint venture, limited partnership, limited liability partnership, limited liability company, trust, estate or other business entity.

(b) RRI (on its behalf and on behalf of any other Entity which it may acquire, or be acquired by, or otherwise become affiliated with) retains all rights not expressly granted in this Development Agreement and reserves the right to establish other restaurants in the Territory (except a Red Robin Restaurant under the System in the Territory during the term of this Development Agreement).

(c) Further, RRI (on its behalf and on behalf of any other Entity which it may acquire, or be acquired by, or otherwise become affiliated with) reserves the right (and is not restricted by this Development Agreement or in any other manner whatsoever) to engage in the following business activities:

(1) the right to establish and operate, and allow others to establish and operate, other Red Robin Restaurants using the Marks or the System, at any location outside the Territory and upon such terms and conditions as may be approved by RRI in its sole discretion;

(2) the right to establish and operate, allow others to establish and operate, or acquire the ownership interests or assets of another business that establishes or operates, any business using trade names, trademarks, service marks and commercial symbols other than the Red Robin Marks (including, without limitation, other restaurants and food service businesses), anywhere in the world, regardless of the nature or location of the customers of such business, which may offer products and services that may be identical or similar to products and services offered by Red Robin Restaurants;

(3) the right to establish, and allow others to establish, other distribution channels (including, but not limited to, the internet, social media, websites, retail stores, and supermarkets) wherever located or operating and regardless of the nature or location of the customers, with whom such other distribution channels do business, that operate under the Red Robin Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from Red Robin Restaurants, and that sell products and/or services that are identical or similar to, and/or competitive with, those that Red Robin Restaurants customarily sell under any terms and conditions as may be approved by RRI in its sole discretion;

(4) the right to offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by Red Robin Restaurants, at or through any quick-service restaurants, fast-casual restaurants, ghost kitchens, dark kitchens, cloud kitchens, execution kitchens, preparation kitchens, container kitchens, concession trailers, food trucks, and any similar food-preparation operations under the Red Robin Marks or other trademarks and service marks;

(5) the right to offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by Red Robin Restaurants at or through any nontraditional venues, including, without limitation, permanent, temporary, or seasonal food service facilities in any stadium, entertainment or amusement park, airport, highway travel plaza, museum, university, elementary or secondary school, office or commercial building, hospital, military facility, or special events, under the Red Robin Marks or other trademarks and service marks;

(6) the right to acquire the assets or ownership interests of one or more businesses that operate, or grant franchises or licenses to operate, one or more restaurants or food-service businesses, notwithstanding the fact that such restaurants may be the same as or similar to Red Robin Restaurants; and in the event of such an acquisition, RRI or our affiliates (as applicable) shall have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept;

(7) the right to be acquired (regardless of the form of transaction) by a business, whether or not such business is a Competitive Restaurant (defined below), even if such business operates, franchises and/or grants licenses for the operation of restaurants which may be the same as or similar to Red Robin Restaurants; and in the event of such an acquisition, the acquirer and its affiliates (as applicable) shall have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept; and

(8) engage in all other activities not expressly prohibited by this Development Agreement.

(d) RRI reserves the right to develop and establish other tradenames, service marks, trademarks, logos, emblems and indicia of origin which may be similar to, or different from, the Red Robin Marks (collectively, the "Other Marks"). The Other Marks shall be separate and distinct from the Red Robin Marks referenced in this Development Agreement and, therefore, (i) Developer shall have no rights to the Other Marks, and (ii) RRI (on its behalf and on behalf of any other entity which it may acquire, or be acquired by, or otherwise become affiliated with) reserves the right to establish, develop, construct, open, and operate restaurants, other food service operations and other businesses under the Other Marks at any location inside and outside the Territory (either directly or through a franchise, licensing, joint venture or any other arrangement). The Other Marks may include, without limitation, brand extensions or related brands of Red Robin Restaurants such as counter-service restaurants, quick-service restaurants, fast casual restaurants, and other restaurant formats as well as ghost kitchens, dark kitchens, cloud kitchens, execution kitchens, preparation kitchens, container kitchens, concession trailers, food trucks, and any similar food-preparation operations under the Red Robin Marks or other trademarks and service marks.

(e) The following locations are excluded from the Territory (even if any such location(s) fall within the geographic boundaries of the Territory): airports, railroad and railway stations, schools (including elementary, secondary, trade, and technical schools as well as colleges, universities and other institutions of higher learning), government institutions, military installations, stadiums, sports arenas, casinos, retail stores, supermarkets, grocery stores, amusement parks, entertainment venues, highway travel plazas, temporary, or seasonal food service facilities in any location, museums, office or commercial building(s), hospitals, special event venues, other locations within institutional or public service operations, and any other location similar to the foregoing locations (collectively, the "Excluded Locations"). Accordingly, RRI shall be entitled to establish Red Robin Restaurants and other restaurants in the Excluded Locations on such terms and conditions RRI deem appropriate in its sole discretion.

(f) RRI may offer and sell (or authorize any person or entity to offer and sell) products and services displaying the Red Robin Marks or other tradenames and trademarks (e.g., prepackaged food and beverage items, T-shirts and other memorabilia) in the Territory to the public through other methods and/or channels of distribution other than a Red Robin Restaurant (e.g., internet

sales, etc.) and Developer acknowledges such products or services may be similar to those offered by Franchised Restaurant(s).

ARTICLE 2
DEVELOPMENT FEE OBLIGATIONS

Section 2.1 Development Fee. In consideration of the development rights granted herein, Developer shall pay to RRI upon execution of this Development Agreement a non-refundable, aggregate "Development Fee" in the sum of _____ and 00/100 dollars ($_____). The aggregate Development Fee is an amount equal to $12,500.00 multiplied by the number of Franchised Restaurants to be developed by Developer in the Territory during the Term of this Development Agreement. The aggregate Development Fee shall be fully earned by RRI upon execution of this Development Agreement for administrative and other expenses incurred by RRI and for the development opportunities lost or deferred as a result of the rights granted Developer herein.

Section 2.2 Payments/No Refunds. Under no circumstances will any amounts paid or payable to RRI under this Development Agreement be refunded by RRI for any reason. All amounts owed to RRI pursuant to this Development Agreement shall be paid to and received by RRI on or before the date such amount is due. All such payments must be made by wire transfer, electronic payment or other mechanism as designated from time to time by RRI, and each payment shall be accompanied by the electronic, digital or other reports as specified by RRI. Developer shall not withhold, retain, deduct, credit, and/or offset any amounts which may be owed by RRI to Developer (and/or its affiliates or subsidiaries) against any amounts due from Developer to RRI.

Section 2.3 Interest on Late Payments. In the event RRI does not receive payments when due under this Development Agreement, the unpaid balance due to RRI shall bear interest at a rate equal to the lesser of (i) eighteen percent (18%) or (ii) the highest permissible rate under applicable law.

Section 2.4 Taxes. Developer shall promptly pay when due all taxes, duties, and/or fees levied or assessed (including, without limitation, gross receipts taxes, franchise taxes, sales taxes, withholding taxes, value added taxes, and/or any similar taxes, duties, and/or fees) and all accounts and other indebtedness of every kind incurred by Developer under this Development Agreement (collectively, "Taxes"). In the event of any bona fide dispute as to Developer's liability for Taxes, Developer may contest the validity or the amount of such Taxes in accordance with procedures of the taxing authority or applicable law; however, in no event shall Developer permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against this Development Agreement.

(a) All payments made by Developer to RRI under this Development Agreement shall be paid in U.S. Dollars and shall be grossed-up and paid by Developer to RRI without any retention, deduction, credit, and/or offset for any Taxes. Developer shall, at its sole cost, pay directly to the appropriate taxing authority all Taxes on any amounts paid by Developer under this Development Agreement or otherwise imposed on RRI by any taxing authority in the Territory.

(b) It is the parties' intention that all payments by Developer to RRI hereunder shall be grossed-up (and without any retention, deduction, credit, and/or offset) for any Taxes in order for RRI to receive the entire Development Fee and/or other amounts due to RRI under this Development Agreement without any retention, deduction, credit, and/or offset for any Taxes.

(c) Any Taxes imposed upon or with respect to this Development Agreement or any materials, supplies or specifications acquired by or provided to Developer pursuant to or in connection with this Development Agreement shall be paid by Developer.

(d) In the event RRI is required under applicable law or otherwise elects (all as determined by RRI in its sole discretion) to pay any Taxes to the appropriate taxing authority(ies) in the Territory arising out of this Development Agreement, then Developer shall immediately pay to RRI an amount equal to any amount(s) so paid by RRI to such taxing authority(ies).

ARTICLE 3
FORMATION OF FRANCHISE AGREEMENT

Section 3.1 Development Agreement Only – No Franchise or Subfranchise Rights. This Development Agreement is not a franchise agreement or subfranchise agreement. This Development Agreement does not grant any right to use (or license the use of) the Red Robin Marks or the System. This Development Agreement does not grant any right to operate Franchised Restaurants. Developer or any of Developer's Owners shall not enter into any subfranchise agreement, management agreement, operating agreement, consulting arrangement, subcontracting arrangement, outsourcing arrangement, or any other similar arrangement relating to the rights and obligations of Developer hereunder. This Development Agreement (including the rights, obligations, duties, and benefits hereunder) is intended solely for the parties hereto, and no other person or entity shall have any rights, obligations, duties, and benefits under this Development Agreement.

Section 3.2 Franchise Agreement. Each Franchised Restaurant shall be established at specific locations in the Territory to be designated in separate Red Robin® Gourmet Burgers and Brews Franchise Agreements (the "Franchise Agreement(s)") and each Franchised Restaurant shall be operated in accordance with each Franchise Agreement.

Section 3.3 Execution of Franchise Agreement. Developer shall exercise each development right granted herein only by executing a separate Franchise Agreement for each Franchised Restaurant at a site approved by RRI in the Territory as hereinafter provided. The Franchise Agreement for each development right exercised hereunder shall be in the form of the Franchise Agreement attached hereto as Attachment D and shall be executed by Developer (or an affiliated entity of Developer approved by RRI) as "Franchisee" at least 10 days prior to the commencement of construction of the Franchised Restaurant and otherwise in accordance with Section 4.1(c).

Section 3.4 Franchise Fee. In connection with each Franchise Agreement, Developer (or an affiliated entity of Developer approved by RRI) shall pay to RRI an initial Franchise Fee on or before the commencement of construction of the Franchised Restaurant as set forth in the Franchise Agreement. The Franchise Fee shall be fully earned by RRI when paid and is not refundable.

Section 3.5 Control and Ownership of Franchisee. In the event Developer will not be the "Franchisee" signing a particular Franchise Agreement, then Developer must still execute the Franchise Agreement and must own and control no less than fifty-one percent (51%) of the voting equity of Franchisee in question and otherwise subject to all other criteria and requirements concerning (including RRI's approval of) the ownership structure, approval, and qualification of Franchisee and Franchisee's Owners (as that term is defined in the Franchise Agreement).

ARTICLE 4
SITE SELECTION AND CONSTRUCTION

Section 4.1 Market Plan, Site Selection, and Site Approval. Developer assumes all cost, liability, expense, and responsibility for locating, obtaining, and developing sites for each Franchised Restaurant and for constructing, equipping, and operating Franchised Restaurants at such sites.

Developer's proposed development of a Franchised Restaurant at any site is subject to RRI's prior written approval in accordance with RRI's then-existing site approval procedures including, but not limited to, the procedures set forth below.

(a) Market Plan. Within thirty (30) days after the Effective Date, Developer agrees to prepare and deliver to RRI a market plan (in a form and manner prescribed by RRI) which incorporates a proposed build-out plan for the Territory in accordance with the Development Schedule and addresses such items as target trade areas in the Territory, development priority and timing, demographic considerations, advertising strategy, market demand analysis, traffic patterns, site selection and availability, and similar items (the "Market Plan").

(b) Site Selection and Site Approval. Prior to acquisition by lease or purchase of a site for a Franchised Restaurant in the Territory, Developer shall submit to RRI for each Franchised Restaurant, in the form prescribed by RRI, financial proformas, a description of the site, a market feasibility study for the site (which shall include, but not be limited to, demographic information, traffic count and patterns, site plans, relationship of the site to potential competition as well as relationship of the site to existing Red Robin Restaurants and other information requested by RRI), and such other information or materials as RRI may reasonably require, together with a letter of intent or other evidence satisfactory to RRI, which confirms Developer's favorable prospects for obtaining the site. Recognizing that time is of the essence, Developer agrees that it must submit such information and materials for each proposed site to RRI in writing for its approval. RRI shall have 30 days after receipt of such information and materials from Developer to approve or disapprove the proposed site as the location for a Franchised Restaurant, which approval shall not be unreasonably withheld. No site shall be deemed approved unless it has been expressly approved in writing by RRI.

(c) Execution of Franchise Agreement. At least 10 days prior to the commencement of construction of the Franchised Restaurant (but only after (i) the location for a Franchised Restaurant is approved by RRI, (ii) such location is leased or acquired by Developer in accordance with the requirements of this Article 4, and (iii) Developer has otherwise complied with this Article 4), Developer (or, an affiliated entity of Developer approved by RRI) shall execute a Franchise Agreement relating to the Franchised Restaurant and its street address shall be recorded in the Franchise Agreement.

Section 4.2 Developer's Purchase Contract and/or Lease Agreement. If Developer will purchase the premises for any Franchised Restaurant, then upon request by RRI, Developer shall deliver a copy of the final purchase contract to RRI prior to its execution. Within three (3) days after request by RRI, Developer shall furnish to RRI a copy of the executed purchase contract. If the Developer will occupy the premises of any Franchised Restaurant under a lease agreement, then upon request by RRI, Developer shall deliver a copy of the final lease agreement to RRI prior to its execution. Within three (3) days after request by RRI, Developer shall furnish to RRI a copy of the executed lease agreement. Unless Developer has obtained RRI's written consent to the exclusion of a required provision, each lease agreement shall include the terms set forth in clauses (a)-(h) below.

(a) That the premises shall be used for the operation of the Franchised Restaurant.

(b) That lessor consents to the use of such Red Robin Marks and signs, decor, color scheme and related components of the System as RRI may prescribe for the Franchised Restaurant.

(c) That lessor agrees to furnish RRI with copies of any and all letters and notices sent to Developer pertaining to the lease and the premises, at the same time that such letters and notices are sent to Developer.

(d) That Developer (or tenant) may not sublease or assign all or any part of its occupancy rights, or extend the term of or renew the lease, without RRI's prior written consent, which shall not be unreasonably withheld.

(e) That RRI shall have the right to enter the premises to make any modification necessary to protect the Red Robin Marks or to cure any default under the lease, this Development Agreement, or the Franchise Agreement.

(f) That Developer shall have the right to assign the lease to RRI and the RRI shall have the option (but not the obligation) to assume Developer's occupancy rights, and the right to sublease, for all or any part of the term of the lease, without the lessor having any right to impose conditions on such assignment or assumption or to obtain payment in connection therewith.

(g) That Developer and lessor shall not amend or otherwise modify the lease in any manner that would materially affect any of the foregoing requirements without RRI's prior written consent.

(h) That lessor acknowledges and agrees that any furniture, fixtures, equipment or personal property maintained by Developer on the leased premises, whether leased or owned by Developer, are not the property of lessor and shall be subject to RRI's purchase option provided for herein or in the Franchise Agreement for such Franchised Restaurant in the event of Developer's default under the lease or this Development Agreement or such Franchise Agreement, and may be removed at expiration or termination of the lease, so long as such removal is accomplished without damage to the leased facility.

Section 4.3 Pre-Construction Requirements. Before commencing any construction of a Franchised Restaurant, Developer, at its expense, shall comply, to RRI's reasonable satisfaction, with all of the following requirements:

(a) Developer shall employ a qualified architect and engineer who are reasonably acceptable to RRI to prepare, for RRI's approval, preliminary plans and specifications for site improvement and construction of each Franchised Restaurant based upon prototype drawings furnished by RRI. The prototype plans provided by RRI shall not be used as construction plans or blue-prints for the Franchised Restaurant, but only as required design concepts, which shall be adapted by Developer and its architect, engineer and contractor to Developer's site.

(1) The standard plans and specifications and/or prototype drawings provided to Developer are proprietary and confidential information belonging to RRI, may not be copied or reproduced except to the extent necessary by Developer's architects, engineers or contractors in the performance of their duties. RRI may require that such plans and specifications be returned to RRI after the opening of the Franchised Restaurant.

(2) Developer hereby releases and shall hold RRI harmless (including its subsidiaries, officers, directors, employees, and agents) from any and all liability, loss, or damages relating to Developer's design, construction, and use of the Franchised Restaurant including, without limitation, liability, loss, or damages related to design or structural flaws in the construction of the Franchised Restaurant and the standard plans and specifications and/or prototype drawings provided to Developer.

(b) Developer shall be responsible for obtaining all zoning classifications and clearances which may be required by the state, provincial or local laws, ordinances, or regulations or which may be necessary or advisable owing to any restrictive covenants relating to each Franchised Restaurant location. After having obtained such approvals and clearances, Developer shall submit to RRI, for RRI's approval, final plans for construction based upon the preliminary plans and specifications. Once approved by RRI, such final plans shall not thereafter be materially changed or modified without the prior written permission of RRI.

(c) Developer shall obtain all permits and certifications required for the lawful construction and operation of each Franchised Restaurant and shall certify in writing to RRI that all such permits and certifications have been obtained.

(d) Developer shall employ a qualified licensed general contractor who is reasonably acceptable to RRI to construct each Franchised Restaurant and to complete all improvements. Developer shall obtain and maintain in force during the entire period of construction builder's risk (or equivalent local) insurance and performance and completion bonds in forms and amounts and written by a carrier or carriers reasonably satisfactory to RRI.

(e) Developer shall employ a qualified person who is responsible for the purchasing of materials, equipment and supplies for the Franchised Restaurant. In that regard, Developer shall require this person to attend an orientation at RRI's home office in Englewood (Denver), Colorado (or such other location as determined by RRI), concerning information and issues related to the procurement and distribution of necessary items for the opening of the Franchised Restaurant.

Section 4.4 Construction and Authorization to Open. Developer shall commence, or make every diligent attempt toward commencement of, construction of a Franchised Restaurant (including acquisition of all necessary permits and licenses) within 150 days after approval by RRI of Developer's site or, if the approved location is occupied by an existing tenant on the date of execution of the lease for the premises, then immediately upon obtaining possession of the premises.

(a) Developer shall provide written notice to RRI of the date construction of each Franchised Restaurant commenced within 10 days after commencement. Construction shall be deemed to commence on the date on which excavation for footings is begun or other initial construction or remodeling work is commenced. Developer agrees that RRI and its agents shall have the right to inspect the construction at all reasonable times for the purpose of ascertaining that all work complies with the final plans approved by RRI. However, Developer shall assume full responsibility for completing construction of the Franchised Restaurant in accordance with the approved plans, employing its architect, as necessary, to oversee such construction in accordance with the plans. Developer shall warrant and certify to RRI upon completion of construction that the structure has been built in accordance with the RRI-approved plans and specifications, with such exceptions, subject to RRI approval, as are noted in such certification.

(b) Developer shall maintain reasonably continuous construction of each Franchised Restaurant and its premises and shall complete construction (including all exterior and interior carpentry, electrical, painting, and finishing work, and installation of all furniture, fixtures, equipment and signs) in accordance with the approved final plans, at Developer's expense, within 210 days after commencement of construction (exclusive of time lost by reason of strikes, lockouts, fire, other casualties, acts of God, weather and other factors beyond the reasonable control of Developer).

(c) Developer shall notify RRI of the date of completion of construction and, within a reasonable time thereafter, RRI may at its option conduct a final inspection of each Franchised Restaurant and its premises.

(d) Prior to opening a Franchised Restaurant for business, Developer shall comply with all opening requirements set forth in this Development Agreement, the Franchise Agreement, the Franchise Operations Manual (defined below), and/or elsewhere in writing by RRI. Developer (or, the affiliated entity as "Franchisee" approved by RRI) shall not, in any event, open a Franchised Restaurant to the public for business until Franchisee has received authorization to open from RRI.

Section 4.5 Release by Developer. As stated above, Developer assumes all cost, liability, expense, and responsibility for locating, obtaining, and developing sites for each Franchised Restaurant and for constructing, equipping, and operating Franchised Restaurants at such sites. Developer acknowledges that RRI's approval of a prospective site and the rendering of assistance in connection with the foregoing does not constitute a representation, promise, warranty, or guarantee by RRI that a Franchised Restaurant operated at that site will be profitable or otherwise successful. Accordingly, Developer releases RRI and shall hold RRI harmless (including its subsidiaries, officers, directors, employees, and agents) from any and all liability, loss, or damages which may arise from Developer's locating, obtaining, and developing sites for each Franchised Restaurant and for constructing, equipping, and operating Franchised Restaurants at such sites.

ARTICLE 5
TERM

Unless sooner terminated in accordance with the provisions of this Development Agreement, the term of this Development Agreement (and all rights granted by RRI hereunder) shall expire on the first to occur of (i) date on which Developer has completed the Development Schedule in accordance with the terms hereof and the last Franchised Restaurant required by this Development Agreement is open and operating, or (ii) _____, 20___ (the "Term").

ARTICLE 6
DUTIES AND REPRESENTATIONS OF THE PARTIES

Section 6.1 Duties of RRI, as Franchisor. RRI shall furnish to Developer the following:

(a) Promptly after the Effective Date, site selection guidelines and criteria related to Red Robin Restaurants and such site selection counseling and assistance as RRI may deem advisable. Additionally, RRI may from time to time and at its sole discretion, make available to Developer, at a reasonable cost, reports containing demographic and market data and real estate analyses.

(b) One (1) construction/design evaluation of the first Franchised Restaurant developed by Developer or the first "special" (i.e. "non-prototype") restaurant developed by Developer as well as one (1) construction/design evaluation of the second Franchised Restaurant developed by Developer, at no charge (except for reimbursement of RRI's reasonable expenses).

(c) Additional evaluation as RRI may deem advisable in response to Developer's requests for site approval; provided that RRI shall not provide evaluation for any proposed site prior to the receipt of all required information and materials concerning such site. If additional evaluation is requested by Developer, then Developer shall pay a reasonable fee for each such evaluation and shall reimburse RRI for all reasonable expenses incurred by RRI in connection with such evaluation, including, without limitation, the cost of travel, lodging and meals.

(1) Regardless of Developer's requests for such evaluation, RRI reserves the right to evaluate Developer's construction/design process and any such evaluation will be at RRI's sole cost and expense (unless such evaluation is required due to RRI's reasonable concerns with Developer's construction/design process and, in such event, Developer shall reimburse RRI for all reasonable expenses incurred by RRI in connection with such evaluation(s) including, without limitation, the cost of travel, lodging and meals).

(d) Within a reasonable period after the Effective Date, standard plans and specifications for the construction of a Red Robin Restaurant and for the exterior and interior design and layout, fixtures, furnishings and signs for use by Developer in accordance with Section 4.3.

Section 6.2 Representations of Developer. Developer makes the following representations, warranties and covenants and accepts the following obligations:

(a) Developer shall comply with all terms and conditions set forth in this Development Agreement. If Developer is a corporation, limited liability company, or partnership, then Developer is duly organized and validly existing under the state law of its formation.

(b) If Developer is a corporation, limited liability company, or partnership, then Developer is duly qualified and is authorized to do business in each jurisdiction in which its business activities or the nature of the properties owned by it require such qualification.

(c) Developer's corporate charter, articles of organization, articles of incorporation, shareholder agreements, limited liability company agreements, operating agreements, and/or written partnership agreement shall at all times provide that the activities of Developer are confined exclusively to developing and operating Franchised Restaurants unless otherwise consented to by RRI in writing.

(d) The execution of this Development Agreement and the performance of Developer's obligations hereunder have been duly authorized by Developer and are within Developer's corporate power or permitted under Developer's partnership or limited liability company agreement.

(e) If Developer is a corporation, then Developer has delivered to RRI copies of Developer's articles of incorporation, bylaws, resolution of the board of directors authorizing entry into and performance of this Development Agreement, other governing documents and any amendments thereto.

(f) If Developer is a limited liability company, then Developer has delivered to RRI copies of Developer's articles of organization, operating agreement, membership transfer agreement, a resolution of the members or manager authorizing entry into and performance of this Development Agreement, other governing documents and any amendments thereto.

(g) If Developer is a partnership, then Developer has delivered to RRI copies of Developer's written partnership agreement, evidence of consent or approval of the entry into and performance of this Development Agreement by the requisite number or percentage of partners (if such approval or consent is required by Developer's partnership agreement), other governing documents and any amendments thereto.

(h) Attachment A contains a complete list of all owners of any type of interest in Developer and such individuals and/or entities shall be deemed as "Developer's Owners" for the purposes

of this Development Agreement. At all times, Developer shall maintain a current list of Developer's Owners and such list shall be certified by the Principal Owner and furnished to RRI upon request. If necessary, Developer shall execute an addendum to Attachment A to ensure the information contained in Attachment A complies with this Development Agreement.

(i) If Developer is a corporation, Developer shall maintain stop-transfer instructions against the transfer on its records of any equity securities of Developer and each stock certificate of the corporation shall have conspicuously endorsed upon its face a statement in a form satisfactory to RRI that it is held subject to, and that further assignment or transfer thereof is subject to all restrictions imposed upon assignments by this Development Agreement.

(j) If Developer is a limited liability company, its operating agreement, membership transfer agreement, and any other relevant agreement, shall provide that ownership of an interest in Developer is held subject to all restrictions imposed upon assignments by this Development Agreement.

(k) If Developer is a partnership, then Developer's written partnership agreement shall provide that ownership of an interest in the partnership is held subject to and that further assignment or transfer is subject to all restrictions imposed upon assignments by this Development Agreement.

(l) If Developer is a single-purpose entity (or, similar corporate entity created for the purpose of developing Franchised Restaurants), then Developer acknowledges and agrees that RRI may require Developer's parent company to (i) execute this Development Agreement and to be jointly and severally liable for all obligations, liabilities, terms, and conditions applicable to "Developer" under this Development Agreement or (ii) execute a Guaranty similar to the form attached hereto; all as determined by RRI in its sole discretion.

(m) If the proposed "Franchisee" is a single-purpose entity (or, similar corporate entity created for the purpose of operating Franchised Restaurants), then Franchisee and Developer acknowledge and agree that RRI may require Developer's parent company and/or such Franchisee's parent and/or holding company(ies) to (i) execute this Development Agreement and to be jointly and severally liable for all obligations, liabilities, terms, and conditions applicable to "Franchisee" under the Franchise Agreement or (ii) execute a Guaranty similar to the form attached hereto; all as determined by RRI in its sole discretion.

(n) If any officer or director of Developer shall cease to serve as such or any individual shall be elected as an officer or director of Developer subsequent to the execution of this Development Agreement, then Developer agrees to provide RRI with notice thereof within ten (10) days after such change. In the event such newly elected officer or director is a "Principal Owner" or "Operating Partner", then Developer shall cause such newly elected officer or director to comply with the relevant portions of this Development Agreement.

(o) Developer acknowledges and agrees that the representations, warranties and covenants set forth in this Sections 6.2 are continuing obligations of Developer and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under Article 7 pursuant to which RRI may terminate this Development Agreement in addition to such other rights and remedies available to RRI hereunder. Developer shall cooperate with RRI in any efforts made by RRI to verify Developer's compliance with such representations, warranties and covenants.

Section 6.3 Principal Owner and Operating Partner.

(a) Principal Owner. Developer shall designate and retain an individual to serve as the "Principal Owner" of the Franchised Restaurant. The Principal Owner (i) shall be deemed as a "Developer's Owner" hereunder and must have the largest share of unencumbered equity ownership in Developer, (ii) must be authorized by the Developer to bind the Developer in any dealings with RRI and authorized distributors, suppliers, and contractors of Developer, (iii) must be authorized by the Developer to direct any actions necessary to ensure compliance with this Development Agreement, and (iv) must devote his full time and best efforts toward the satisfaction of Developer's obligations under this Development Agreement. Principal Owner's interest in Developer shall be and shall remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options.

(1) Developer has not taken and agrees that it will not hereafter take, whether directly or indirectly, any action to avoid the authority requirements of the Principal Owner through the entry of limiting board resolutions, management agreements, amendment of governing documents or any other similar device or arrangement. Developer agrees to furnish RRI with such evidence as RRI may request from time to time for the purpose of assuring RRI that the Principal Owner's authority remains as represented herein.

(b) Operating Partner. If the Principal Owner does not intend to devote his full time and best efforts toward the satisfaction of Developer's obligations under this Development Agreement (as referenced in clause (iv) of Section 6.3(a)), then Developer must also designate an individual "Operating Partner" who must be approved by RRI and the Operating Partner (i) shall be deemed as a "Developer's Owner" hereunder and must be authorized by the Developer to bind the Developer in any dealings with RRI and authorized distributors, suppliers, and contractors of Developer, (ii) must be authorized by the Developer to direct any actions necessary to ensure compliance with this Development Agreement, and (iii) must devote his full time and best efforts toward the satisfaction of Developer's obligations under this Development Agreement with no operational or management commitments to other businesses.

(1) The Operating Partner must live within the Territory. Except as may otherwise be provided in this Development Agreement, the Operating Partner's interest in Developer shall be and shall remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options.

(c) Developer shall not change the Principal Owner and/or Operating Partner without the prior written consent of RRI. Any sale, transfer or assignment of the Principal Owner's interest in Developer, or any portion thereof, shall be subject to the restrictions on transfer described in Article 8 and any failure to comply with such requirements shall be deemed a material event of default by Developer under Article 7. Any sale, transfer or assignment of the Operating Partner's interest in Developer, or any portion thereof (if any), shall be subject to the restrictions on transfer described in Article 8 and any failure to comply with such requirements shall be deemed a material event of default by Developer under Article 7.

Section 6.4 Initial and Continuing Training. Developer, Principal Owner, and Operating Partner shall complete, to RRI's satisfaction, all initial and continuing training required by RRI under this Development Agreement or any Franchise Agreement and Developer shall bear all expenses (including training materials, travel, lodging and food) of such training.

Section 6.5 Confidential Information. Developer and Developer's Owners shall not, during the term of this Development Agreement or and for a period of five (5) years thereafter, communicate, divulge or use for the benefit of any other person, partnership, association, or corporation any confidential information, trade secrets, knowledge, or know-how concerning the Red Robin Marks, System, FOM, and methods of development and operation of the Franchised Restaurant (collectively, the "Confidential Information") regardless of whether such items are disclosed to Franchisee under a "confidentiality notice" or marked as confidential. In addition to the foregoing, all information, drawings, knowledge, know-how and techniques used in or related to the Franchised Restaurant including, without limitation, software licensed or provided by RRI, recipes, training materials, construction plans and specifications, marketing information and strategies, and site evaluation and selection techniques shall be deemed as "Confidential Information".

(a) Developer and Developer's Owners (i) shall disclose Confidential Information only to such of Developer's employees as must have access to it in order to develop the Franchised Restaurant(s), (ii) shall not copy, duplicate, record, or otherwise reproduce the Confidential Information, in whole or in part, nor otherwise make the same available to any unauthorized person, and (iii) shall be solely responsible to ensure that Developer's managers, employees, agents, or independent contractors of Developer having access to Confidential Information comply with this Article and do not communicate, divulge or use Confidential Information in violation of this Article.

(b) Developer acknowledges that any failure to comply with the terms and conditions regarding Confidential Information shall constitute a material event of default under this Development Agreement and will cause RRI irreparable injury. Therefore (in addition to any other remedies available to RRI under this Development Agreement, at law, or in equity), Developer agrees to pay all court costs and reasonable attorneys' fees incurred by RRI in obtaining specific performance of, or an injunction against violation of, the terms and conditions regarding Confidential Information.

(c) In addition to Developer's confidentiality obligations above, RRI may request that Developer require Developer's Owners and its managers, employees, agents or independent contractors having access to Confidential Information to execute RRI's then-current form of "Confidentiality Agreement".

Section 6.6 Franchise Operations Manual. The term "Franchise Operations Manual" (also referenced as the "Franchise Manual" or "FOM") means the manuals, policies, specifications, standards, checklists, evaluation forms, spreadsheets, guides, recipes, handbooks, documents, and other information designated by RRI from time-to-time regarding the System and Red Robin Restaurants. The FOM is part of the System and may be updated, modified, and/or revised by RRI from time-to-time in its sole discretion. The FOM also includes such other manuals, policies, specifications, standards, guides, documents, and other information as may be designated by RRI in the future with respect to Red Robin Restaurants.

(a) During the Term, Developer shall operate the Franchised Restaurant in a first-class manner and in strict conformity with the System and the FOM and such other methods, standards and specifications as RRI may from time-to-time prescribe in the FOM or otherwise in writing. In the event of an update, modification, and/or revision to the System and/or FOM, Developer shall thereafter comply with the System and/or FOM, as updated, modified, and/or revised. Developer acknowledges that its compliance with this Section (and every detail in the operation of the Franchised Restaurant) is important in order to develop and maintain high operating standards, to increase the demand for the services and products sold by all franchisees, and to protect RRI's reputation and goodwill.

(b) RRI has the right to update, modify, and/or revise the System and/or the FOM in the future to reflect changes to Red Robin Restaurants and changes in the System, image, specifications, standards, procedures, approved products, and other items. In such event, Developer shall thereafter comply with the System and/or FOM, as updated, modified, and/or revised.

(c) Developer acknowledges that modifications, updates, and/or revisions to the System and/or FOM may require Developer to incur additional costs and/or invest additional capital into the Franchised Restaurant and/or incur higher operating costs. Developer agrees to implement such changes, incur such costs, and/or invest such capital required by any such modifications, updates, and/or revisions within the time period designated by RRI, whether they involve refurbishing or remodeling the Franchised Restaurant, buying new operating assets, adding new products and services, adding personnel or otherwise modifying the nature of the operations at the Franchised Restaurant, as if such items were part of this Franchise Agreement as of the Effective Date

(d) RRI has the right, at its option, to furnish the FOM to Developer in the form of hardcopy(ies), electronic media, electronic copies accessed through the internet, designated website(s), or other media. The FOM is currently located on the website shown below, but RRI may update, modify, revise, disable, and/or relocate such website from time-to-time in its sole discretion.

(... https://redrobin-standards.compliancemetrix.com/rql/p/franchiseoperationsmanual ...)

Section 6.7 Developer's Use of Franchise System Manual. With respect to Developer's use of the FOM, Developer agrees that:

(a) Developer and Developer's Owners shall at all times treat the FOM (including the information therein) as confidential, and shall use all reasonable efforts to maintain the confidentiality of such manual (and the information therein).

(b) Developer and Developer's Owners shall not at any time copy, duplicate, record or otherwise reproduce the FOM, in whole or in part, nor otherwise make the same available to any unauthorized person.

(c) The FOM shall at all times remain the sole property of RRI.

(d) RRI may from time to time supplement and/or modify the FOM and Developer expressly agrees that such supplements and/or modifications shall be effective upon receipt and Developer shall promptly comply with all such supplements and/or modifications.

(e) To the extent that Developer maintains a hardcopy(ies) of the FOM (or any portion thereof), Developer shall at all times maintain the FOM in a secure place at the Franchised Restaurant and shall ensure the FOM is kept current and up-to-date. In the event of any dispute as to the contents of the FOM, the terms of the master version of the FOM maintained by RRI on RRI's website referenced above or at RRI's home office shall control.

(f) If applicable and if Developer's copy of the FOM is lost, destroyed or significantly damaged, Developer will immediately notify RRI and will be obligated to obtain from RRI, at RRI's then applicable charge, a replacement copy of the FOM.

Section 6.8 Compliance With Laws, Industry Standards, and Information Security. Developer shall operate the Franchised Restaurant in compliance with all federal, state and local laws, rules and regulations, and shall timely obtain any and all permits, certificates, or licenses necessary for the

full and proper conduct of the Franchised Restaurant including, without limitation, business licenses, certificates of occupancy, liquor licenses, fictitious name registrations, sales tax permits, and fire permits. Developer shall be solely responsible for any fines, costs, or penalties related to the foregoing matters.

(a) Developer shall notify RRI in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality related to any of the matters referenced in this Section or which may adversely affect the Franchised Restaurant.

(b) Developer shall, at its sole cost, comply (i) with rules and regulations promulgated by industry groups, trade associations, and similar non-governmental (and/or quasi-governmental) organizations so long as RRI's company-owned Red Robin restaurants also comply with such rules and regulations and/or (ii) rules and regulations promulgated by RRI which are reasonably consistent with rules and regulations promulgated by industry groups, trade associations, and similar non-governmental (and/or quasi-governmental) organizations so long as RRI's company-owned Red Robin restaurants also comply with such rules and regulations.

(c) Developer shall, at its sole cost, expense, and liability, implement all administrative, physical and technical safeguards set forth in the FOM, required by RRI, or required by applicable laws, rules, and regulations in order to protect any information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, credit card information, biometric data, health data, government-issued identification numbers, credit report information, and any similar information generally characterized as personally-identifiable information (collectively, "Personal Information"). No assistance, guidance, standards or requirements that we provide Developer constitute a representation or warranty of any kind, express or implied, that such requirements ensure Developer's compliance with federal, state, or local privacy and data laws, codes, or regulations, or acceptable industry standards. It is Developer's responsibility, at its sole cost, expense, and liability, to develop, implement, and confirm that such safeguards used by Developer use to protect Personal Information comply with all laws, rules, regulations, requirements, and industry best practices related to the collection, access use, storage, disposal and disclosure of Personal Information.

(d) If Developer becomes aware of a suspected or actual breach of security or unauthorized access involving Personal Information, Developer will notify RRI immediately and specify the extent to which Personal Information was compromised or disclosed.

(e) RRI reserves the right to conduct a data security and privacy audit of Developer and the Franchised Restaurant at any time, from time to time, to ensure that Developer is in compliance with this section. The cost of such audit shall be paid by Developer and Developer agrees agree to fully cooperate during the course of such audit, provided such audited shall be conducted in such a manner so as not to unreasonably interfere with Developer's operations at the Franchised Restaurant.

Section 6.9 Limitations on Developer's Use of Red Robin Marks. As referenced above, this Development Agreement does not grant any right to use (or license the use of) the Red Robin Marks or the System. Accordingly, Developer agrees that:

(a) RRI is the owner or licensee of all right, title and interest in and to the Red Robin Marks and the goodwill associated with and symbolized by them.

(b) The Red Robin Marks are valid and serve to identify the System and those who are authorized to operate under the System.

(c) Developer shall not directly or indirectly contest the validity or RRI's ownership of the Red Robin Marks.

(d) Developer's use (if any and subject to prior written approval of RRI for each such use) of the Red Robin Marks under this Development Agreement does not give Developer any ownership interest or other interest in or to the Red Robin Marks.

(e) Any and all goodwill arising from Developer's use of the Red Robin Marks under this Development Agreement shall inure solely and exclusively to RRI's benefit, and upon expiration or termination of this Development Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Developer's use of the Red Robin Marks.

(f) The right and license of the Red Robin Marks granted hereunder to Developer (if any and subject to prior written approval of RRI for each such use) is non-exclusive, and RRI thus has and retains the rights, among others:

(1) To use the Red Robin Marks itself in connection with selling products and services;

(2) To grant other licenses for the Red Robin Marks, in addition to those licenses already granted to existing franchisees;

(3) To develop and establish other systems using the same or similar Red Robin Marks, or other Red Robin Marks, and to grant licenses or franchises thereto without providing any rights therein to Developer; and

(4) To develop, purchase, acquire, and/or establish the Other Marks and exclude the Other Marks from the Red Robin Marks.

Section 6.10 Internet and Electronic Commerce. Developer shall not advertise or use the Red Robin Marks over the Internet (or any other form of electronic commerce and/or electronic media) without RRI's prior written consent. Developer shall not develop, create, establish, and/or use any website or other electronic media which uses, and/or creates any association with, the System and/or the Red Robin Marks (including any abbreviation, acronym, phonetic variation, or visual variation).

(a) All domain names using, and/or creating any association with, the System and/or the Red Robin Marks (including any abbreviation, acronym, phonetic variation, or visual variation) shall be registered in RRI's name. RRI may grant to Developer a non-exclusive license to use domain name(s) selected by RRI for Developer's use in accordance with this Development Agreement. Developer shall not register any domain name in any class or category that uses or creates any association with the System and/or Red Robin Marks (including any abbreviation, acronym, phonetic variation, or visual variation) without RRI's prior written consent.

(b) Developer agrees that any consent by RRI to develop, create, establish, advertise, register, and/or use any of the Red Robin Marks over the Internet (or any other form of electronic commerce and/or electronic media) shall be subject to certain conditions including, without limitation, requirements as to form, content, and appearance; requirement of a hypertext link to RRI's website(s); prohibitions on hypertext links to third-party websites; and other requirements, restrictions, and prohibitions deemed necessary by RRI.

(c) On termination or expiration of this Development Agreement (or in the event Developer fails to comply with this Section), then RRI shall have the right (in addition to RRI's other rights and remedies hereunder) to revoke its consent to Developer's development, creation, establishment, advertisement, registration, and/or use any of the Red Robin Marks over the Internet or any other form of electronic commerce and/or electronic media (including, without limitation, website(s) and domain names) and, in such event, Developer shall immediately cease all such activities and shall immediately take all actions reasonably required to disassociate Developer from all such activities.

Section 6.11 Outsourcing by RRI. RRI may, in its sole discretion, elect to outsource and/or subcontract certain of RRI's obligations set forth in this Development Agreement to subsidiaries, affiliates, contract employees, third-party vendors, and/or other third-party suppliers; provided (i) any such outsourcing and/or subcontracting shall not discharge RRI from its obligations under this Development Agreement, and (ii) any such outsourced or subcontracted obligations shall be performed in accordance with the terms of this Development Agreement.

Section 6.12 Copyrights. Developer acknowledges that RRI or its affiliates own the worldwide copyright and other ownership rights to the FOM, and all components of the System that are written, electronic, and/or magnetic media subject to copyright (collectively, the "Copyright Materials"). Developer acknowledges and agrees that it may only make modifications to the Copyright Materials upon receiving the prior written consent of RRI. Developer agrees to use proper copyright and other proprietary notices in connection with all Copyright Materials or translations, modifications or adaptations of the Copyright Materials and conform to RRI's standards for protecting its rights. Developer agrees to promptly cause the execution of any assignments, waivers of rights, or other documents, and take any further actions needed or advisable to ensure that RRI has such copyright and other rights described in this Section.

ARTICLE 7
DEFAULT AND TERMINATION

Section 7.1 Obligations Material. Developer acknowledges and agrees that each of the Developer's obligations described in this Development Agreement is a material and essential obligation of Developer; that nonperformance of such obligations will adversely and substantially affect RRI and the System; and agrees that the exercise by RRI of the rights and remedies set forth herein are appropriate and reasonable.

Section 7.2 Reliance by RRI. The rights granted to Developer in this Development Agreement have been granted in reliance on Developer's representations that Developer will timely perform and discharge Developer's obligations under this Development Agreement in accordance with the terms of this Development Agreement.

Section 7.3 Default and Automatic Termination.

(a) Developer shall be deemed to be in default under this Development Agreement, and all rights granted herein, at RRI's option, shall automatically terminate without notice to Developer, if Developer shall become insolvent or make a general assignment for the benefit of creditors; or if Developer files a voluntary petition under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state thereof, or admits in writing its inability to pay its debts when due; or if Developer is adjudicated a bankrupt or insolvent in proceedings filed against Developer under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state thereof; or if a bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by

Developer; or if a receiver or other custodian (permanent or temporary) of Developer's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Developer; or if a final judgment remains unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond is filed); or if Developer is dissolved; or if execution is levied against Developer's business or property; or if suit to foreclose any lien or mortgage against the premises or equipment of any Franchised Restaurant developed hereunder is instituted against Developer and not dismissed within 30 days; or if the real or personal property of any Franchised Restaurants developed hereunder shall be sold after levy thereupon by any sheriff, marshal or constable.

(b) Developer or any of Developer's Owners (i) violates any "Anti-Terrorism Laws", as defined below, (ii) is listed under any such Anti-Terrorism Laws, (iii) has any dealings with any person listed under any such Anti-Terrorism Laws, and/or (iv) assets are blocked under any such Anti-Terrorism Laws.

(1) The term "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

(c) Any purported assignment, transfer, conveyance, give away, gift, pledge, mortgage or other encumbrance (by operation of law or otherwise) by Developer and/or Developer's Owners which does not comply with Article 8.

Section 7.4 Other Defaults by Developer. Each of the following shall be deemed an event of default by Developer under this Development Agreement.

(a) Developer fails to comply with the Development Schedule.

(b) Developer fails to pay the Development Fee and/or any other amounts due hereunder.

(c) Developer fails to lease or purchase and construct and open each Franchised Restaurant in accordance with the terms and conditions of this Development Agreement.

(d) If Developer or any of Developer's Owners is convicted (regardless of any pending appeal) of a felony, a crime involving moral turpitude, or any other crime or offense that RRI believes is reasonably likely to have an adverse effect on RRI, the System, the Red Robin Marks, and/or the goodwill associated therewith.

(e) Developer or any of Developer's Owners engages in conduct that is deleterious or reflects unfavorably on RRI, the System, the Red Robin Marks, and/or the goodwill associated therewith including, without limitation, conduct which exhibits a disregard for the physical and mental well-being of employees, customers, RRI's representatives, the public at large (e.g., battery, assault,

sexual harassment, discrimination, and other forms of threatening, outrageous, or socially unacceptable behavior).

(f) Failure by Developer to maintain a responsible credit rating by failing to make prompt payment of undisputed bills, invoices and statements from suppliers of goods and services to Developer (including where such supplier is RRI).

(g) Developer or any of Developer's Owners enters into a sub-development agreement, sub-franchise agreement, management agreement, consulting arrangement, subcontracting arrangement, outsourcing arrangement, or any other similar arrangement relating to the rights and obligations of Developer hereunder.

(h) Submission by Developer or any of Developer's Owners of a franchise application and/or management commitment form (or other documentation required under this Development Agreement) which contains any material false or misleading statements or omits any material fact.

(i) Repeated breaches of provisions of this Development Agreement, whether or not cured after notice.

(j) Failure by Developer, Developer's Owners, Principal Owner, and/or Operating Partner to comply with any other provisions of this Development Agreement.

(k) Developer (including affiliates, subsidiaries, successors, and assigns), Developer's Owners, Principal Owner, and/or Operating Partner fail to comply with the terms of any other agreement between Developer and RRI (including any Franchise Agreement).

(l) The "Franchisee" under a Franchise Agreement fails to comply with the terms of any Franchise Agreement (and such failure is not cured within the applicable cure period, if any, set forth in such Franchise Agreement).

Section 7.5 Remedies for Default by Developer. In the event of a default under Section 7.4, then RRI may, at its option, elect any one or more of the following remedies.

(a) RRI may terminate this Development Agreement and all rights granted hereunder, effective immediately upon notice to Developer.

(b) If Developer shall fail to comply with the Development Schedule (as referenced in Section 7.4(a) above), then RRI shall have the right, at its sole option, to temporarily forbear the pursuit of its other remedies under this Section 7.5 by requiring Developer to pay RRI the sum of Ten Thousand and 00/100 United States Dollars (US$10,000.00) per month for up to one (1) year, and, so long as Developer is making these payments as they become due, then RRI will not terminate this Development Agreement during such temporary forbearance period. If Developer is still not in compliance with the Development Schedule upon expiration of such temporary forbearance period, then RRI shall be entitled to all other rights and remedies set forth in this Section 7.5. RRI and Developer agree that (i) the foregoing sum is a reasonable estimate of the lost royalties and other fees which would have otherwise been paid to RRI under Franchise Agreement(s) in the event Developer had opened and operated Franchised Restaurant(s) in accordance with the Development Schedule and (ii) RRI's rights under this Section 7.5(b) are reasonable under the circumstances.

(c) RRI may modify, reduce, and/or accelerate the Development Schedule.

(d) RRI may terminate, modify, and/or reduce any territorial exclusivity granted Developer in Section 1.2.

(e) RRI may modify and/or reduce the Territory granted to Developer in Article 1.

(f) RRI may elect any other right or remedy available to RRI under this Development Agreement, at law, or in equity.

Section 7.6 No Cure Period. Developer acknowledges there is no cure period for any of the events of default described above. If any applicable law or rule requires a notice period and/or a cure period, then the notice period and/or cure period required under such law or rule shall be substituted for the requirements herein.

Section 7.7 Rights and Duties upon Termination.

(a) Upon termination of this Development Agreement, (i) Developer's rights under this Agreement shall immediately terminate and Developer shall have no right to develop or operate any Franchised Restaurant(s), except any such restaurant where a Franchise Agreement has been executed and delivered to Developer prior to such termination; (ii) Developer and Developer's Owners shall not identify themselves as a developer or franchisee of the System, except pursuant to rights which may be granted under any Franchise Agreement which is then in effect, and remains in effect; and (iii) Developer and Developer's Owners shall comply with Section 6.5 regarding Confidential Information. Without limiting Sections 3.1 or 6.10 of this Development Agreement, Developer and Developer's Owners shall also comply with the following obligations:

(1) Developer shall immediately and permanently cease to use, in any manner whatsoever, the System, the Red Robin Marks (if any and subject to the prior, written approval of RRI for each such use), the FOM, and the Confidential Information, except pursuant to rights which may be granted under any Franchise Agreement which is then in effect and remains in effect following the termination of this Development Agreement. In connection with the promotion, advertising, marketing, and/or operation of any other business conducted by Developer and/or Developer's Owners, Developer and Developer's Owners shall not, under any circumstances, use any reproduction, counterfeit, copy or colorable imitation of the Red Robin Marks which is likely to cause confusion, mistake, or deception, or which is likely to dilute RRI's rights in and to the Red Robin Marks. Developer and Developer's Owners shall not use any designation of origin, description, or representation which falsely suggests or represents an association and/or connection with RRI.

(2) Developer shall immediately deliver to RRI the FOM, Confidential Information, all written materials bearing the Red Robin Marks, and all other records, files, instructions, correspondence, brochures, agreements, invoices, and other materials relating to the development of Franchised Restaurants. Developer shall retain no copy or record of any of the foregoing, except Developer's copy of this Development Agreement and copies of any correspondence between the parties.

(3) Developer shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the Red Robin Marks (if any and subject to the prior, written approval of RRI for each such use), except pursuant

to rights which may be granted under any Franchise Agreement which is then in effect and remains in effect following the termination of this Development Agreement; Developer shall furnish RRI with evidence satisfactory to RRI of compliance with this obligation within five (5) days after termination or expiration of this Development Agreement.

(b) If RRI exercises any of the remedies in Sections 7.5(c), 7.5(d), and/or 7.5(e), then Developer shall remain obligated under this Development Agreement and shall comply with the terms hereof (as such terms may have been revised pursuant to RRI's exercise of such remedies).

(c) If RRI exercises any of the remedies in Sections 7.5(a), 7.5(d), and/or 7.5(e), then RRI shall be entitled to establish, and to license others to establish, Red Robin Restaurants in the former Territory or in the portion thereof no longer part of the Territory or pursuant to any other modifications of Developer's territorial exclusivity, except as may be otherwise provided under any Franchise Agreement which is then in effect between RRI and Developer.

Section 7.8 No Waiver. RRI's exercise of its options under Section 7.5 shall not, in the event of a default, constitute a waiver by RRI to exercise its option to terminate this Development Agreement at any time with respect to any subsequent event of default of a similar or different nature.

Section 7.9 Remedies Not Exclusive. No right or remedy herein conferred upon or reserved to RRI is exclusive of any other right or remedy provided or permitted by law or in equity.

Section 7.10. Default By RRI. If RRI defaults in the performance of any term of this Development Agreement, then Developer shall deliver written notice of such default to RRI within thirty (30) days after such default and such notice shall clearly and definitively specify each act or omission constituting such default. If Developer does not believe that RRI has cured such default within sixty (60) days after delivery of such default notice to RRI, then Developer shall notify RRI that Developer believes such default has not been cured. If Developer fails to notify RRI within such 60-day period that such default has not been cured, then such default shall be deemed as cured.

ARTICLE 8
ASSIGNMENT AND TRANSFER

Section 8.1 Transfer by RRI. RRI shall have the right to transfer or assign this Development Agreement and all or any part of its rights or obligations herein to any person or legal entity. Specifically, and without limitation to the foregoing, Developer agrees that RRI may sell its assets, the Red Robin Marks, and/or the System to a third party; may offer its securities privately or publicly; may merge, acquire other corporations or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and with regard to any or all of the above sales, assignments and dispositions, Developer expressly and specifically waives any claims, demands, or damages against RRI arising from or related to the transfer of the Red Robin Marks (or any variation thereof) and/or the System from RRI to any other party. Nothing contained in this Development Agreement shall require RRI to offer any services or products, whether or not bearing the Red Robin Marks, to Developer if RRI assigns it rights under this Development Agreement.

Section 8.2 Transfer by Developer. Developer agrees the rights and duties set forth in this Development Agreement are personal to Developer and that RRI entered into this Development Agreement in reliance on the business skill, financial capacity and personal character of the Developer and Developer's Owners.

(a) Developer and/or Developer's Owners (i) shall not sell, assign, transfer, convey, give away, gift, pledge, mortgage or otherwise encumber any direct or indirect interest in this Development Agreement and/or the Red Robin Marks and (ii) shall not grant a security interest or collateral interest in this Development Agreement and/or Red Robin Marks. Developer and/or Developer's Owners shall not sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in Developer and/or any Franchised Restaurant without the prior written consent of RRI which RRI may condition upon any or all of the requirements set forth in this Section 8.2 (as determined by RRI in its sole discretion).

(b) Any purported assignment, transfer, conveyance, give away, gift, pledge, mortgage or other encumbrance (by operation of law or otherwise) by Developer and/or Developer's Owners which does not comply with this Article 8 (including, without limitation, the prior written consent of RRI) shall be null and void and shall constitute an event of default under Section 7.3(c).

(c) RRI shall not unreasonably withhold its consent to a transfer of any interest in Developer or in this Development Agreement. RRI may, in its sole discretion, require any or all of the following as conditions of its approval:

(1) All of Developer's accrued monetary obligations and all other outstanding obligations to RRI, its subsidiaries and its affiliates and third-party suppliers shall have been satisfied.

(2) Developer is not in default of any provision of this Development Agreement, any amendment hereof or successor hereto, or any other agreement between Developer and RRI, or its subsidiaries and affiliates.

(3) Developer, Developer's Owners, and the proposed transferor shall have executed a general release, in a form satisfactory to RRI, of any and all claims against RRI, its subsidiaries and affiliates, successors and assigns and their respective officers, directors, shareholders, partners, employees, servants, representatives and agents, in their corporate and individual capacities, including, without limitation, claims arising under this Development Agreement and federal, state and local laws, rules and ordinances.

(4) The proposed transferee shall, at RRI's election, consistent with then current RRI policy, either (a) enter into a written agreement, in a form satisfactory to RRI, assuming full, unconditional, joint and several liability for and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Development Agreement; or (b) execute, for a term ending on the expiration date of this Development Agreement, the standard form development agreement then being offered to new System developers and such other ancillary agreements as RRI may require; and if proposed transferee is a corporation, limited liability company or a partnership, transferee's shareholders, members, partners or other investors, as applicable, shall execute such agreements as transferee's principals and shall guarantee the performance of all such obligations, contracts and agreements in writing in a form satisfactory to RRI. If such transferee is required to execute a new development agreement, then such agreement shall supersede this Development Agreement and its ancillary documents in all respects and the terms of such agreements may differ from the terms of this Development Agreement.

(5) The proposed transferee shall demonstrate to RRI's satisfaction that transferee and transferee's owners meet the criteria considered by RRI when reviewing a prospective developer's application for development rights, including but not limited to RRI's educational, managerial and business standards; transferee's good moral character, business reputation and credit rating; transferee's aptitude and ability to perform Developer's obligations under this Development Agreement (as may be evidenced by prior related business experience or otherwise); transferee's ability, financial resources, infrastructure, and capital to meet the Development Schedule and to operate a multi-unit restaurant business; and the geographic proximity of other Red Robin Restaurants owned or operated by transferee and the territories or areas with respect to which transferee is obligated to develop Red Robin Restaurants pursuant to any development agreement between RRI and transferee, in relation to development of the Franchised Restaurants hereunder.

(6) The proposed transferor shall remain liable for all of the obligations to RRI in connection with the development activities prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by RRI to evidence such liability.

(7) At the proposed transferee's expense, the transferee, the transferee's principal owner and the transferee's operating partner shall complete any training programs then in effect for developers of the System upon such terms and conditions as RRI may reasonably require.

(8) Developer shall pay a non-refundable "Transfer Fee" of Ten Thousand and 00/100 Dollars ($10,000.00) or such greater amount as is necessary to reimburse RRI for its reasonable costs and expenses associated with reviewing the application to transfer this Development Agreement, including, without limitation, legal and accounting fees -- in addition to any other transfer fees that may be payable under applicable Franchise Agreement(s).

(9) If the transferee is a corporation, limited liability company or a partnership, the transferee shall make and will be bound by any or all of the representations, warranties and covenants set forth at Section 6.2. Transferee shall provide to RRI evidence satisfactory to RRI that the terms of Section 6.2 have been satisfied and are true and correct on the date of transfer.

(10) Developer, Developer's Owners, and the proposed transferor and transferee shall comply with any other conditions that RRI reasonably requires from time to time as part of RRI's transfer policies including, without limitation, evidence of landlord consent, subordination of purchase price to monetary obligations under this Development Agreement, any Franchise Agreement(s), execution of confidentiality and non-compete agreements, etc.

(d) Developer acknowledges and agrees that each condition that must be met by the transferee is reasonable and necessary to assure such transferee's full performance of the obligations hereunder.

Section 8.3 Transfer for Convenience of Ownership. Any proposed assignment and/or transfer of this Development Agreement by Developer to an affiliated or subsidiary corporation or other

entity formed by Developer solely for the convenience of ownership shall be subject to RRI's prior written consent which RRI may condition upon any or all of the requirements set forth in Section 8.2 (as determined by RRI in its sole discretion). With respect to any proposed assignment or transfer under this Section 8.3, Developer shall be the owner of all of the voting stock or interest of such corporation or entity and if Developer is more than one individual, each individual shall have the same proportionate ownership interest in the corporation or entity as such individual had in Developer prior to the transfer.

Section 8.4 Right of First Refusal. The "Right of First Refusal" attached hereto as Attachment C is hereby incorporated into this Development Agreement.

Section 8.5 Transfer Upon Death or Permanent Disability.

(a) Upon the death of any person with an interest in this Development Agreement and/or Developer (the "Deceased"), the executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party approved by RRI within twelve (12) months after the death. If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by RRI. If the distributee is not approved by RRI, then the distributee shall transfer such interest to a third party approved by RRI within twelve (12) months after the death of the Deceased.

(b) Upon the permanent disability of any person with an interest in this Development Agreement or Developer, RRI may, in its sole discretion, require such interest to be transferred to a third party in accordance with the conditions described in this Article 8 within six (6) months after notice to Developer. "Permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Development Agreement or in the Guaranty attached to this Development Agreement for at least ninety consecutive days and from which condition recovery within ninety days from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician selected by RRI upon examination of the person; or if the person refuses to submit to an examination, then such person shall be automatically deemed permanently disabled as of the date of such refusal for the purpose of this Article 8. The costs of any examination required by this Section 8.5(b) shall be paid by RRI.

(c) Upon the death or claim of permanent disability of any person with an interest in this Development Agreement or Developer, Developer or a representative of Developer must promptly notify RRI of such death or claim of permanent disability. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in Article 8 for any inter vivos transfer. If an interest is not transferred upon death or permanent disability as required in this Section 8.5, then RRI may terminate this Development Agreement.

Section 8.6 Non-Waiver of Claims. RRI's consent to a transfer of any interest in the Developer or in this Development Agreement granted herein shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of RRI's right to demand exact compliance with any of the terms of this Development Agreement by the transferee.

Section 8.7 Offerings by Developer. Securities or interests in Developer may be offered to third parties, by public offering, by private offering, or any other type of offering only with the prior written consent of RRI (regardless of whether RRI's consent is required under this Article 8), which consent shall not be unreasonably withheld. All materials required for such offering by federal or state law shall be submitted to RRI for a limited review as discussed below prior to their being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to RRI for such review prior to their use. No Developer offering shall imply (by use of the Red Robin Marks or

otherwise) that RRI is participating in an underwriting, issuance or offering of Developer or Developer securities; and RRI's review of any offering shall be limited solely to the subject of the relationship between Developer and RRI. RRI may, at its option, require Developer's offering materials to contain a written statement prescribed by RRI concerning the limitations described in the preceding sentence. Developer and the other participants in the offering must fully indemnify RRI in connection with the offering. For each proposed offering, Developer shall pay to RRI a non-refundable fee of Ten Thousand and 00/100 Dollars ($10,000.00). Developer shall give RRI written notice at least 30 days prior to the date of commencement of any offering or other transaction covered by this Section 8.7.

ARTICLE 9
NO-COMPETE CLAUSE AND RELATED COVENANTS

Section 9.1 Best Efforts. During the Term, Developer, Principal Owner, and Operating Partner agree to devote full time and best efforts to Developer's obligations under this Development Agreement.

Section 9.2 Receipt of Confidential Information. Developer and Developer's Owners agree (i) they will receive valuable specialized training and Confidential Information which is beyond their present skills and experience, and (ii) that such training and Confidential Information provide a competitive advantage and will be valuable to them in the development and operation of Franchised Restaurant(s), (iii) access to such training and Confidential Information is a primary reason for entering into this Development Agreement, (iv) such training and Confidential Information are provided by RRI for the benefit of the System and each Red Robin Restaurant under the System and (v) that the System and each such restaurant individually and mutually benefit from all Developer's compliance with the covenants described below.

Section 9.3 No-Compete Clause. In consideration for such training and Confidential Information (and the other benefits provided to Developer by this Development Agreement), Developer and Developer's Owners agree as follows:

(a) During the Term, Developer and Developer's Owners shall not directly, indirectly, or in any manner whatsoever:

(1) Divert or attempt to divert any business or customer of Red Robin Restaurants to any Competitive Restaurant (defined below) or otherwise take any action injurious or prejudicial to the goodwill associated with the Red Robin Marks and the System.

(2) Employ or seek to employ any person who is at that time employed by RRI or by any other developer of RRI, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, develop, operate, or have any interest in any Competitive Restaurant.

(4) The term "Competitive Restaurant" means (1) any restaurant or food service business, other than a Red Robin Restaurant, that is a restaurant in the full-service, "casual" or "family" segment of the restaurant industry that offers burgers and may reasonably be expected to generate more than fifteen percent (15%) of its food sales from the sale of burgers, including, without limitation, a restaurant which is similar to a Red Robin Restaurant; or (2) any businesses

granting franchises or licenses to others to operate the type of restaurant or food service business specified in subparagraph (1).

(b) Commencing on (i) the expiration or termination of this Development Agreement or (ii) on the date of an approved transfer of all of Developer's interest in this Development Agreement and continuing for a period of two (2) years after such date, Developer shall not directly, indirectly, or in any manner whatsoever:

(1) Divert or attempt to divert any business or customer of Red Robin Restaurants to any Competitive Restaurant or otherwise take any action injurious or prejudicial to the goodwill associated with the Red Robin Marks and the System.

(2) Employ or seek to employ any person who is at that time employed by RRI or by any other developer of RRI, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, develop, operate, or have any interest in any Competitive Restaurant located in the United States of America.

(c) Commencing on (i) the expiration or termination of this Development Agreement or (ii) on the date which an individual or entity ceases to satisfy the definition of "Developer's Owner" and continuing for a period of two (2) years after such date, such Developer's Owner(s) shall not directly, indirectly, or in any manner whatsoever:

(1) Divert or attempt to divert any business or customer of Red Robin Restaurants to any Competitive Restaurant or otherwise take any action injurious or prejudicial to the goodwill associated with the Red Robin Marks and the System.

(2) Employ or seek to employ any person who is at that time employed by RRI or by any other developer of RRI, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, develop, operate, or have any interest in any Competitive Restaurant located in the United States of America.

(d) In addition to any other rights and remedies available to RRI under this Development Agreement and in the event of a violation of Sections 9.3(a)(2), 9.3(b)(2), and/or 9.3(c)(2), RRI may elect, in its sole discretion, to require Developer to pay to RRI an amount equal to three (3) times the annual salary of the person(s) involved in such violation plus an amount equal to costs and attorney's fees incurred by RRI in connection with such violation and such amounts shall be deemed as liquidated damages.

Section 9.4 Survival. The terms of this Article 9 shall survive the termination, expiration, or any transfer of this Development Agreement. The parties agree this Article 9 shall be construed as independent of any other provision of this Development Agreement. If all or any portion of this Article 9 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which RRI is a party, Developer and Developer's Owners expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Article 9.

Section 9.5 Reduction in Scope. Developer and Developer's Owners agree; that RRI shall have the right, in its sole discretion, to reduce the scope of any provision, or portion thereof, in this Article 9 without their consent, effective immediately upon notice to Developer; and Developer and Developer's Owners agree that they shall comply forthwith with any provision as so modified, which shall be fully enforceable notwithstanding Section 15.9.

Section 9.6 No Defense. Developer and Developer's Owners expressly agree that the existence of any claims they may have against RRI, whether or not arising from this Development Agreement, shall not constitute a defense to the enforcement by RRI of the provisions of this Article 9. In addition to any other rights and remedies, Developer and Developer's Owners agree to pay all costs and expenses (including reasonable attorneys' fees) incurred by RRI in connection with the enforcement of this Article 9.

Section 9.7 Consent to Injunctive Relief. Developer and Developer's Owners acknowledge that a violation of the terms of this Article 9 would result in irreparable injury to RRI for which no adequate remedy at law may be available, and Developer and Developer's Owners accordingly consent to the issuance of an injunction prohibiting any conduct by Developer or Developer's Owners in violation of the terms of this Article 9.

Section 9.8 Guaranty of Developer's Obligations. Principal Owner, Operating Partner, and any other of Developer's Owners shall not be obligated to execute the Guaranty in the form set forth on Attachment B; provided that, in the event of a monetary default under this Development Agreement (even if such monetary default is cured), RRI may, at its option, require the Principal Owner to sign the Guaranty in the form set forth on Attachment B, in addition to RRI's other rights and remedies hereunder.

ARTICLE 10
NOTICE PROVISIONS

Any and all notices permitted or required to be delivered under this Development Agreement shall be delivered by email; provided sender confirms such email delivery by sending a confirmation copy via overnight delivery service within one (1) business day after transmission thereof to the respective parties at the addresses listed below. So long as any notice is prepared, addressed, and delivered in accordance with this Section, then any such notice shall be deemed to have been received at the time of transmission in the case of email, provided confirmation is sent as described above. The parties may change their notice information below by delivery of written notice to the other party in accordance with this Section with new notice information.

If to RRI:
Mark Dubberly
Director of Real Estate & Lease Management
Red Robin International, Inc.
Email: mdubberly@redrobin.com

With a required copy to:
LeAnne Stine
Vice President Franchise & Alternative Platforms
Red Robin International, Inc.
Email: lstine@redrobin.com

With a required copy to:
Chief Legal Officer
Red Robin International, Inc.
10000 East Geddes Avenue, Suite 500
Englewood, CO 80112

Email: legalteam@redrobin.com

If to Developer: _____ (Name)
_____ (Title)
_____ (Address)
_____ (Email)

ARTICLE 11
INDEPENDENT CONTRACTOR AND INDEMNIFICATION

Section 11.1 Independent Contractor. The parties agree that Developer is an independent contractor, this Development Agreement does not create a fiduciary relationship between them, and nothing in this Development Agreement is intended to designate either party as an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

(a) During the Term, Developer shall hold itself out to the public as an independent contractor developing Franchised Restaurant(s) under this Development Agreement and operating such restaurants under Franchise Agreements with RRI. Developer agrees to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place in the Franchised Restaurant(s), the content of which RRI reserves the right to specify.

(b) The parties agree that nothing in this Development Agreement authorizes Developer or any of Developer's Owners to make any contract, agreement, warranty, or representation on RRI's behalf, or to incur any debt or other obligation in RRI's name; and that RRI shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall RRI be liable by reason of any act or omission of Developer or Developer's Owners or for any claim or judgment arising therefrom against Developer, any of Developer's Owners or RRI.

(c) Developer shall be the sole and exclusive employer of its employees with the sole right to hire, discipline, and discharge such employees and the sole right to establish wages, hours, benefits, employment policies, and other terms and conditions of employment for such employees all as determined by Developer in its sole discretion without consultation or approval by RRI.

Section 11.2 Indemnity. Developer is responsible for all liability, losses, damages, claims, costs, expenses, and/or debts related to Developer's obligations under this Development Agreement and the development and operation of Franchised Restaurant(s). Developer shall, at all times, indemnify and hold RRI (including its subsidiaries, affiliates, successors and assigns and their respective officers, directors, attorneys, shareholders, partners, agents, representatives, independent contractors and employees -- collectively referenced hereinafter as "Indemnitees") harmless to the fullest extent permitted by law (without regard to the cause thereof or the negligence of Indemnitees) from all liability, losses, damages, claims, costs, expenses, and/or debts related to Developer's obligations under this Development Agreement and the development and operation of Franchised Restaurant(s) including, without limitation, liability, losses, damages, claims, costs, expenses, and/or debts related to the following matters:

(a) The infringement, alleged infringement, or any other violation or alleged violation by Developer or any of Developer's Owners of any patent, mark or copyright or other proprietary right owned or controlled by third parties (except as such may occur with respect to any right to use the Red Robin Marks or other proprietary information granted hereunder).

(b) The violation, breach or asserted violation or breach by Developer or any of Developer's Owners of any federal, state or local law, regulation, ruling, standard or directive or any industry standard (including, without limitation, any claims related to the employment of Developer's employees).

(c) Libel, slander or any other form of defamation of RRI, the System or any developer or Developer operating under the System, by Developer or by any of Developer's Owners;

(d) The violation or breach by Developer or by any of Developer's Owners of any provision of this Development Agreement or in any other agreement between Developer, its subsidiaries and affiliates and RRI, its subsidiaries and affiliates or the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees thereof.

(e) Acts, errors, or omissions of Developer, any of Developer's subsidiaries or affiliates and any of Developer's Owners and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of Developer and its subsidiaries and affiliates in connection with the development and operation of Franchised Restaurant(s).

Section 11.3 Notice to RRI. Developer and each of Developer's Owners agree to give RRI notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At the expense and risk of Developer and each of Developer's Owners, RRI may elect to assume (but under no circumstance is obligated to undertake) or associate counsel of its own choosing with respect to, the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Such an undertaking by RRI shall, in no manner or form, diminish the obligation of Developer and each of Developer's Owners to indemnify the Indemnitees and to hold them harmless.

Section 11.4 Settlement or Other Remedial Actions. In order to protect persons or property, or its reputation or goodwill, or the reputation or goodwill of others, RRI may, at any time and without notice, as it, in its judgment deems appropriate, consent or agree to settlements or take such other remedial or corrective actions it deems expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in RRI's sole judgment, there are reasonable grounds to believe that (i) any of the acts or circumstances enumerated in Section 11.2 have occurred or (ii) any act, error, or omission as described in Section 11.2(e) may result directly or indirectly in damage, injury, or harm to any person or any property.

(a) All losses and expenses incurred under this Article 11 shall be chargeable to and paid by Developer or any of Developer's Owners pursuant to its obligations of indemnity under this Section, regardless of any actions, activity or defense undertaken by RRI or the subsequent success or failure of such actions, activity, or defense.

Section 11.5 Definition of Losses and Expenses. As used in this Article 11, the phrase "liability, losses, damages, claims, costs, expenses, and/or debts" shall include, without limitation, all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, reasonable attorney's fees, court costs, settlement amounts, judgments, compensation for damages to the RRI's reputation and goodwill, costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

Section 11.6 No Liability. Indemnitees do not assume any liability whatsoever for acts, errors, or omissions of those with whom Developer, any of Developer's Owners, Developer's subsidiaries and affiliates or any of the officers, directors, shareholders, partners, agents, representatives, independent

contractors and employees of Developer, its subsidiaries or affiliates may contract, regardless of the purpose.

Section 11.7 No Requirement to Pursue Third Party. Under no circumstances shall Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against Developer or any of Developer's Owners. Developer and each of Developer's Owners agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from Developer or any of Developer's Owners by the Indemnitees.

Section 11.8 Indemnity and Insurance. Developer's obligations under this Article 11 are separate and distinct from any obligations to maintain insurance under this Development Agreement or any Franchise Agreement. Furthermore, Developer's obligation to indemnify and hold Indemnitees harmless shall not be limited by the amount of Developer's insurance (or lack thereof).

Section 11.9 Survival. The terms of this Article 11 shall survive the termination, expiration, or any transfer of this Development Agreement.

ARTICLE 12
APPROVALS

Whenever this Development Agreement requires the prior approval or consent of RRI, Developer shall make a timely written request to RRI therefor, and except as may be otherwise expressly provided herein, any approval or consent granted shall be in writing. RRI makes no warranties or guarantees upon which Developer or Developer's Owners may rely, and assumes no liability or obligation to Developer or such persons, by providing any waiver, approval, advice, consent, or services to Developer or Developer's Owners in connection with this Development Agreement, or by reason of any neglect, delay, or denial of any request therefor.

ARTICLE 13
NO WAIVER

No failure of RRI to exercise any power reserved to it in this Development Agreement or to insist upon compliance by Developer or Developer's Owners with any obligation or condition in this Development Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of RRI's rights to demand exact compliance with the terms of this Development Agreement. Waiver by RRI of any particular default shall not affect or impair RRI's right with respect to any subsequent default of the same or of a different nature; nor shall any delay, forbearance, or omission of RRI to exercise any power or right arising out of any breach or default by Developer or Developer's Owners of any of the terms, provisions, or covenants of this Development Agreement affect or impair RRI's rights; nor shall such constitute a waiver by RRI of any rights hereunder or rights to declare any subsequent breach or default.

ARTICLE 14
DISPUTE RESOLUTION

Section 14.1 Injunctive Relief. Developer agrees that RRI may have temporary or preliminary injunctive relief without bond, but upon due notice, and Developer's sole remedy in the event of the entry of such injunctive relief will be the dissolution of the injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any injunction being expressly waived).

Section 14.2 Consent to Jurisdiction, Venue, and Governing Law. Developer and Developer's Owners irrevocably (i) submit themselves to the jurisdiction of the State Courts of Colorado, located in Arapahoe County, Denver, and the United States District Court for the District of Colorado, Denver Division; (ii) waive all questions of personal jurisdiction for the purpose of effectuating this provision; (iii) agree that service of process may be made upon any of them in any proceeding relating to, or arising out of, this Development Agreement (including the relationship contemplated by this Development Agreement) by any means allowed by Colorado or Federal law; and (iv) agree that venue for any proceeding relating to, or arising out of, this Development Agreement shall be in Arapahoe County, Colorado; provided RRI may bring an action for injunctive or other extraordinary relief in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes, and/or actions, this Development Agreement shall be interpreted and construed under Colorado law (without regard to Colorado choice of law rules), except that any State law regarding (i) the offer and sale of franchises, (ii) franchise relationships, and/or (iii) business opportunities will not apply unless the applicable jurisdictional requirements are met independently without reference to this paragraph.

Developer, Developer's Owners, and RRI acknowledge the terms of this Section provide each of the parties with the mutual benefit of uniform interpretation of this Development Agreement and any dispute arising out of the relationship contemplated by this Development Agreement. Developer, Developer's Owners, and RRI acknowledge the receipt and sufficiency of mutual consideration for such benefit.

Section 14.3 Place of Execution of Development Agreement. Developer, Developer's Owners, and RRI acknowledge (i) this Development Agreement was executed in Arapahoe County, Colorado; and (ii) performance of certain obligations of Developer and Developer's Owners under this Development Agreement, including payment of monetary sums due hereunder, shall occur at RRI's principal offices in Englewood (Denver), Colorado.

Section 14.4 Costs and Attorneys' Fees. Prior to the commencement of litigation, arbitration, or other dispute resolution procedure and in the event RRI incurs costs and expenses (including attorneys' fees) in connection with Developer's failure to comply with (and/or failure to timely pay amounts owing to RRI under) this Development Agreement, then Developer shall promptly reimburse RRI for such reasonable costs and expenses. In the event of litigation, arbitration, or other dispute resolution procedure between the parties to enforce this Development Agreement, the prevailing party in any such action shall be entitled to recover reasonable costs and expenses from the other party, including, without limitation, court costs, attorneys' fees, discovery costs, and appellate costs.

Section 14.5 Rights of Parties are Cumulative. RRI's and Developer's rights under this Development Agreement are cumulative and the exercise or enforcement of any right or remedy under this Development Agreement will not preclude the exercise or enforcement by a party of any other right or remedy under this Development Agreement which it is entitled by law or this Development Agreement to exercise or enforce.

Section 14.6 Waiver of Punitive Damages and Jury Trial. To the fullest extent permitted by law, the parties waive any right to, or claim for, any punitive or exemplary damages against the other party. The parties also agree that, in the event of a dispute between them, the party making a claim will be limited to recovery of actual damages, if any. In addition, the parties irrevocably waive trial by jury in any action, proceeding, and/or counterclaim brought by either party.

Section 14.7 Limitation of Claims. Any and all claims arising out of or relating to this Development Agreement or the relationship among the parties to this Development Agreement will be

barred unless an action or proceeding is commenced within one year from the date Developer or RRI knew or should have known of the facts giving rise to such claim.

(a) RRI and Developer acknowledge and agree that any claims involving this Development Agreement will be conducted on an individual, not a class-wide, basis, and any proceeding between RRI and Developer (including, without limitation, any claim involving Developer's Owners) may not be consolidated with another proceeding between RRI and any other person or entity, nor may any claims of another party or parties be joined with any claims asserted in any action or proceeding between RRI and Developer. No claims may be brought on Developer's (or Developer's Owners' behalf) by any association.

(b) RRI and Developer acknowledge and agree that no previous course of dealing shall be admissible to explain, modify, or contradict the terms of this Development Agreement.

(c) RRI and Developer acknowledge and agree this Development Agreement constitutes the entire agreement between RRI and Developer with respect to the subject matter hereof and that no implied covenant of good faith and fair dealing shall be used, applied, and/or implied to alter the terms of this Development Agreement.

ARTICLE 15
GENERAL PROVISIONS

Section 15.1 Severability. Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Development Agreement shall be considered severable; and if, for any reason, any section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Development Agreement as may remain otherwise intelligible and legally enforceable, and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid portions, sections, parts, terms, and/or provisions shall be deemed not to be part of this Development Agreement.

Section 15.2 No Benefit. Except as expressly provided to the contrary herein, nothing in this Development Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Developer, RRI, RRI's officers, directors, managers and employees, and such of Developer's and RRI's respective successors and assigns as may be contemplated (and, as to Developer, permitted) by Article 8 hereof, any rights or remedies under or by reason of this Development Agreement.

Section 15.3 Agreement to be Bound. Developer and Developer's Owners, as applicable, expressly agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Development Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which RRI is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

Section 15.4 Captions. All captions in this Development Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision hereof.

Section 15.5 Survival. Any obligation of Developer or Developer's Owners that contemplates performance of such obligation after termination or expiration of this Development Agreement or the transfer of any interest of Developer or Developer's Owners shall be deemed to survive such termination, expiration or transfer.

Section 15.6 Gender. All references herein to the masculine, feminine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, where applicable, and vice versa; and, without limiting the obligations individually undertaken by Developer's Owners hereunder, all acknowledgments, promises, covenants, agreements, and obligations herein made or undertaken by Developer shall be deemed jointly and severally undertaken by all those executing this Development Agreement on behalf of Developer.

Section 15.7 References to Corporation or Partnership. Each reference in this Development Agreement to a corporation or partnership shall be deemed to also refer to a limited liability company and any other Entity or organization similar thereto. Each reference to the organizational documents, owners, directors, and officers of a corporation in this Development Agreement shall be deemed to refer to the functional equivalents of such organizational documents, owners, directors, and officers, as applicable, in the case of a limited liability company or any other Entity or organization similar thereto.

Section 15.8 Multiple Counterparts. This Development Agreement may be executed in one or more counterparts and each counterpart copy so executed shall be deemed an original.

Section 15.9 Entire Agreement. This Development Agreement, the documents referred to herein, and the Attachments hereto, constitute the entire, full, and complete agreement between RRI and Developer concerning the subject matter hereof and shall supersede all prior agreements, discussions, correspondence, understandings and/or communication in any form or format between the parties hereto with respect to the subject matter hereof. Except for those permitted to be made unilaterally by RRI hereunder, no amendment, change, or variance from this Development Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. In entering into this Development Agreement, no party is relying on any promise, warranty, inducement or representation of the other party other than those expressly set forth herein; provided, however, that nothing in this Development Agreement is intended to disclaim any representations made by RRI in the franchise disclosure document provided to Developer by RRI.

Section 15.10 Business Days. The term "business days" means any days excluding Saturday, Sunday and the following national holidays: New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving and Christmas.

Section 15.11 Developer's Responsibility For Developer's Owners. Developer shall, at its sole, cost, expense, and liability, be solely and completely responsible to ensure (and cause) each of Developer's Owners to comply with the terms of this Development Agreement. Developer agrees that any violation of the terms of this Development Agreement by Developer's Owners shall constitute an event of default under Article 7.

ARTICLE 16
ACKNOWLEDGMENTS

Section 16.1 Investigation by Developer and Developer's Owners. Developer and Developer's Owners acknowledge that they have conducted an independent investigation of the business venture contemplated by this Development Agreement and recognize that such business venture involves

substantial business risks and that Developer's success will be largely dependent upon the ability of Developer and Developer's Owners as independent business people. RRI expressly disclaims the making of, and Developer and Developer's Owners acknowledge not having received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Development Agreement. Further, Developer and Developer's Owners acknowledge that RRI has made no representations that the Developer or any of Developer's Owners may or will derive income from any Red Robin Restaurant developed hereunder.

Section 16.2 Receipt of Documents. Developer and Developer's Owners acknowledge they have received a copy of RRI's franchise disclosure document and have had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Development Agreement by counsel of their own choosing at least fourteen (14) calendar days prior to its execution and is entering into this Development Agreement after having made an independent investigation of RRI's operations and not upon any representation as to the profits and/or sales volume which Developer might be expected to realize.

(a) Further, Developer represents that it (or its parent or any affiliates) is an entity that has been in business for at least five (5) years and has a net worth of at least $7,348,000.00, and therefore, acknowledges that in accordance with 16 C.F.R. § 436.8(a)(5)(ii), RRI is not required to comply with the disclosure obligations set forth in 16 C.F.R. part 436. Further, Developer represents that, to the extent permitted by applicable law, it is not executing this Development Agreement in reliance on any information set forth in any Franchise Disclosure Document.

Section 16.3 Acknowledgment by Developer and Developer's Owners. Developer and Developer's Owners acknowledge they have read and understood this Development Agreement, the Attachments hereto, and agreements relating hereto, if any, and that RRI has accorded Developer and Developer's Owners ample time and opportunity to consult with advisors of Developer's own choosing about the potential benefits and risks of entering into this Development Agreement. Developer represents to RRI that Developer and Developer's Owners are sophisticated business person(s) who were adequately represented by counsel during negotiations regarding this Development Agreement and that Developer and Developer's Owners were fully informed of the terms and conditions of this Development Agreement prior to signature. Developer acknowledges and agrees that RRI is justifiably relying on Developer's representation under this Section.

Section 16.4 RRI's Right to Vary the System and Other Standards. Developer acknowledges and agrees that RRI reserves the right to operate, develop and change the System and the products and services offered by Red Robin Restaurants in any manner that is not specifically prohibited in this Franchise Agreement. Further, Developer acknowledges and agrees that, whenever RRI has reserved the right in this Franchise Agreement to take or refrain from taking any action (or to prohibit Developer from taking or refraining from any action), RRI may make its decision (or, exercise its rights) based on the information then readily available to RRI and in reliance on RRI's business judgment under the circumstances, regardless of whether RRI could have made other reasonable, or even arguably preferable, alternative decisions and regardless of whether RRI's decision or action benefits RRI or its affiliates or impacts the interests of Developer, Developer's Owners, or any other person or entity. Developer and Developer's Owners acknowledge and agree that other developers and/or franchisees of the System may be granted development rights, franchise rights and various other rights pursuant to development agreements, franchise agreements and/or other similar agreements which may substantially differ from this Development Agreement (including without limitation, the amount and timing for payment of development fees, franchise fees, royalty fees, technical services fees, advertising fees, and other fees).

(a) Developer and Developer's Owners acknowledge and agree that RRI reserves the right to vary the System and other standards, specifications, and operating procedures (including standards and specifications related to building, furniture, fixtures, equipment, and signage) to address different circumstances or for other reasons deemed sufficient by RRI, in its sole discretion, and that there may be variations granted by RRI to other developers and/or franchisees that RRI is not required to (or, does not) grant to Developer or Developer's Owners under this Development Agreement.

(b) Developer and Developer's Owners acknowledge and agree that (i) other developers and/or franchisees of the System may pay different (e.g., greater or lesser) development fees, franchise fees, royalty fees, advertising fees, and other fees as compared to the same (or, similar fees) paid by Developer under this Development Agreement, and (ii) RRI reserves the right to charge to different (i.e., greater or lesser) development fees, franchise fees, royalty fees, advertising fees, and other fees to other franchisees of the System as compared to the same (or, similar fees) paid by Developer under this Development Agreement, all as determined by RRI in its sole and absolute discretion.

(c) Developer and Developer's Owners acknowledge and agree that nothing herein (and no action by any party to this Development Agreement) constitutes a course of conduct, and/or course of dealing that creates a common basis of understanding for interpreting the parties' conduct either past, present, or future and that nothing herein (and no action by any party to this Development Agreement) creates a basis upon which Developer may justifiably rely as a basis for further actions, negotiations, and/or discussions in any manner whatsoever.

(d) Developer and Developer's Owners acknowledge and agree that RRI and Developer have negotiated the terms of this Development Agreement and that, to the fullest extent permitted by applicable law, neither party shall claim the existence of any implied covenants or conditions including without limitation, any implied covenant of good faith and fair dealing, in contravention of (or, as a modification or limitation to) any right, term, condition, obligation or other provision of this Development Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Development Agreement to be effective as of the Effective Date (as defined above).

RRI:

Red Robin International, Inc.,
a Nevada corporation

By: _____

Name: _____

Title: _____

Developer:

_____,
a _____ corporation

By: _____

Name: _____

Title: _____

ATTACHMENT A TO DEVELOPMENT AGREEMENT

DEVELOPER'S OWNERS, PRINCIPAL OWNER, AND OPERATING PARTNER

Principal Owner: _____

Operating Partner: _____

Developer's Owners	Percentage of Ownership

ATTACHMENT B TO DEVELOPMENT AGREEMENT

GUARANTY

Pursuant to Section 9.8 of this Development Agreement, the undersigned agrees to be individually bound by all the terms and conditions of this Development Agreement including any amendments or modifications thereto whenever made; and unconditionally irrevocably guarantee to RRI and its successors and assigns that all of Developer's obligations under this Development Agreement will be punctually paid and performed.

Upon default by Developer or notice from RRI, the undersigned will immediately make each payment and perform each obligation required by Developer under the Development Agreement. Without affecting the obligations of the undersigned under this Guaranty, RRI may, without notice to the undersigned, renew, extend, modify, amend or release any indebtedness or obligation of Developer, or settle, adjust, or compromise any claims against Developer.

The undersigned waive all demands and notices of every kind with respect to this Guaranty and the Development Agreement, including, without limitation, notice of the amendment or modification of this Guaranty or the Development Agreement, the demand for payment or performance by Developer, any default by Developer or any guarantor, and any release of any guarantor or other security for the Development Agreement or the obligations of Developer.

RRI may pursue its rights against the undersigned without first exhausting its remedies against Developer and without joining any other guarantor hereto and no delay on the part of RRI in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by RRI of any right or remedy shall preclude the further exercise of such right or remedy.

Upon receipt by RRI of notice of the death of an individual guarantor, the estate of such guarantor will be bound by this Guaranty but only for defaults and obligations hereunder existing at the time of death, and the obligations of the other guarantors hereunder will continue in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty to be effective as of the date below.

Acknowledged and Agreed:

_____

Name: _____
Title: _____
Date: _____

ATTACHMENT C TO DEVELOPMENT AGREEMENT

RIGHT OF FIRST REFUSAL

Capitalized terms used in this Right of First Refusal shall have the meanings ascribed to such terms in this Development Agreement unless otherwise defined herein.

(1) In the event Developer receives (or delivers) an acceptable bona fide offer from a third party related to this Development Agreement and/or a proposed sale of the Franchised Restaurant(s) in the Territory (or any portion thereof or interest therein), then Developer shall give RRI written notice setting forth the name and address of the prospective purchaser, the price and terms of the offer together with a franchisee application completed by the prospective purchaser, a copy of the purchase and sale agreement, executed by both Developer and purchaser, and all exhibits, copies of any real estate purchase agreement or agreements, proposed security agreements and related promissory notes, assignment documents, title insurance commitment and any other information that RRI may request in order to evaluate the offer.

(2) RRI shall then have the right of first refusal to purchase Developer's interest covered by such offer at the price and upon the same terms of the offer. RRI shall have thirty (30) calendar days after receipt of Developer's notice of offer and the furnishing of all reasonably requested information within which to notify Developer in writing of its intent to accept or reject the offer. Silence on the part of RRI shall constitute rejection. Developer may not rely upon any notice from RRI of its intention to accept or reject the offer nor shall such notice be effective unless such notice is in writing and signed by an officer of RRI.

(a) In the event an offer from a third party provides for payment of consideration other than cash or involves certain intangible benefits, RRI may elect to purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the non-cash part of the offer, an independent appraiser shall be designated by RRI to determine such amount, and his determination shall be binding.

(3) If the proposed sale includes assets of Developer not related to the Franchised Restaurants, then RRI may, at its option, elect to purchase only the assets related to the Franchised Restaurants and an equitable purchase price shall be allocated to each asset included in the proposed sale.

(4) If the proposed sale includes Red Robin-franchised restaurants other than Red Robin Restaurants (the "Red Robin Non-Red Robin Restaurants"), then RRI may, at its option, elect to purchase: (i) only the Red Robin Non-Red Robin Restaurants; (ii) only the Franchised Restaurants; or (iii) any combination of Red Robin Non-Red Robin Restaurants and/or Franchised Restaurants whether on an individual restaurant basis or on an aggregate basis; and an equitable purchase price shall be allocated to each restaurant.

(5) To the extent any franchise agreements or other agreements relating to the Red Robin Non-Red Robin Restaurants may be inconsistent with, or conflict with the terms of the right of first refusal contained herein, the terms of this right of first refusal shall control. This right of first refusal shall apply to any transfer, conveyance, assignment, consolidation, merger or any other transaction in which legal or beneficial ownership of the franchise granted in a franchise agreement is vested in an individual or entity other than Developer; provided, however, it shall not apply if Developer consists of more than one person and the transfer or assignment is from one partner to another, both of whom are signatories to this Development Agreement as of the date hereof, so long as (i) the Operating Partner

continues to satisfy the requirements set forth in Section 6.2 hereof, and (ii) RRI is given written notice thereof prior to such transfer.

(6) If this Development Agreement has been assigned to a corporation in accordance with Section 8.2(c) of this Development Agreement, then this right of first refusal shall also apply if Voting Common Stock in such corporation is sold, assigned or transferred to individuals or entities other than those approved by RRI as owners of the Voting Common Stock.

(7) The election by RRI not to exercise its right of first refusal as to any offer shall not affect its right of first refusal as to any subsequent offer.

(8) Any sale, attempted sale, assignment or other transfer of the rights granted effected without first giving RRI the right of first refusal described above shall be void and of no force and effect.

(9) If RRI does not accept the offer to purchase the Franchised Restaurants proposed to be sold by Developer, then Developer may conclude the sale to the purchaser who made the offer upon the same terms, conditions, and price as offered to RRI provided RRI's consent to the assignment be first obtained, which consent will not be unreasonably withheld upon compliance with the conditions imposed by RRI on the assignment including the conditions set forth in Section 8.2(b).

(10) In addition, Developer agrees that, prior to acquiring any other Red Robin Restaurant development rights or franchise which may be offered to it for sale or which it may offer to purchase, such development rights or franchise will first be offered to RRI on the same terms, conditions and price.

* * * * * * *

ATTACHMENT D TO DEVELOPMENT AGREEMENT

RED ROBIN GOURMET BURGERS AND BREWS
FRANCHISE AGREEMENT

TO BE ATTACHED

EXHIBIT C

FRANCHISE AGREEMENT



Red Robin® Gourmet Burgers and Brews
Franchise Agreement

Approved Location for the Franchised Restaurant

[TO BE INSERTED]

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* * * * * *

RED ROBIN® GOURMET BURGER AND BREWS
FRANCHISE AGREEMENT

This Red Robin® Gourmet Burger and Brews Franchise Agreement (this "Franchise Agreement") is entered into between Red Robin International, Inc., a Nevada corporation ("RRI" as franchisor) and _____ ("Franchisee") to be effective as of _____ (the "Effective Date").

Recitals

- RRI and _____ ("Developer") have entered into an Area Development Agreement dated _____ (the "Development Agreement"), relating to the development of Red Robin Restaurants in the Territory (as that term is defined in the Development Agreement).

- RRI (and/or its parent company, affiliates, and subsidiaries), as the result of the expenditure of time, skill, effort and money, has developed and owns a distinctive system and proprietary system for establishing, developing, owning, operating, promoting and franchising casual dining, full-service, brick-and-mortar restaurants featuring gourmet burgers and spirits under the Red Robin® brand (the "System") where the System is used in the establishment and operation of such restaurants under the tradename Red Robin® Gourmet Burger and Brews and related tradenames (collectively, "Red Robin Restaurants").

- The distinguishing characteristics of the System include, without limitation, distinctive business formats, distinctive exterior and interior design, decor, color scheme, furnishings; special recipes and menu items; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by RRI from time to time.

- RRI identifies the System by means of certain tradenames, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, Red Robin® Gourmet Burger and Brews and such other tradenames, service marks, and trademarks as are now designated (and may hereafter be designated) by RRI for use in connection with the System (collectively, the "Red Robin Marks").

- RRI continues to develop and use (and control the use of) the Red Robin Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service.

- RRI has established a high reputation and a positive image with the public as to the quality of products and services available at Red Robin Restaurants, which reputation and image have been and continue to be unique benefits to RRI and its franchisees.

- Franchisee understands and acknowledges the importance of RRI's high standards of quality, cleanliness, appearance and service and the necessity of operating the business franchised hereunder in conformity with RRI's standards and specifications.

- Franchisee desires to use the System in connection with the operation of a Red Robin Restaurant at the "Approved Location" on the cover page (i.e., Page 1) of this Franchise Agreement as well as to receive the training and other assistance provided by RRI in connection with such restaurant.

NOW THEREFORE, with the intent of being legally bound hereby, in consideration of the mutual covenants and promises hereinafter set forth, and other good and valuable consideration, which the parties acknowledge is sufficient to create a legally binding agreement, the parties agree as set forth herein.

ARTICLE 1
GRANT OF FRANCHISE

Section 1.1 Term and Grant of Franchise. Unless sooner terminated, the "Term" of this Franchise Agreement shall commence on the Effective Date and shall expire on the last day of the last calendar month of the twentieth (20th) anniversary of the Effective Date.

(a) Franchisee agrees the rights and duties set forth in this Franchise Agreement are personal to Franchisee and that RRI entered into this Franchise Agreement in reliance on the business skill, financial capacity, restaurant operating experience, restaurant operating systems, organizational expertise, corporate infrastructure, staffing resources, and personal character of Franchisee and Franchisee's Owners.

(b) Subject to this Franchise Agreement, RRI hereby grants to Franchisee, and Franchisee hereby accepts, the non-exclusive right and obligation to operate a franchised Red Robin® Gourmet Burgers and Brews restaurant in accordance with the System only at the Approved Location during the Term using only the Red Robin Marks at such restaurant (collectively, the "Franchised Restaurant").

(c) During the Term, Franchisee shall use the Approved Location solely for the operation of the Franchised Restaurant in accordance with this Franchise Agreement and for no other purpose and Franchisee shall not relocate the Franchised Restaurant from the Approved Location without the express prior written consent of RRI, as determined by RRI in its sole discretion.

(d) During the Term, Franchisee shall continuously operate the Franchised Restaurant at the Approved Location for such hours and days as RRI may from time to time specify in the FOM or as RRI may otherwise designate in writing.

(e) Franchisee or any of Franchisee's Owners shall not enter into any subfranchise agreement, management agreement, operating agreement, consulting arrangement, subcontracting arrangement, outsourcing arrangement, or any other similar arrangement relating to the rights and obligations of Franchisee hereunder. This Franchise Agreement (including the rights, obligations, duties, and benefits hereunder) is intended solely for the parties hereto, and no other person or entity shall have any rights, obligations, duties, and benefits under this Franchise Agreement.

(f) Franchisee is solely responsible, at its sole cost, expense and liability, to ensure that Franchisee has the legal right to occupy the Approved Location during the Term of this Franchise Agreement. Franchisee acknowledges and agrees that RRI reserves the right to review and approve Franchisee's purchase contract, lease agreement, and/or other documentation evidencing Franchisee's legal right for occupancy of the Approved Location. Further, Franchisee shall provide RRI a fully executed copy of Franchisee's purchase contract, lease agreement, and/or other documentation evidencing Franchisee's legal right for occupancy of the Franchised Restaurant premises, within three (3) business days after request by RRI.

(g) Franchisee acknowledges that RRI reserves the right to require Franchisee to secure an addendum to Franchisee's lease (or, occupancy) agreement for the Approved Location signed by landlord (or, owner) of such Approved Location on RRI's standard "lease rider" template containing terms required by RRI.

(h) Except as otherwise expressly set forth under applicable law, Franchisee acknowledges and agrees Franchisee has no right to renew or otherwise extend the Term of this Franchise Agreement and (unless sooner terminated) the Term of this Franchise Agreement shall expire on the last day of the last calendar month of the twentieth (20th) anniversary of the Effective Date.

Section 1.2 No Territorial Rights Except Limited Protected Area.

(a) Franchisee acknowledges agrees that the grant of franchise rights under this Franchise Agreement is non-exclusive and this Franchise Agreement does not grant any territorial rights, radius restrictions, protected areas, delivery areas, minimum population requirements, and/or any other requirements which would govern and/or restrict where another Red Robin Restaurant may open and operate or any other business(es), sales channels, and/or distribution channels using the Red Robin Marks. RRI (on its behalf and on behalf of any other entity which it may acquire, or be acquired by, or otherwise is or becomes affiliated with) retains all rights not expressly granted in this Franchise Agreement including, without limitation, the right to:

(1) establish and operate, and allow others to establish and operate, other Red Robin Restaurants using the Marks or the System, at any location and upon such terms and conditions as may be approved by RRI in its sole discretion;

(2) establish and operate, allow others to establish and operate, or acquire the ownership interests or assets of another business that establishes or operates, any business using trade names, trademarks, service marks and commercial symbols other than the Red Robin Marks (including, without limitation, other restaurants and food service businesses), anywhere in the world, regardless of the nature or location of the customers of such business, which may offer products and services that may be identical or similar to products and services offered by Red Robin Restaurants;

(3) establish, and allow others to establish, other distribution channels (including, but not limited to, the internet, social media, websites, retail stores, and supermarkets) wherever located or operating and regardless of the nature or location of the customers, with whom such other distribution channels do business, that operate under the Red Robin Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from Red Robin Restaurants, and that sell products and/or services that are identical or similar to, and/or competitive with, those that Red Robin Restaurants customarily sell under any terms and conditions as may be approved by RRI in its sole discretion;

(4) offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by Red Robin Restaurants, at or through any quick-service restaurants, fast-casual restaurants, ghost kitchens, dark kitchens, cloud kitchens, execution kitchens, preparation kitchens, container kitchens, concession trailers, food trucks, and any similar food-preparation operations under the Red Robin Marks or other trademarks and service marks;

(5) offer and sell, and allow others to offer and sell, any of the food and beverage services and products that are offered by Red Robin Restaurants at or through any nontraditional venues, including, without limitation, permanent, temporary, or seasonal food service facilities in any stadium, entertainment or amusement park, airport, highway travel plaza, museum, university, elementary or secondary school, office or commercial building, hospital, military facility, or special events, under the Red Robin Marks or other trademarks and service marks;

(6) acquire the assets or ownership interests of one or more businesses that operate, or grant franchises or licenses to operate, one or more restaurants or food-service businesses, notwithstanding the fact that such restaurants may be the same as or similar to Red Robin Restaurants; and in the event of such an acquisition, RRI or our affiliates (as applicable) shall have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept;

(7) be acquired (regardless of the form of transaction) by a business, whether or not such business is a Competitive Restaurant (defined below), even if such business operates, franchises and/or grants licenses for the operation of restaurants which may be the same as or similar to Red Robin Restaurants; and in the event of such an acquisition, the acquirer and its affiliates (as applicable) shall have the right to continue to operate such restaurants and to develop additional restaurants of such concept, and to grant others the right to develop and operate restaurants of such concept; and

(8) engage in all other activities not expressly prohibited by this Franchise Agreement.

(b) RRI hereby agrees to the following limited exception to Section 1.2(a) above. The "Limited Protected Area" as used in this Section 1.2(b) means the geographic area within a three (3) mile radius around the Approved Location. RRI agrees that RRI shall not establish and/or operate (or, allow others to establish and operate) any other Red Robin Restaurant within the Limited Protected Area. Franchisee acknowledges and agrees that the Limited Protected Area set forth in this Section 1.2(b) shall not restrict or limit in any manner whatsoever RRI's rights under Section 1.2(a) above, except for the Limited Protected Area set forth in this Section 1.2(b). Franchisee acknowledges that the provisions of this Section 1.2(b) shall automatically terminate without requirement of notice in the event of a default by Franchisee under this Franchise Agreement, even if such default is cured by Franchisee.

(c) Franchisee releases RRI and shall hold RRI harmless (including its subsidiaries, officers, directors, employees, and agents) from any and all liability, loss, damages, costs, and/or expenses which Franchisee may claim to have arising out of, or related to, the exercise by RRI (including its affiliates, franchisees, developers, partners, and/or authorized representatives) of the rights reserved to RRI under this Section, including, without limitation, any claim related to an alleged cannibalization of Gross Sales and any claim related to the right to establish, develop, construct, open, and operate Red Robin Restaurants inside and/or outside the Territory (if any) and/or other restaurants, other food service operations, and other businesses under the Red Robin Marks inside and outside the Territory (if any) and regardless of whether directly or through a franchise, licensing, joint venture, or any other arrangement.

Section 1.3 No Development Rights. Franchisee agrees this Franchise Agreement (a) is strictly limited to the non-exclusive right and obligation to operate a franchised Red Robin Restaurant at

the Approved Location during the Term in accordance with this Franchise Agreement, (b) is not a development agreement, and (c) does not grant any right to develop any Red Robin Restaurants. Further, Franchisee assumes all cost, liability, expense, and responsibility for locating, obtaining, and developing the Approved Location for the Franchised Restaurant and for constructing, equipping, and operating the Franchised Restaurant at the Approved Location. Franchisee's proposed development of a Franchised Restaurant at the Approved Location is subject to RRI's prior written approval in accordance with RRI's then-existing franchise development process as may be set forth in the Development Agreement, FOM, or other guidelines designated by RRI in its sole discretion.

ARTICLE 2
TRAINING AND OPENING REQUIREMENTS

Section 2.1 Franchised Restaurant Training Programs. RRI will provide the Principal Owner, Operating Partner, "Managers" (i.e., managing partner, general manager, kitchen manager, assistant managers, or any other managers at the Franchised Restaurant), and (RRI-approved) key operating employees with training programs for operation of the Franchised Restaurant in accordance with this Franchise Agreement and the FOM (collectively, the "Training Programs").

(a) Franchisee shall be solely responsible for all costs and expenses of such Training Programs which shall be due and payable to RRI within thirty (30) days after receipt of invoice. Subject to RRI's approval, Franchisee may invite additional employees to attend the Training Programs; provided RRI reserves the right to limit attendance at the Training Programs and RRI reserves the right to charge additional training fees for such additional employees.

(b) RRI reserves the right to require all Training Programs to occur at restaurant(s) designated by RRI in its sole discretion. Subject to RRI's approval, Franchisee may also request that RRI provide certain portion(s) of the Training Programs at the Franchised Restaurant, and RRI will determine whether to provide such portion(s) of the Training Programs at such restaurant in its sole discretion. If RRI provides any portion of the Training Programs at the Franchised Restaurant, then RRI reserve the right to charge our then-current training fee, plus any travel and living expenses for the trainers sent by RRI to the restaurant for such training programs.

(c) The Training Programs are set forth in the FOM and consist of such programs as Management Foundations Training and Team Member Foundations Training, in addition to any other training programs set forth in the FOM. The Training Programs are subject to change without prior notice due to updates in the FOM and updates in materials, methods, manuals and personnel. Franchisee must provide at least six (6) weeks prior written notice to RRI regarding Franchisee's desire to attend the Training Programs including the names and contact information for the proposed trainees.

(d) All approved trainees must commence the Training Programs no later than nineteen (19) weeks prior to the Franchised Restaurant's scheduled opening date. If more than ninety (90) days pass between the successful completion of the Training Programs by the Managers and such opening date, then RRI may require your Managers to attend additional training at Franchisee's cost and expense.

(e) RRI has operations and training teams that RRI typically uses for training restaurant managers for RRI's company-owned restaurants. RRI will generally use these teams to train all Managers that participate in the Training Programs. However, RRI will determine the identity and composition of the trainer(s) conducting all portions of the Training Programs in its sole discretion, and RRI's training teams are subject to change without prior notice in RRI's sole discretion.

(f) Franchisee is solely responsible for all costs and expenses of the Training Programs including, without limitation, payment to RRI for training costs, compensation costs, travel, airfare, lodging, meals, and all other similar costs, compensation paid to Franchisee's employees, travel, lodging, meals, living expenses, and all other similar costs and expenses related to such Training Programs.

(g) RRI reserves the right to stop and discontinue the Training Programs at any point if the Managers or other designated team members are not progressing to RRI's satisfaction. RRI will determine whether the Managers and Operating Partners in training are qualified to remain in training based on their performance while attending the training, and such Managers and Operating Partners must complete the Training Programs to RRI's satisfaction.

(h) Franchisee acknowledges that RRI's determination that a Manager or Operating Partner has successfully completed the training curriculum is not a representation or warranty of any kind, express or implied, that such individual will successfully perform his or her duties at the Franchised Restaurant.

(i) In the event the Franchised Restaurant has been designated by RRI as a "Certified Training Restaurant" (or, CTR) in accordance with the requirements in the FOM (or such other requirements designated by RRI), then RRI reserves the right to review this designation on an ongoing basis and reserves the right to remove such designation in the event the Franchised Restaurant no longer satisfies the CTR requirements.

(j) RRI may deliver training reports to Franchisee from time-to-time during the Term and those training reports may include recommendations for correcting any deficiencies in Franchisee's training programs at the Franchised Restaurant's. In such event, Franchisee shall follow such recommendations by incorporating such additional training and training personnel into Franchisee's training program at the Franchised Restaurant.

(k) In the event of any change to the Managers or Operating Partner (e.g. resignation, termination, disability, death, etc.), then Franchisee is required to identify, hire, and have the successor manager complete the Training Programs within one hundred eighty (180) days following such event. Each successor Manager or Operating Partner must successfully complete the required Training Programs. Franchisee's failure to require such personnel to attend and successfully complete the Training Programs to RRI's satisfaction in a timely manner constitutes a material default under this Franchise Agreement.

Section 2.2 New Restaurant Opening Training. In connection with the opening and initial operations of the Franchised Restaurant, the Training Programs may also include New Restaurant Opening (or, NRO) Training. The NRO Training is set forth in the FOM and typically consists of a minimum of seven (7) days of training commencing prior to opening. We will determine the nature and extent of the NRO Training, in our sole discretion, based upon our assessment of management team at the Franchised Restaurant.

(a) Franchisee is solely responsible for all costs and expenses of the NRO Training including, without limitation, payment to RRI for training costs, compensation costs, travel, airfare, lodging, meals, and all other similar costs, compensation paid to Franchisee's employees, travel, lodging, meals, living expenses, and all other similar costs and expenses related to the NRO Training. RRI may provide a credit against such NRO Training costs in an amount determined by RRI from time-to-time.

(b) RRI may, at its option, elect to provide on-site supervision and assistance prior to opening of the Franchised Restaurant which may include, at Franchisee's expense, an opening crew and otherwise subject to the availability of such opening crew and all as more particularly set forth in the FOM.

Section 2.3 Other Training Assistance. RRI may, at its option and from time-to-time, provide such continuing training, guidance, and advisory assistance to Franchisee in the operation of the Franchised Restaurant, as RRI deems advisable. RRI may, from time-to-time and at its option, provide to Franchisee advice and written materials concerning techniques of managing and operating the Franchised Restaurant, including information regarding new developments and improvements in training techniques, restaurant operations, restaurant service model(s), restaurant equipment, food products, packaging, and preparation. Franchisee is solely responsible for all costs and expenses of such training programs including, without limitation, payment to RRI for training costs, compensation costs, travel, airfare, lodging, meals, and all other similar costs), compensation paid to Franchisee's employees, travel, lodging, meals, living expenses, and all other similar costs and expenses related to such training programs.

Section 2.4 Supplemental Training. In addition to the training programs set forth in this Franchise Agreement, RRI reserves the right to require Franchisee, Principal Owner, Operating Partner, and then-current managers at the Franchised Restaurant to attend supplemental training courses at times and locations determined by RRI and all costs (including, without limitation, travel, lodging, and food costs for Franchisee's personnel) associated with such supplemental training shall be Franchisee's responsibility. RRI reserves the right to charge a fee to Franchisee for such supplemental training courses and training materials.

Section 2.5 Opening Requirements. In connection with the opening of the Franchised Restaurant, Franchisee shall conduct, at Franchisee's expense, such promotional and advertising activities as RRI may require. Franchisee agrees that RRI, in its reasonable business judgment, may require that the Franchised Restaurant be staffed, in whole or in part, by an opening crew composed of trained representatives of RRI, for a total period not to exceed twenty (20) days occurring before and after the date of opening of the Franchised Restaurant. Franchisee's management team shall be at the Franchised Restaurant at least six (6) weeks prior to the Franchised Restaurant opening and no opening crew shall be furnished by RRI until RRI's representative approves the Franchised Restaurant as ready for training. Franchisee further agrees to reimburse RRI for all reasonable expenses incurred in providing such opening crew for the Franchised Restaurant, including costs of transportation, lodging, meals and wages.

Section 2.6 Authorization To Open. Prior to opening the Franchised Restaurant for business, Franchisee shall comply with all opening requirements set forth in this Franchise Agreement, any applicable Development Agreement, the FOM (as referenced below), and/or any other opening requirements designated by RRI. Franchisee shall not, in any event, open the Franchised Restaurant to the public for business until Franchisee has received written "authorization to open" from RRI.

Section 2.7 Training Costs. Franchisee shall be responsible for any and all expenses incurred by Franchisee, Franchisee's Owners, and its managers and employees in connection with any training programs hereunder, including, without limitation, the costs of transportation, lodging, meals and wages.

Section 2.8 Release by Franchisee. Franchisee assumes all cost, liability, expense, and responsibility for locating, obtaining, and developing the Franchised Restaurant and for constructing, equipping, and operating the Franchised Restaurant. Franchisee acknowledges that RRI's approval of a prospective site and the rendering of assistance in connection with the foregoing does not constitute a representation, promise, warranty, or guarantee by RRI that the Franchised Restaurant will be profitable or otherwise successful. Accordingly, Franchisee releases RRI and shall hold RRI harmless (including its

subsidiaries, officers, directors, employees, and agents) from any and all liability, loss, or damages which may arise from Franchisee's locating, obtaining, and developing the Franchised Restaurant and for constructing, equipping, and operating the Franchised Restaurant.

ARTICLE 3
FEES AND PAYMENTS

Section 3.1 Franchise Fee. Franchisee shall pay to RRI an initial franchise fee of Thirty-Five Thousand and 00/100 Dollars ($35,000.00) within ten (10) days after the Effective Date (the "Franchise Fee"). Upon payment, the Franchise Fee shall be deemed fully earned and nonrefundable in consideration for administrative and other expenses incurred by RRI in granting this franchise and for RRI's lost or deferred opportunity to franchise others.

Section 3.2 Royalty Fee and Definition of Gross Sales.

(a) Royalty Fee. During the Term, Franchisee shall pay to RRI a continuing monthly royalty fee in an amount equal to five percent (5%) of Gross Sales, as defined below (the "Royalty Fee").

(b) Royalty Fee Payment Date. The Royalty Fee shall be paid to and received by RRI on or before the fifteenth (15th) day of each "Accounting Period" (defined below) based on the Gross Sales for the preceding Accounting Period and shall be submitted to RRI in accordance with payment instructions designated by RRI from time-to-time.

(c) Accounting Period. The term "Accounting Period" means an accounting period specified from time-to-time by RRI. As of the Effective Date, Accounting Period means thirteen (13) Accounting Periods per fiscal year -- which ends on the last Sunday of each calendar year -- consisting of twenty-eight (28) calendar days in each accounting period.

(d) Gross Sales. The term "Gross Sales" shall include the total value of all services and products provided by and/or from the Franchised Restaurant and all revenue from any sale of all services and products and all other income of every kind and nature related to the Franchised Restaurant including, without limitation, the full value of on-premise sales, off-premise sales, catering sales, internet or website sales, e-commerce sales, sales from tabletop and other digital media devices, and any other type of sale related to the Franchised Restaurant, whether for cash or credit (and regardless of collection in the case of credit) and with no deductions or exclusions whatsoever, except (i) deductions and exclusions for complimentary sales to guests, (ii) discounted sales to guests, (iii) coupon sales to guests, (iv) sales (discounted or otherwise) to employees, and (v) federal taxes, state taxes, or municipal sales taxes collected by Franchisee from guests and paid by Franchisee to the appropriate taxing authority. Franchisee shall not be permitted to take any other deduction or exclusion from Gross Sales other than the specific deductions and exclusions listed in the previous sentence.

Section 3.3 Other Payments and Payment Instructions. All other payments required under this Franchise Agreement (except the Royalty Fee and the Advertising Fee which must be received by RRI no later than the 15th day of each Accounting Period), including those related to reimbursement of expenses, are due and payable upon demand or receipt of any billing statement or invoice therefor, whichever is earlier and shall otherwise be payable in accordance with the provisions of this Franchise Agreement, unless otherwise instructed in writing by RRI. Franchisee shall designate a single address/location for the delivery of all billing statements and invoices under this Franchise Agreement and any other development or franchise agreement between RRI and Franchisee (including its parent

company and affiliated entities). Franchisee shall pay all amounts due under this Franchise Agreement to RRI in accordance with payment instructions designated by RRI from time-to-time.

Section 3.4 Late Charge and Interest on Late Payments. Any payment or report not actually received by RRI on or before the date on which such payment is due shall be deemed as late. To compensate RRI for the increased administrative expense of handling late payments, RRI has the right to charge a $500 late charge for each delinquent payment, due upon making the delinquent payment. In addition to such late charge, Franchisee shall pay RRI interest on such late payment from the date it was due until paid at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less. Entitlement to such interest shall be in addition to any other remedies RRI may have. Franchisee agrees this Section does not constitute RRI's agreement to accept payments after they are due or a commitment by RRI to extend credit to Franchisee or otherwise finance the operation of the Franchised Restaurant.

Section 3.5 Payments - No Refunds - No Offset. Under no circumstances will any amounts paid or payable to RRI be refunded by RRI for any reason. All amounts owed to RRI pursuant to this Franchise Agreement shall be paid to and received by RRI on or before the date such amount is due. All such payments must be made by wire transfer, electronic payment or other payment method as designated from time to time by RRI, and each payment shall be accompanied by the electronic, digital or other reports as specified by RRI. Franchisee shall not withhold, retain, deduct, credit, and/or offset any amounts which may be owed by RRI to Franchisee (and/or its affiliates or subsidiaries) against any amounts due from Franchisee to RRI.

Section 3.6 Application of Payments. Regardless of any designation by Franchisee, RRI has the right to apply any payments by Franchisee to any of Franchisee's past due indebtedness, interest, or any other indebtedness or amounts owed to RRI.

Section 3.7 Taxes. Franchisee shall promptly pay when due all taxes, duties, and/or fees levied or assessed (including, without limitation, gross receipts taxes, franchise taxes, sales taxes, withholding taxes, value added taxes, and/or any similar taxes or fees) and all accounts and other indebtedness of every kind incurred by Franchisee under this Franchise Agreement (collectively, "Taxes"). In the event of any bona fide dispute as to Franchisee's liability for Taxes, Franchisee may contest the validity or the amount of such Taxes in accordance with procedures of the taxing authority or applicable law; however, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against this Franchise Agreement, the Franchised Restaurant, and/or Approved Location (or any improvements thereon).

(a) All payments made by Franchisee to RRI under this Franchise Agreement shall be paid in U.S. Dollars and shall be grossed-up and paid by Franchisee to RRI without any retention, deduction, credit, and/or offset for any Taxes – except any deduction and/or credit expressly permitted under the definition of Gross Sales. Franchisee shall, at its sole cost, pay directly to the appropriate taxing authority any and all Taxes on any amounts paid by Franchisee under this Franchise Agreement or otherwise imposed on RRI by any taxing authority in the Territory.

(b) It is the parties' intention that all payments by Franchisee to RRI hereunder shall be grossed-up (and without any retention, deduction, credit, and/or offset) for any Taxes in order for RRI to receive the entire Franchise Fee, Royalty Fee, Advertising Fee, and/or other amounts due to RRI under this Franchise Agreement without any retention, deduction, credit, and/or offset for any Taxes (except any deduction and/or credit expressly permitted under the definition of Gross Sales).

(c) Any Taxes imposed upon or with respect to this Franchise Agreement or any materials, supplies or specifications acquired by or provided to Franchisee pursuant to or in connection with this Franchise Agreement shall be paid by Franchisee.

(d) In the event RRI is required under applicable law or otherwise elects (all as determined by RRI in its sole discretion) to pay any Taxes to the appropriate taxing authority(ies) in the Territory arising out of this Franchise Agreement, then Franchisee shall immediately pay to RRI an amount equal to any amount(s) so paid by RRI to such taxing authority(ies).

Section 3.8 Other Payment Terms. Franchisee shall, at its sole cost and expense, pay all fees, costs, charges, and other expenses that may be due under this Franchise Agreement in immediately available funds at the location and in the manner designated by RRI from time-to-time including, without limitation, payment by electronic funds transfer, payment by centralized payment processing programs, payment by automatic funds transfer, payment by auto-debit, and/or any similar payment methods. Franchisee shall, at its sole cost and expense, execute such documents and take such action(s) as may be required to effectuate these payment terms. RRI reserves the right to modify, change, and amend the timing of any payments due to RRI hereunder including, without limitation and by way of example, payment of Royalty Fees and Advertising Fees on a weekly basis, all as determined by RRI in its sole discretion.

ARTICLE 4
FRANCHISE OPERATIONS MANUAL, PUBLIC RELATIONS, AND CRISIS COMMUNICATIONS

Section 4.1 Franchise Operations Manual. The term "Franchise Operations Manual" (also referenced as the "Franchise Manual" or "FOM") means the manuals, policies, specifications, standards, checklists, evaluation forms, spreadsheets, guides, recipes, handbooks, documents, and other information designated by RRI from time-to-time regarding the System and Red Robin Restaurants. The FOM is part of the System and may be updated, modified, and/or revised by RRI from time-to-time in its sole discretion. The FOM also includes such other manuals, policies, specifications, standards, guides, documents, and other information as may be designated by RRI in the future with respect to Red Robin Restaurants.

(a) During the Term, Franchisee shall operate the Franchised Restaurant in a first-class manner and in strict conformity with the System and the FOM and such other methods, standards and specifications as RRI may from time-to-time prescribe in the FOM or otherwise in writing. In the event of an update, modification, and/or revision to the System and/or FOM, Franchisee shall thereafter comply with the System and/or FOM, as updated, modified, and/or revised. Franchisee acknowledges that its compliance with this Section (and every detail in the operation of the Franchised Restaurant) is important in order to develop and maintain high operating standards, to increase the demand for the services and products sold by all franchisees, and to protect RRI's reputation and goodwill.

(b) RRI has the right to update, modify, and/or revise the System and/or the FOM in the future to reflect changes to Red Robin Restaurants and changes in the System, image, specifications, standards, procedures, approved products, and other items. In such event, Franchisee shall thereafter comply with the System and/or FOM, as updated, modified, and/or revised.

(c) Franchisee acknowledges that modifications, updates, and/or revisions to the System and/or FOM may require Franchisee to incur additional costs and/or invest additional capital into the Franchised Restaurant and/or incur higher operating costs. Franchisee agrees to implement such changes, incur such costs, and/or invest such capital required by any such modifications, updates, and/or revisions within the time period designated by RRI, whether they involve refurbishing or remodeling the

Franchised Restaurant, buying new operating assets, adding new products and services, adding personnel or otherwise modifying the nature of the operations at the Franchised Restaurant, as if such items were part of this Franchise Agreement as of the Effective Date

(d) RRI has the right, at its option, to furnish the FOM to Franchisee in the form of hardcopy(ies), electronic media, electronic copies accessed through the internet, designated website(s), or other media. The FOM is currently located on the website shown below, but RRI may update, modify, and/or revise such website from time-to-time in its sole discretion.

(... https://redrobin-standards.compliancemetrix.com/rql/p/franchiseoperationsmanual ...)

Section 4.2 Franchisee's Use of Franchise Operations Manual. With respect to Franchisee's use of the FOM, Franchisee agrees that:

(a) Franchisee and Franchisee's Owners shall at all times treat the FOM (including the information therein) as confidential, and shall use all reasonable efforts to maintain the confidentiality of such manual (and the information therein).

(b) Franchisee and Franchisee's Owners shall not at any time copy, duplicate, record or otherwise reproduce the FOM, in whole or in part, nor otherwise make the same available to any unauthorized person.

(c) The FOM shall at all times remain the sole property of RRI.

(d) RRI may from time to time supplement and/or modify the FOM and Franchisee expressly agrees that such supplements and/or modifications shall be effective upon receipt and Franchisee shall promptly comply with all such supplements and/or modifications.

(e) To the extent that Franchisee maintains a hardcopy(ies) of the FOM (or any portion thereof), Franchisee shall at all times maintain the FOM in a secure place at the Franchised Restaurant and shall ensure the FOM is kept current and up-to-date. In the event of any dispute as to the contents of the FOM, the terms of the master version of the FOM maintained by RRI on RRI's website referenced above or at RRI's home office shall control.

(f) If applicable and if Franchisee's copy of the FOM is lost, destroyed or significantly damaged, Franchisee will immediately notify RRI and will be obligated to obtain from RRI, at RRI's then applicable charge, a replacement copy of the FOM.

Section 4.3 Public Relations and Crisis Communications. Franchisee shall comply with the FOM as well as such policies, procedures, and other standards designated by RRI from time-to-time regarding public relations matters and crisis communications related to the System, Red Robin Restaurants, and/or the Franchised Restaurant. Franchisee is responsible for managing its public relations and crisis communications matters and agrees that RRI's public relations department will not be responsible for such matters. However, RRI may, from time-to-time and at its option, make its public relations department available to Franchisee to assist with public relations and crisis communications matters. In the event of an emergency, RRI reserves the right (but not the obligation) to direct and control all crisis communications on behalf of Franchisee and the Franchised Restaurant. Franchisee shall not distribute any press release to the media without the prior written consent of RRI, in its sole discretion. Franchisee agrees to notify RRI immediately upon the development of any crisis situation regarding the Franchised Restaurant, regardless of whether the Franchisee has retained a local public relations firm.

Franchisee shall also alert RRI to any potential crisis situation, which Franchisee reasonably believes may be developing.

ARTICLE 5
FRANCHISEE'S REPRESENTATIONS

Section 5.1 Franchisee's Representations. Franchisee represents, warrants and covenants as set forth below.

(a) If Franchisee is a corporation, limited liability company, or partnership, then Franchisee is duly incorporated or organized and validly existing under the state law of its formation.

(b) If Franchisee is a corporation, limited liability company, or partnership, then Franchisee is duly qualified and is authorized to do business in each jurisdiction in which its business activities or the nature of the properties owned by it require such qualification.

(c) Franchisee's corporate charter, articles of incorporation, articles of organization, shareholder agreements, limited liability company agreement, operating agreement, or written partnership agreement shall at all times provide that the activities of Franchisee are confined exclusively to operating the Franchised Restaurant unless otherwise consented to by RRI in writing.

(d) The execution of this Franchise Agreement and the performance of Franchisee's obligations hereunder have been duly authorized by Franchisee and are within Franchisee's corporate power or permitted under Franchisee's partnership agreement or limited liability company agreement.

(e) If Franchisee is a corporation, then Franchisee has delivered to RRI copies of Franchisee's articles of incorporation, bylaws, resolution of the board of directors authorizing entry into and performance of this Franchise Agreement, other governing documents and any amendments thereto.

(f) If Franchisee is a limited liability company, then Franchisee has delivered to RRI copies of Franchisee's articles of organization, operating agreement, membership transfer agreement, a resolution of the members or manager authorizing entry into and performance of this Franchise Agreement, other governing documents and any amendments thereto.

(g) If Franchisee is a partnership, then Franchisee has delivered to RRI copies of Franchisee's written partnership agreement, evidence of consent or approval of the entry into and performance of this Franchise Agreement by the requisite number or percentage of partners (if such approval or consent is required by Franchisee's partnership agreement), other governing documents and any amendments thereto.

(h) Franchisee shall maintain a current list of Franchisee's Owners and such list shall be certified by the Principal Owner and furnished to RRI upon request. Attachment A contains a complete list of all owners of any type of interest in Franchisee and such individuals or entities shall be "Franchisee Owners" under this Franchise Agreement. If necessary, Franchisee shall execute an addendum to Attachment A to ensure the information contained in Attachment A complies with this Franchise Agreement.

(i) If Franchisee is a corporation, Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity securities of Franchisee and each stock certificate of the corporation shall have conspicuously endorsed upon its face a statement in a form satisfactory to RRI that

it is held subject to, and that further assignment or transfer thereof is subject to all restrictions imposed upon assignments by this Franchise Agreement.

(j) If Franchisee is a limited liability company, its operating agreement, membership transfer agreement, and any other relevant agreement, shall provide that ownership of an interest in Franchisee is held subject to all restrictions imposed upon assignments by this Franchise Agreement.

(k) If Franchisee is a partnership, then Franchisee's written partnership agreement shall provide that ownership of an interest in the partnership is held subject to and that further assignment or transfer is subject to all restrictions imposed upon assignments by this Franchise Agreement.

(l) If Franchisee is a single-purpose entity (or, similar corporate entity created for the purpose of operating the Franchised Restaurant), then Franchisee acknowledges and agrees that RRI may require Franchisee's parent company to (i) execute this Franchise Agreement and to be jointly and severally liable for all obligations, liabilities, terms, and conditions applicable to "Franchisee" under this Franchise Agreement or (ii) execute a Guaranty of Franchise Agreement similar to the form attached hereto; all as determined by RRI in its sole discretion.

(m) If any officer or director of Franchisee shall cease to serve as such or any individual shall be elected as an officer or director of Franchisee subsequent to the execution of this Franchise Agreement, then Franchisee agrees to provide RRI with notice thereof within ten (10) days subsequent to such change. In the event such newly elected officer or director is a "Principal Owner" or "Operating Partner", then Franchisee shall cause such newly elected officer or director to comply with the relevant portions of this Franchise Agreement.

(n) Principal Owner (defined below), Operating Partner (defined below), and any other of Franchisee's Owners shall not be obligated to execute the Guaranty in the form set forth on Attachment D; provided that, in the event of a default under this Franchise Agreement (even if such default is cured by Franchisee), RRI reserves the right, in addition to RRI's other rights and remedies hereunder, to require: (1) the Principal Owner to sign the Guaranty in the form set forth on Attachment D as referenced in Article 13 below, and/or (2) Franchisee to post a Letter of Credit (or, LOC) in accordance with Article 13 below -- in addition to RRI's other rights and remedies hereunder.

(o) Franchisee acknowledges and agrees that the representations, warranties and covenants set forth above are continuing obligations of Franchisee and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under Article 13 pursuant to which RRI may terminate this Franchise Agreement in addition to such other rights and remedies available to RRI hereunder. Franchisee shall cooperate with RRI in any efforts made by RRI to verify Franchisee's compliance with such representations, warranties and covenants.

Section 5.2 Background Information. Franchisee agrees to promptly provide information regarding Franchisee, Principal Owner, Operating Partner, Franchisee's Owners, and other individuals associated with Franchisee and/or the Franchised Restaurant as may be reasonably requested by RRI from time-to-time for the purpose of conducting background checks and security clearances.

ARTICLE 6
OPERATION OF THE FRANCHISED RESTAURANT

Section 6.1 Operation of the Franchised Restaurant. During the Term, Franchisee shall operate the Franchised Restaurant in a first-class manner and in strict conformity with the System and the

FOM and such other methods, standards and specifications as RRI may from time-to-time prescribe in the FOM or otherwise in writing. Furthermore, Franchisee agrees:

(1) To maintain in sufficient supply, and to use and/or sell at all times, only such menu items, ingredients, products, materials, supplies and paper goods as conform with RRI's standards and specifications, and to refrain from deviating therefrom by the use or offer of non-conforming items, without RRI's prior written consent.

(2) To sell or offer for sale only such menu items, products and services as have been expressly approved for sale in writing by RRI; to sell or offer for sale all types of menu items, products and services specified by RRI; to refrain from any deviation from RRI's standards and specifications without RRI's prior written consent; and to discontinue selling and offering for sale any menu items, products or services which RRI may, in its discretion, disapprove in writing at any time.

(3) To permit RRI or its agents, at any reasonable time, to remove samples of food or non-food items from Franchisee's inventory or from the Franchised Restaurant, without payment therefor, in amounts reasonably necessary for testing by RRI or an independent laboratory to determine whether said samples meet RRI's then-current standards and specifications. In addition to any other remedies it may have under this Franchise Agreement, RRI may (i) require Franchisee to bear the cost of such testing if the supplier of the item has not previously been approved by RRI or if the sample fails to conform with RRI's then-current specifications and (ii) require Franchisee to remove and destroy such food or non-food items at Franchisee's sole cost without reimbursement from RRI whatsoever.

(4) To purchase and install, at Franchisee's expense, all fixtures, furnishings, equipment, computer software and hardware, decor and signs as RRI may reasonably direct from time to time in the FOM or otherwise in writing; and to refrain from installing or permitting to be installed on or about the Franchised Restaurant premises, without RRI's prior written consent, any fixtures, furnishings, equipment, computer software and hardware, decor, signs, games, vending machines or other items not previously approved as meeting RRI's standards and specifications.

(5) To sell or offer for sale products and services only at the Franchised Restaurant that are approved in writing by RRI.

(6) To sell or offer for sale products and services through delivery, catering, and other off-premises services only in accordance with the FOM and such other standards, requirements, and guidelines as may be designated by RRI from time-to-time in its sole discretion.

(7) To permit RRI to poll Franchisee's point-of-sale and other related computer systems (regardless of location at the Franchised Restaurant, Franchisee's offices, or other locations) for the purpose of compiling data regarding Gross Sales and other relevant data.

(8) If so requested by RRI, to provide regular reports to RRI regarding Gross Sales and other relevant data related to the Franchised Restaurant in a file format and export method reasonably established by RRI, at Franchisee's sole cost.

(a) New and/or Supplemental Programs. Franchisee acknowledges that RRI may implement new and/or supplemental programs and/or procedures from time-to-time and in its sole discretion (e.g., delivery, catering, and off-premise food service programs, guest engagement programs, mystery shopper programs, food-and-restaurant safety programs, operational improvement procedures, nutrition information programs, etc.) as an integral part of the System and Franchisee shall be required to participate in (and comply with) such programs and/or procedures established by RRI. Franchisee acknowledges it may be responsible for the payment of certain costs associated with such programs and/or procedures. RRI reserves the right to establish (and set forth the terms and conditions of) such programs and procedures through a modification and/or revision to the System and/or FOM and, in such event, Franchisee shall thereafter comply with the System and/or FOM, as modified and/or revised.

Section 6.2 Principal Owner and Operating Partner.

(a) Principal Owner. Franchisee shall designate and retain an individual to serve as the "Principal Owner" of the Franchised Restaurant. The Principal Owner (i) shall be deemed as a "Franchisee's Owner" hereunder and must have the largest share of unencumbered equity ownership in Franchisee, but not less than ten percent (10%), (ii) must be authorized by the Franchisee to bind the Franchisee in any dealings with RRI and authorized distributors, suppliers, and contractors of Franchisee, (iii) must be authorized by the Franchisee to direct any actions necessary to ensure compliance with the Franchise Agreement, and (iv) must devote his full time and best efforts to the satisfaction of Franchisee's obligations under this Franchise Agreement and the daily operations of the Franchised Restaurant. Except as may otherwise be provided in this Franchise Agreement, the Principal Owner's interest in Franchisee shall be and shall remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options.

(1) Franchisee has not taken and agrees that it will not hereafter take, whether directly or indirectly, any action to avoid the authority requirements of the Principal Owner through the entry of limiting board resolutions, management agreements, amendment of governing documents or any other similar device or arrangement. Franchisee agrees to furnish RRI with such evidence as RRI may request from time to time for the purpose of assuring RRI that the Principal Owner's authority remains as represented herein.

(b) Operating Partner. If the Principal Owner does not intend to devote his full time and best efforts to the daily operation of the Franchised Restaurant, then Franchisee must also designate an individual "Operating Partner" who must be approved by RRI and the Operating Partner (i) shall be deemed as a "Franchisee's Owner" hereunder and must be authorized by Franchisee to bind Franchisee in any dealings with RRI and authorized distributors, suppliers, and contractors of Franchisee, (ii) must be authorized by the Franchisee to direct any actions necessary to ensure compliance with the Franchise Agreement, and (iii) must devote his full time and best efforts to the satisfaction of Franchisee's obligations under this Franchise Agreement and the daily operations of the Franchised Restaurant with no operational or management commitments to other businesses.

(1) The Operating Partner must live within the general area (100-mile radius) of the Franchised Restaurant. Except as may otherwise be provided in this Franchise Agreement, the Operating Partner's interest in Franchisee shall be and shall

remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or options.

(c) Franchisee shall not change the Principal Owner and/or Operating Partner without the prior written consent of RRI. Any sale, transfer or assignment of the Principal Owner's interest in Franchisee, or any portion thereof, shall be subject to the restrictions on transfer described in Article 13 and any failure to comply with such requirements shall be deemed a material event of default by Franchisee under Article 13. Any sale, transfer or assignment of the Operating Partner's interest in Franchisee, or any portion thereof (if any), shall be subject to the restrictions on transfer described in Article 13 and any failure to comply with such requirements shall be deemed a material event of default by Franchisee under Article 13.

Section 6.3 Hours of Operation. Franchisee shall keep the Franchised Restaurant open and in normal operation for such hours and days as RRI may from time to time specify in the FOM or as RRI may otherwise approve in writing.

Section 6.4 Personnel, Staffing, and MDT Plan. Franchisee shall staff the Franchised Restaurant in accordance with FOM and Franchisee agrees to maintain a competent, conscientious, and fully-trained staff at the Franchised Restaurant including at least three (3) fully-trained, full-time managers (unless otherwise agreed by RRI). Franchisee agrees to take such steps as are necessary to ensure that its employees comply with the FOM at all times. Franchisee also acknowledges and agrees that RRI may require Franchisee to maintain "above-restaurant" supervision (e.g., regional operations director(s)) and, in such event, Franchisee shall ensure that such personnel are fully-trained in accordance with the FOM.

(a) Franchisee is solely responsible to develop a management development and training plan, at its sole cost and expense, which demonstrates Franchisee's plans (i) for the training and development of managers at the restaurant level (e.g., general manager, kitchen manager, and assistant managers) and (ii) for the training and development of upper management (i.e., management above general manager or above restaurant) to ensure continuous compliance with the FOM and this Franchise Agreement (collectively, the "MDT Plan").

(b) Franchisee acknowledge that any review of the MDT Plan by RRI does not constitute a guarantee, representation, or warranty of any kind, express or implied, that Franchisee's business operations are or will be compliant with federal, state, or local laws, codes, or regulations, or of the success or profitability of a Restaurant operated pursuant to the MDT Plan.

(c) Further, Franchisee acknowledges and agrees that Franchisee shall be the sole and exclusive employer of its employees with the sole right to hire, discipline, and discharge such employees and the sole right to establish wages, hours, benefits, employment policies, and other terms and conditions of employment for such employees all as determined by Franchisee in its sole discretion without consultation or approval by RRI. Franchisee shall be solely responsible for the payment of all social security taxes and/or other applicable payroll-related, government-mandated contributions and/or taxes and Franchisee shall indemnify and hold RRI harmless from any liability for any such contributions and/or taxes.

Section 6.5 Health and Safety Standards. Franchisee shall, at all times, operate the Franchised Restaurant in accordance with (i) the highest health, safety, and sanitation standards under applicable law and (ii) the highest health, safety, and sanitation standards as set forth in the FOM. Franchisee shall furnish to RRI, within five (5) days after receipt thereof, a copy of any inspection report,

warning, citation, certificate and/or rating which indicates Franchisee's failure to meet or maintain the highest health, safety, and/or sanitation standards in the operation of the Franchised Restaurant.

(a) Temporary Closure of Franchised Restaurant. In the event Franchisee violates the terms of this Section, then (in addition to RRI's other rights and remedies hereunder) Franchisee shall temporarily close the Franchised Restaurant immediately upon receipt of written notice from RRI and Franchisee shall not re-open the Franchised Restaurant until Franchisee has cured such violation(s) of this Section and Franchisee has received written permission from RRI to re-open the Franchised Restaurant.

(b) Public Health and/or Safety Emergency. In the event of a public health, safety, and/or sanitation emergency involving the Franchised Restaurant, then (in addition to RRI's other rights and remedies hereunder) Franchisee shall temporarily close the Franchised Restaurant immediately upon receipt of written notice from RRI and Franchisee shall not re-open the Franchised Restaurant until such emergency has been resolved and Franchisee has received written permission from RRI to re-open the Franchised Restaurant.

Section 6.6 Approved Suppliers. Franchisee shall purchase all food items, ingredients, supplies, materials and other products used or offered for sale at the Franchised Restaurant solely from suppliers (including manufacturers, distributors and other sources) that have been approved by RRI, in its sole discretion, and who (i) demonstrate, to the continuing satisfaction of RRI, the ongoing ability to meet RRI's then-current standards and specifications for such items; (ii) possess adequate quality controls and capacity to supply Franchisee's needs promptly and reliably; (iii) have been approved in writing by RRI prior to any purchases by Franchisee from any such supplier; and (iv) have not thereafter been disapproved by RRI. Franchisee acknowledges that RRI reserves the right to disapprove any supplier for any reason at any time.

(a) If Franchisee desires to purchase any products from an unapproved supplier, Franchisee shall submit to RRI a written request for such approval, or shall request the supplier itself to do so. Franchisee shall not purchase from any supplier unless and until such supplier has been approved in writing by RRI. Franchisee acknowledges it may be required to secure such supplier's signature to a reasonably acceptable confidentiality agreement as a condition precedent to any approval by RRI.

(b) RRI shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to RRI or to an independent laboratory designated by RRI for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by Franchisee or the supplier.

(c) RRI reserves the right, at its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of RRI's then-current criteria. Nothing in the foregoing shall be construed to require RRI to approve any particular supplier (such determination to be made by RRI in its sole discretion).

Section 6.7 Proprietary Products. Franchisee acknowledges and agrees that RRI may develop certain products which are made from highly confidential secret recipes and which are trade secrets of RRI (the "Proprietary Products"). Because of the importance of quality and uniformity of production and the significance of the Proprietary Products to the System, it is to the mutual benefit of the parties that RRI closely controls the production and distribution of the Proprietary Products. Accordingly, Franchisee agrees that, in the event Proprietary Products become a part of the System (and thereby required for use in the Franchised Restaurant), then Franchisee shall only use Proprietary Products in the Franchised Restaurant which have been purchased from RRI or from a source designated by RRI.

Section 6.8 Other Supply Chain Matters. During the Term, Franchisee shall comply with the supply chain requirements set forth in this Franchise Agreement and the FOM (and such other requirements as RRI may from time-to-time prescribe in the FOM or otherwise in writing). In the event of an update, modification, and/or revision to the FOM regarding such requirements, Franchisee shall thereafter comply with the FOM, as updated, modified, and/or revised.

(a) RRI may, from time-to-time and at its option, provide such continuing training, guidance, and advisory assistance to Franchisee regarding supply chain matters in connection with Franchisee's operation of the Franchised Restaurant, as RRI deems advisable. RRI may, from time-to-time and at its option, provide to Franchisee advice and written materials concerning techniques of managing the supply chain for the Franchised Restaurant, including information regarding distribution, logistics, and other supply chain matters. RRI reserves the right to charge reasonable fees to Franchisee for such services and/or require Franchisee to reimburse RRI for overhead, costs, and expenses incurred by RRI in connection with such services.

(b) Franchisee assumes all cost, liability, expense, and responsibility for all supply chain matters related to the Franchised Restaurant. Franchisee acknowledges that RRI's rendering of assistance in connection with supply chain matters does not constitute a representation, promise, warranty, or guarantee by RRI regarding the viability and/or operational effectiveness of such supply chain matters. Accordingly, Franchisee releases RRI and shall hold RRI harmless (including its subsidiaries, officers, directors, employees, and agents) from any and all liability, loss, or damages which may arise from Franchisee's management of supply chain matters related to the Franchised Restaurant.

(c) Franchisee shall negotiate its own supply chain contracts with distributors, manufacturers, and suppliers, and Franchisee acknowledges and agrees that those contracts may have terms, conditions, and pricing that are different from RRI's contracts for similar supply chain items. Franchisee is solely responsible for the terms, conditions, and pricing of its supply chain contracts, subject to the terms of this Agreement and the FOM. In connection with certain supply chain contracts, RRI may elect (in its sole discretion) to combine the anticipated volume for its company-owned Red Robin Restaurants together with anticipated volume for some (or all) franchised Red Robin Restaurants to optimize pricing in such contracts; provided that Franchisee may still be required to negotiate its own supply chain contracts with distributors, manufacturers, and suppliers and those contracts may have terms, conditions, and pricing that are different from RRI's contracts for similar supply chain items.

(d) RRI may elect, in its sole discretion, to negotiate certain FOB origin costs that may be available to both company-owned and franchised Red Robin Restaurants, but Franchisee may be required to negotiate its own supply chain costs such as freight costs to move contracted item(s) to the distribution center that services the Franchised Restaurant.

(e) RRI may elect, in its sole discretion, to enter supply chain contracts which contain terms and conditions for certain rebates where these rebates (if any) may be allocated and distributed based on the actual usage by each Red Robin Restaurant. If RRI elects to enter such supply contracts with rebate structures, RRI will notify Franchisee of the terms and conditions of such rebates which apply to the Franchised Restaurant.

(f) Franchisee is solely responsible for (i) securing its own distribution contracts for the Franchised Restaurant at Franchisee's sole cost, subject to the terms of this Agreement and the FOM and (ii) all matters related to such distribution contracts including, without limitation, delivery of approved products, management of inventory at the distribution center, product availability, product

pricing, ordering guidelines, distribution logistics, and all other matters related to such distribution contracts.

(g) RRI may elect, in its sole discretion, to provide limited options for Franchisee to participate in certain aspects of the distribution contract(s) for RRI's company-owned Red Robin Restaurants and, in such event, Franchisee may be required to implement certain inventory management procedures, order management procedures, technology solutions, and other supply chain procedures that may be required by RRI or its distributors in connection with any such participation by Franchisee. Franchisee may be required to negotiate its own distribution contracts with such distributors, and those contracts may have terms, conditions, and pricing that are different from RRI's contracts for similar distribution matters. If RRI elects to enter any distribution contract where Franchisee has limited options to participate in such contract, then RRI will notify Franchisee of the terms and conditions of such contracts as applicable to the Franchised Restaurant.

(h) To the extent permissible under applicable law, RRI may elect, in its sole discretion, to create, maintain, and administer (formal and/or informal) joint purchasing arrangement(s), group purchasing organization(s), collective supply chain service initiatives, and/or other supply chain management structures (collectively, "Supply Chain Management Structure(s)") with the general purpose of reducing supply chain transaction costs, improving product sourcing, enhancing supply chain logistics, generating supply chain efficiencies, and/or creating other supply chain benefits in accordance with applicable law. RRI may elect, in its sole discretion, to establish these Supply Chain Management Structure(s) under different entity structures in accordance with applicable law including, without limitation (and by way of example only), an independently-operated corporate entity acting as purchasing agent. Franchisee's participation in these Supply Chain Management Structure(s) may be mandatory or voluntary in accordance with applicable law and such participation may be subject to membership agreement(s), subscription requirement(s), and such other documents and actions as may be required to effectuate these terms in accordance with applicable law.

Section 6.9 Repair and Maintenance of the Franchised Restaurant. Franchisee shall maintain the Franchised Restaurant in a first-class manner and condition and Franchisee shall, at its sole cost, make such repairs to the Franchised Restaurant as may be required to maintain the Franchised Restaurant in a first-class manner and condition (including, without limitation, periodic repainting and/or replacement of obsolete or damaged signs, furnishings, equipment and decor) as RRI may reasonably direct. Except for repairs required to maintain the Franchised Restaurant in a first-class manner and condition in accordance with this Franchise Agreement, all other repairs, replacements, additions, and modifications to the Franchised Restaurant shall require RRI's prior written consent.

Section 6.10 The Current Image. Upon RRI's request, Franchisee shall, at its sole cost and expense, make all improvements and alterations that RRI may determine to be necessary for the Franchised Restaurant to conform with the then-current image of Red Robin Restaurants as required by the System or as prescribed by RRI from time-to-time (the "Current Image"). Franchisee shall, at its expense, undertake and complete such improvements and alterations within reasonable times specified by RRI.

Section 6.11 Mandatory Remodeling of Franchised Restaurant. Franchisee acknowledges (i) RRI's right to make changes in the Current Image, as it reasonably deems appropriate; (ii) RRI's current requirement that Franchisee must remodel the entire Franchised Restaurant, at Franchisee's sole cost, every five (5) years to conform with the Current Image of Red Robin Restaurants; and (iii) RRI's right to require Franchisee to make specific changes to the Franchised Restaurant from time-to-time to conform with the Current Image, at Franchisee's sole cost.

Section 6.12 Inspection by RRI. Franchisee shall grant RRI and its agents the right to enter the Franchised Restaurant at any time for the purpose of conducting inspections and Franchisee shall cooperate with RRI's representatives in such inspections by rendering such assistance as they may reasonably request. Upon notice from RRI or its agents and without limiting RRI's other rights under this Franchise Agreement, Franchisee shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Should Franchisee, for any reason, fail to correct such deficiencies within a reasonable time as determined by RRI, RRI shall have the right and authority (without, however, any obligation to do so), to correct such deficiencies and to charge Franchisee a reasonable fee for RRI's expenses in so acting, payable by Franchisee immediately upon demand.

Section 6.13 Mandatory Sanitation and Food Safety Program. RRI reserves the right to require Franchisee's participation in a mandatory sanitation and food safety program relating to the Franchised Restaurant (including periodic inspections and evaluations of the Franchised Restaurant) in accordance with such rules, terms, and conditions as RRI deems advisable. RRI reserves the right to incorporate the rules, terms, and conditions of such program into the FOM and to supplement such rules, terms, and conditions from time-to-time through modifications to the FOM. Franchisee shall, at all times, operate the Franchised Restaurant in accordance with the rules, terms, and conditions of such mandatory sanitation and food safety program. Franchisee acknowledges Franchisee may be responsible for some (or, all) costs of such program as it applies to the Franchised Restaurant.

Section 6.14 Prices at Franchised Restaurant. Franchisee shall be responsible for determining the prices of products offered at the Franchised Restaurant in accordance with this Franchise Agreement and otherwise subject to RRI's reasonable rules, limitations, and regulations regarding such pricing as permitted by applicable law. To the fullest extent permitted by applicable law, RRI reserves the right to establish maximum, minimum, or other pricing requirements with respect to the prices Franchisee may charge for products or services offered at the Franchised Restaurant including, without limitation, Franchisee's compliance with prices displayed in approved advertising materials and similar pricing matters. To the fullest extent permitted by applicable law, RRI reserves the right to establish maximum, minimum, or other requirements related to service charges, tariff charges and any other similar surcharges.

Section 6.15 Liquor Licenses and Business Licenses. This Franchise Agreement is expressly conditioned upon Franchisee's ability to secure and maintain, at its sole cost, any and all required state, county, and/or local liquor licenses required for the on-premises sale and consumption of alcoholic beverages at the Franchised Restaurant (and, where lawful, the on-premise sale of alcoholic beverages for off-premise consumption in connection with take-out orders, delivery orders, etc.) and any other business licenses required for the operation of the Franchised Restaurant.

(a) If Franchisee fails to secure the required liquor license(s) by the date the Franchised Restaurant is otherwise ready (and/or required) to open for business, then RRI may, in its sole discretion, terminate this Franchise Agreement upon ten (10) days prior written notice to Franchisee and, in such event, RRI shall refund the Franchise Fee paid by Franchisee (without interest), less any expenses and/or damages incurred by RRI under this Franchise Agreement prior to the date of such termination.

(b) After Franchisee has secured the required liquor licenses, Franchisee shall thereafter comply with all applicable laws and regulations relating to the sale of alcoholic beverages at the Franchised Restaurant. If the sale and consumption of alcoholic beverages at the Franchised Restaurant is suspended or prohibited for more than ten (10) consecutive days as a result of Franchisee's failure to comply with applicable laws and regulations relating to the sale of alcoholic beverages at the Franchised Restaurant, then RRI may, in its sole discretion (and in addition to any other rights and remedies available

to RRI hereunder), terminate this Franchise Agreement upon ten (10) days prior written notice to Franchisee and, in such event, RRI shall not be required to refund the Franchise Fee.

Section 6.16 Compliance With Laws and Industry Standards. Franchisee shall operate the Franchised Restaurant in compliance with all federal, state and local laws, rules and regulations, and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Restaurant including, without limitation, business licenses, certificates of occupancy, liquor licenses, fictitious name registrations, sales tax permits, and fire permits. Franchisee shall be solely responsible for any fines, costs, or penalties related to the foregoing matters.

(a) Franchisee shall notify RRI in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality related to any of the matters referenced in this Section or which may adversely affect the Franchised Restaurant.

(b) Franchisee shall, at its sole cost, comply (i) with rules and regulations promulgated by industry groups, trade associations, and similar non-governmental (and/or quasi-governmental) organizations so long as RRI's company-owned Red Robin restaurants also comply with such rules and regulations and/or (ii) rules and regulations promulgated by RRI which are reasonably consistent with rules and regulations promulgated by industry groups, trade associations, and similar non-governmental (and/or quasi-governmental) organizations so long as RRI's company-owned Red Robin restaurants also comply with such rules and regulations.

Section 6.17 Information Security. Franchisee shall, at its sole cost, expense, and liability, implement all administrative, physical and technical safeguards set forth in the FOM, required by RRI, or required by applicable laws, rules, and regulations in order to protect any information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, other employee data, signatures, passwords, financial information, credit card information, biometric data, health data, government-issued identification numbers, credit report information, and any similar information generally characterized as personally-identifiable information (collectively, "Personal Information").

(a) No assistance, guidance, standards or requirements that RRI provides to Franchisee constitutes a representation or warranty of any kind, express or implied, that such requirements ensure Franchisee's compliance with federal, state, or local privacy and data laws, codes, or regulations, or acceptable industry standards. It is Franchisee's responsibility -- at its sole cost, expense, and liability -- to develop, implement, administer, maintain, update, and confirm that such safeguards used by Franchisee to protect Personal Information complies with all laws, rules, regulations, requirements, and industry best practices related to the collection, access use, retention, storage, disposal, and disclosure of Personal Information.

(b) If Franchisee becomes aware of a suspected or actual breach of security or unauthorized access involving Personal Information, Franchisee will notify RRI immediately and specify the extent to which Personal Information was compromised or disclosed.

(c) RRI reserves the right to conduct a data security and privacy audit of Franchisee and the Franchised Restaurant at any time, from time to time, to ensure that Franchisee is in compliance with this section. The cost of such audit shall be paid by Franchisee and Franchisee agrees to fully cooperate during the course of such audit, provided such audited shall be conducted in such a manner so as not to unreasonably interfere with Franchisee's operations at the Franchised Restaurant.

Section 6.18 Software Systems and Hardware Requirements. During the Term, Franchisee shall comply with the software systems requirements and computer hardware requirements set forth in this Franchise Agreement and the FOM (and such other requirements as RRI may from time-to-time prescribe in the FOM or otherwise in writing). In the event of an update, modification, and/or revision to the FOM regarding such requirements, Franchisee shall thereafter comply with the FOM, as updated, modified, and/or revised.

(a) POS System. Franchisee shall, at Franchisee's sole cost, install and maintain a computerized point-of-sale system (the "POS System") at the Franchised Restaurant and such POS System shall be subject to RRI's prior written approval. RRI reserves the right to require Franchisee to install and maintain a POS System designated by RRI, at Franchisee's sole cost. RRI also reserves the right to require Franchisee to replace Franchisee's existing POS System at the Franchised Restaurant with a POS System designated by RRI and, in such event, RRI shall give Franchisee a minimum of two (2) years to replace Franchisee's then existing POS System with a POS System designated by RRI, all at Franchisee's sole cost.

(b) FOH and BOH Software Systems. Franchisee shall not install any back-of-house (or, BOH") software system, front-of-house (or, FOH) software system, or any other software systems in the Franchised Restaurant without RRI's prior written approval. RRI may also require Franchisee to install and maintain a BOH software system designated by RRI and/or FOH software system designated by RRI, all at Franchisee's sole cost. RRI also reserves the right to require Franchisee to replace Franchisee's existing FOH and/or BOH software systems at the Franchised Restaurant with system(s) designated by RRI and, in such event, RRI shall give Franchisee a minimum of two (2) years to replace Franchisee's then existing system with a FOH and/or BOH software system designated by RRI, all at Franchisee's sole cost.

(c) Hardware Requirements. Franchisee shall not install any hardware equipment without RRI's prior written approval. RRI may also require Franchisee to install and maintain specific computer hardware designated by RRI, at Franchisee's sole cost.

(d) Other Hardware and Software Items. RRI may, from time-to-time and at its option, make available to Franchisee, at a reasonable cost to be paid by Franchisee to RRI (or other third-party(ies) designated by RRI), software systems and/or hardware equipment related to FOH operations, BOH operations, point-of-sale systems, and other software systems and/or hardware equipment. Franchisee shall be required to execute such documents related to the licensing of the software and register systems as RRI may reasonably require and to pay any licensing fees, installation costs, maintenance costs, and any other fees and costs associated therewith.

(e) Assumption of Liability. Franchisee assumes all cost, liability, expense, and responsibility for all software systems and hardware requirements related to the Franchised Restaurant. Franchisee acknowledges that RRI's rendering of assistance in connection with such matters does not constitute a representation, promise, warranty, or guarantee by RRI regarding the viability and/or operational effectiveness of such software and hardware. Accordingly, Franchisee releases RRI and shall hold RRI harmless (including its subsidiaries, officers, directors, employees, and agents) from any and all liability, loss, or damages which may arise from Franchisee's use of such software and/or hardware related to the Franchised Restaurant.

Section 6.19 RRI's Access to Restaurant Data. The term "Restaurant Data" means all information and data generated by, connected to, and/or related to the System and/or the Franchised Restaurant.

(a) RRI shall have the right to access, extract, retrieve, download, poll, integrate, and otherwise use the Restaurant Data in any manner that RRI deems appropriate without payment or compensation to Franchisee. Franchisee shall, at Franchisee's sole cost and expense, implement, install, integrate, and/or undertake such actions as required by RRI in order to ensure that RRI has the ability to access, extract, retrieve, download, poll, integrate, and otherwise use the Restaurant Data as set forth herein.

(b) The Restaurant Data is owned exclusively by RRI and RRI grants to Franchisee a limited license for Franchisee to use the Restaurant Data solely in connection with Franchisee's operation of the Franchised Restaurant during the Term, at no additional cost to Franchisee for such limited license. Except for Franchisee's limited license to use the data in accordance with this paragraph, Franchisee shall not have any rights in the Restaurant Data.

(c) Upon termination or expiration of this Franchise Agreement or at any other time that RRI requests, Franchisee shall, at its sole cost and expense, promptly deliver to RRI all Restaurant Data in such form and format as may be specified by RRI from time-to-time.

(d) RRI reserves the right to require Franchisee to grant full (and independent) access to the Restaurant Data on a real-time basis through its monitoring programs or other platform(s) regardless of whether the Restaurant Data is stored or maintained on any computer system or hardware of Franchisee including, without limitation, the POS System, BOH software system and FOH software system. Franchisee acknowledges and agrees there are no limitations on RRI's right or timing to access the Restaurant Data.

(e) RRI reserves the right to require Franchisee to grant to RRI continual network access for RRI to Franchisee's computer systems and hardware to provide RRI access to the Restaurant Data without notice to Franchisee.

(f) Upon RRI's request (and to fullest extent allowed under applicable law), Franchisee shall sign all releases and other documentation required by any third party (such as vendors, suppliers, banks, and financial institutions) or otherwise requested by RRI to allow RRI access to such data that may be stored or maintained by such third party. If any third party is unwilling to grant RRI independent access for any reason, Franchisee shall provide RRI access to such data through Franchisee's account with such third party.

Section 6.20 Donato's Nested Restaurant. In the event RRI and Franchisee mutually agree the Franchised Restaurant shall be operated as a Nested Restaurant (as defined in Attachment B below), then (and during the Term), Franchisee shall comply with the terms and conditions of the Donato's Nested Restaurant Agreement attached hereto as Attachment B and incorporated by this reference into this Franchise Agreement.

ARTICLE 7
THE RED ROBIN MARKS

Section 7.1 RRI's Representations. RRI represents that RRI has the corporate power and authority to grant to Franchisee the non-exclusive right and obligation to operate the Franchised Restaurant in accordance with the System at the Approved Location during the Term using only the Red Robin Marks at such restaurant and otherwise subject to Franchisee's compliance with this Franchise Agreement.

Section 7.2 Franchisee's Use of the Red Robin Marks. With respect to Franchisee's licensed use of the Red Robin Marks pursuant to this Franchise Agreement, Franchisee agrees that:

(a) Franchisee shall use only the Red Robin Marks designated by RRI and then only in the manner authorized by RRI. Any use by Franchisee of the Red Robin Marks shall require the prior written consent of RRI.

(b) Franchisee shall use the Red Robin Marks only at the Franchised Restaurant and only in a manner that has been approved by RRI.

(c) Franchisee shall use the Red Robin Marks only in advertising for the Franchised Restaurant that has been approved by RRI.

(d) Franchisee shall cause all advertising materials, promotional materials, signs, banners, decorations, paper goods (including disposable food containers, napkins, menus, forms, and stationery) and other items designated by RRI used in connection with the Franchised Restaurant to display the Red Robin Marks in the form, color, location and manner prescribed and approved in writing by RRI.

(e) Unless otherwise authorized or required by RRI, Franchisee shall operate and advertise the Franchised Restaurant only under the name "Red Robin Gourmet Burgers and Brews" without prefix or suffix.

(f) During the Term of this Franchise Agreement, Franchisee shall identify itself as the owner of the Franchised Restaurant and independent franchisee in conjunction with any use of the Red Robin Marks, including, but not limited to, uses on invoices, order forms, receipts and contracts, as well as the display of a notice in such content and form and at such conspicuous locations at the Franchised Restaurant as RRI may designate in writing.

(g) Franchisee's right to use the Red Robin Marks is limited to such uses as are authorized under this Franchise Agreement, and any unauthorized use thereof shall constitute an infringement of RRI's rights and a default under this Franchise Agreement.

(h) Franchisee shall not use the Red Robin Marks to incur any obligation or indebtedness on behalf of RRI.

(i) Franchisee shall not use the Red Robin Marks (or any derivative or portion thereof) as part of its corporate name, other legal name(s), website uniform resource locator, social media account name(s), or any other names or identifiers.

(i) Franchisee shall comply with RRI's instructions in filing and maintaining the requisite trade name or fictitious name registrations, and shall execute any documents deemed necessary by RRI or its counsel to obtain protection for the Red Robin Marks or to maintain their continued validity and enforceability.

(j) In the event of any infringement of or challenge to Franchisee's use of the Red Robin Marks or litigation involving the Red Robin Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify RRI and shall cooperate fully in defending or settling such litigation. Franchisee and Franchisee's Owners agree that they will not communicate with any person other than the RRI and RRI's counsel in connection with any such action, claim or infringement. RRI shall have sole discretion to take such action as it deems appropriate and the right to exclusively control any litigation,

Patent and Trademark Office action or other proceeding arising out of any infringement, challenge or litigation relating to the Red Robin Marks.

Section 7.3 Limitations on Franchisee's Use of Red Robin Marks. With respect to Franchisee's licensed use of the Red Robin Marks pursuant to this Franchise Agreement, Franchisee agrees that:

(a) RRI is the owner or licensee of all right, title and interest in and to the Red Robin Marks and the goodwill associated with and symbolized by them.

(b) The Red Robin Marks are valid and serve to identify the System and those who are authorized to operate under the System.

(c) Franchisee shall not directly or indirectly contest the validity or RRI's ownership of the Red Robin Marks.

(d) Franchisee's use of the Red Robin Marks pursuant to this Franchise Agreement does not give Franchisee any ownership interest or other interest in or to the Red Robin Marks, except the license granted by this Franchise Agreement.

(e) Any and all goodwill arising from Franchisee's use of the Red Robin Marks and the System under this Franchise Agreement shall inure solely and exclusively to RRI's benefit, and upon expiration or termination of this Franchise Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Red Robin Marks.

(f) The right and license of the Red Robin Marks granted hereunder to Franchisee is non-exclusive, and RRI thus has and retains the following rights, among others: (i) To use the Red Robin Marks itself in connection with selling products and services; (ii) to grant other licenses for the Red Robin Marks, in addition to those licenses already granted to existing franchisees; (iii) to develop and establish other systems using the same or similar Red Robin Marks, or other Red Robin Marks, and to grant licenses or franchises thereto without providing any rights therein to Franchisee; and (iv) to develop, purchase, acquire, and/or establish other tradenames, service marks, trademarks, logos, emblems and indicia of origin marks (the "Other Marks") and exclude the Other Marks from the Red Robin Marks.

(g) Franchisee's use of the Red Robin Marks pursuant to this Franchise Agreement does not give Franchisee any interest in or right to use the Other Marks.

Section 7.4 Substitutions to Red Robin Marks. RRI reserves the right to substitute different Red Robin Marks for use in identifying the System and the business operating thereunder if RRI's currently owned Red Robin Marks no longer can be used, or if RRI, in its sole discretion, determines that substitution of different Red Robin Marks will be beneficial to the System. In such event, Franchisee shall be responsible for all expenses related to the substitution of different Red Robin Marks and shall complete such substitution in accordance with the deadlines reasonably established by RRI.

ARTICLE 8
CONFIDENTIAL INFORMATION

Section 8.1 Confidential Information. Franchisee and Franchisee's Owners shall not, during the term of this Franchise Agreement or and for a period of five (5) years thereafter, communicate, divulge or use for the benefit of any other person, partnership, association, or corporation any confidential information, trade secrets, knowledge, or know-how concerning the Red Robin Marks, System, FOM, and

methods of development and operation of the Franchised Restaurant (collectively, the "Confidential Information"), regardless of whether such items are disclosed to Franchisee under a "confidentiality notice" or marked as "confidential". In addition to the foregoing, any and all information, drawings, knowledge, know-how and techniques used in or related to the Franchised Restaurant including, without limitation, software licensed or provided by RRI, recipes, training materials, construction plans and specifications, marketing information and strategies, and site evaluation and selection techniques shall be deemed as "Confidential Information".

(a) Franchisee and Franchisee's Owners (i) shall disclose Confidential Information only to such of Franchisee's employees as must have access to it in order to operate the Franchised Restaurant(s), (ii) shall not copy, duplicate, record, or otherwise reproduce the Confidential Information, in whole or in part, nor otherwise make the same available to any unauthorized person, and (iii) shall be solely responsible to ensure that Franchisee's managers, employees, agents, or independent contractors of Franchisee having access to Confidential Information comply with this Article and do not communicate, divulge or use Confidential Information in violation of this Article.

Section 8.2 Confidentiality Agreement. In addition to Franchisee's confidentiality obligations above, RRI may request that Franchisee require Franchisee's Owners and its managers, employees, agents or independent contractors having access to Confidential Information to execute RRI's then-current form of "Confidentiality Agreement".

Section 8.3 Breach of Confidentiality. Franchisee acknowledges that any failure to comply with the requirements of this Article 8 shall constitute a material event of default under Article 13 and will cause RRI irreparable injury. Therefore (and in addition to any remedies under Article 13), Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by RRI in obtaining specific performance of, or an injunction against violation of, the requirements of this Article.

Section 8.4 Franchisee's Access to Confidential Information and Other Information. In addition to Confidential Information, RRI may, from time-to-time and at RRI's sole option, elect (i) to grant Franchisee access to certain database(s), web-based information programs, and other software, and/or (ii) to make other information related to the Franchised Restaurant available to Franchisee and Franchisee agrees to promptly comply, at Franchisee's sole cost, with all rules and requirements imposed by RRI in connection therewith (including, without limitation, implementing required security measures, updating and restricting Franchisee's personnel access lists, and other requirements).

Section 8.5 Survival. The terms of this Article shall survive the termination, expiration, or any transfer of this Franchise Agreement. Franchisee shall pay to RRI all damages, costs and expenses, including reasonable attorneys' fees, incurred by RRI subsequent to the termination or expiration of this Franchise Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Article.

ARTICLE 9
ACCOUNTING AND RECORDS

Section 9.1 Franchisee's Accounting Records. Franchisee shall maintain during the Term of this Franchise Agreement, and shall preserve for at least five (5) years from the dates of their preparation, full, complete and accurate books, records and accounts related to the Franchised Restaurant in accordance with generally accepted accounting principles and in the form and manner prescribed by RRI from time to time in the FOM or otherwise in writing.

Section 9.2 Monthly Financial Statement. Commencing on the opening date of the Franchised Restaurant and thereafter on or before the fifteenth (15th) day of each Accounting Period, Franchisee shall prepare and submit to RRI a monthly financial statement accurately reflecting all Gross Sales generated at the Franchised Restaurant during the preceding Accounting Period (the "Monthly Financial Statement"). The Monthly Financial Statement shall be prepared and submitted by Franchisee in the form prescribed by RRI from time-to-time in the FOM including, without limitation, (i) an itemized listing of Gross Sales for the preceding calendar month including a detailed breakdown of any deductions, reductions, and/or credits claimed by Franchisee, (ii) a monthly profit-and-loss statement, (iii) a summary of Gross Sales by categories designated by RRI from time-to-time (e.g., PLU, FOH labor, BOH labor, food cost, menu mix, etc.).

Section 9.3 Other Financial Statements.

(a) Period Financial Statements. Within five (5) days after the expiration of each fiscal period during the Term, Franchisee shall prepare and submit to RRI a period profit-and-loss statement for the Franchised Restaurant (the "Period Financial Statement").

(b) Quarterly Financial Statements. Within fifteen (15) days after the expiration of each fiscal quarter during the Term, Franchisee shall prepare and submit to RRI the following financial statements related to the Franchised Restaurant in a form prescribed by RRI from time-to-time: (i) a quarterly profit-and-loss statement; (ii) a quarterly statement of marketing expenditures; (ii) a quarterly balance sheet which may be unaudited; and (iii) a fiscal-year-to-date profit and loss statement which may be unaudited (collectively, the "Quarterly Financial Statements").

(c) Sales Tax Returns. Franchisee shall also submit to RRI (at the time of filing with taxing authorities) copies of all sales tax returns for the Franchised Restaurant.

(d) Annual Financial Statements. Within ninety (90) days after the expiration of each fiscal year during the Term, Franchisee shall prepare and submit to RRI a complete, audited, annual financial statement for the Franchised Restaurant (in a form prescribed by RRI from time-to-time in the FOM) prepared by an independent certified public accountant satisfactory to RRI, showing the results of operations of the Franchised Restaurant during such fiscal year (the "Annual Financial Statement").

(e) Annual Operating Budget. At least thirty (30) days prior to the beginning of each fiscal year during the Term, Franchisee shall prepare and submit to RRI a complete operating budget for the Franchised Restaurant in a form prescribed by RRI from time-to-time in the FOM (the "Annual Operating Budget").

(f) Other Financial Records. Upon written request by RRI or as specified in the FOM, Franchisee shall promptly submit to RRI such other forms, reports, records, financial information and financial data related to Franchisee and/or the Franchised Restaurant (including, without limitation, (i) daily polling and/or periodic reporting of Gross Sales in such form and format as required by RRI and (ii) such other financial information and financial data for any parent company(ies) and affiliated entity(ies) related to Franchisee and/or Principal Owner) in the form prescribed by RRI.

(g) RRI's Accounting Cycle. Franchisee acknowledges that RRI may (upon thirty (30) days prior written notice) require Franchisee to (i) change its reporting period and prepare and submit the financial statements referenced above in accordance with RRI's accounting cycle and fiscal calendar, (ii) pay all amounts due to RRI hereunder in accordance with RRI's accounting cycle and fiscal calendar, and (iii) otherwise comply with RRI's reasonable requests to effectuate this Section or as otherwise set forth in the FOM.

Section 9.4 Certification. Each statement and report referenced in this Article shall be signed by Franchisee and the Principal Owner attesting that it is true, complete, and accurate.

Section 9.5 RRI's Audit Rights.

(a) Financial Audit. RRI or its designated agents shall have the right at all reasonable times to request, inspect, audit, and copy, at RRI's expense, the statements and reports referenced above as well as the books, records, financial statements, tax returns, and other information in any medium whatsoever of Franchisee and any affiliates and/or parent company(ies) involved in the development and/or operation of the Franchised Restaurant.

(b) Compliance Audit. RRI or its designated agents shall also have the right at all reasonable times to request, inspect, audit, and copy, at RRI's expense, the books, records, financial statements, tax returns, and other information in any medium whatsoever of Franchisee and any affiliates and/or parent company(ies) involved in the development and/or operation of the Franchised Restaurant in order to determine compliance (or non-compliance) with this Franchise Agreement and/or any other agreement involving RRI.

(c) Independent Audit. RRI or its designated agents shall also have the right, at any time, to inspect or have an independent audit made, at RRI's expense, of the books, records, financial statements, tax returns, and other information in any medium whatsoever of Franchisee and any affiliates and/or parent company(ies) involved in the development and/or operation of the Franchised Restaurant in order to determine compliance (or non-compliance) with this Franchise Agreement and/or any other agreement between such party(ies) and RRI.

(d) Audit Results. If any such inspection or audit referenced above should reveal that any amounts have been underpaid and/or understated in any report to RRI, then Franchisee shall immediately pay to RRI the amount underpaid and/or understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less.

(1) If any such inspection or audit referenced above discloses an underpayment or understatement in any report of two percent (2%) or more of Gross Sales for the period covered by any statement or report which is the subject of such inspection or audit, then Franchisee shall, in addition, reimburse RRI for any and all costs and expenses connected with such inspection or audit (including, without limitation, travel, lodging and wage expenses and reasonable audit, accounting, and/or legal costs).

(2) If any such inspection or audit referenced above shall reveal that Franchisee or any affiliate or parent company involved in the development and/or operation of Franchised Restaurants is not compliant with this Franchise Agreement or any other agreement between such party(ies) and RRI, then Franchisee shall immediately cure such non-complying items in accordance with RRI's reasonable instructions and Franchisee shall, in addition, reimburse RRI for any and all costs and expenses connected with such inspection or audit (including, without limitation, travel, lodging and wage expenses and reasonable audit, accounting, and/or legal costs).

(3) The foregoing remedies shall be in addition to any other remedies RRI may have under this Franchise Agreement.

ARTICLE 10
ADVERTISING

Section 10.1 Maximum Advertising Obligation. The aggregate amount of the NAP Fee, RAP Fee, and/or LAP Fee shall not exceed four percent (4%) of the Gross Sales of the Franchised Restaurant (the "Maximum Advertising Obligation"). The NAP Fee, RAP Fee, and/or LAP Fee are collectively referenced as the "Advertising Fees" where appropriate.

Section 10.2 National Advertising Program. In the event RRI requires Franchisee to participate in a "National Advertising Program" or "NAP", then (a) Franchisee shall comply with this Section 10.2 and (b) RRI shall be responsible for maintaining and administering the NAP.

(a) RRI is solely responsible to direct all advertising, production, media placement, marketing and public relations programs and activities undertaken by the NAP with sole discretion over the strategic direction, creative concepts, materials and endorsements used by the NAP and sole discretion over the geographic, market, and media placement and allocation of NAP Fees. RRI shall have sole responsibility to direct the NAP to provide Franchisee with reasonable quantities of approved advertising, marketing, and promotional materials at cost (i.e., with no additional markup for general, administrative, and overhead costs). Franchisee acknowledges that RRI's standards, specifications, and decisions in all aspects of these programs (including without limitation, the type, quantity, timing, placement, choice of media, market areas, advertising and public relation agencies) are final and binding on Franchisee with respect to the NAP.

(b) The NAP shall be used by RRI for the purpose of maintaining, administering, directing, and preparing advertising, public relations, and promotional activities for the benefit of the System, including, without limitation, the activities set forth below:

(1) preparation of, and payment for, marketing, consumer, public relations, and guest engagement research and studies;
(2) preparation of, and payment for, television, radio, magazine, newspaper, website, and social media advertising campaigns;
(3) preparation of, and payment for, creative design services;
(4) payment for direct mail and outdoor billboard advertising;
(5) printing and distribution costs;
(6) production, preparation and payment of marketing materials, advertising copy, and commercials;
(7) payment of tracking costs, agency fees, customer relationship management costs, engagement marketing costs, and similar costs;
(8) implementation of, and payments for, public relations activities;
(9) creation of training materials and other branding materials;
(10) retention of, and payments to, advertising agencies;
(11) implementation of, and payments for, marketing sponsorships;
(12) internet marketing and communications;
(13) monitoring and maintenance of social media and social networking sites;
(14) search engine optimization and similar marketing optimization activities;
(15) implementation of social media influencer campaigns and similar marketing stunts;
(16) creation and implementation of marketing sweepstakes and contests;

(17) implementing and administering guest loyalty (a/k/a royalty) programs;
(18) maintenance and administration of approved website(s) for the System;
(19) maintenance and administration of approved mobile application(s) for the System;
(20) creation of targeted local advertising programs including micro-market targeting programs and similar targeted local advertising programs;
(21) costs incurred by RRI for personnel and other departmental costs that are administered or prepared internally by RRI;
(22) other expenditures for marketing activities deemed necessary or appropriate by RRI, as determined by RRI in its sole discretion) to advertise, promote and market Red Robin Restaurants regionally or nationally; and
(23) all other similar activities typically undertaken by similar national advertising and promotional funds and all as determined by RRI in its sole discretion.

(c) NAP Fee. In the event RRI requires Franchisee to participate in the NAP, then (and on or before the fifteenth (15th) day of each Accounting Period), Franchisee shall pay to RRI a continuing monthly advertising fee in an amount up to or equal to four percent (4%) of Gross Sales (the "NAP Fee"). Subject to the Maximum Advertising Obligation, the NAP Fee shall be determined by RRI in its sole discretion from time-to-time during the Term. RRI may increase the NAP Fee at any time upon ten (10) days prior notice to Franchisee (subject to the Maximum Advertising Obligation) and, in such event, the increased NAP Fee shall be due each Accounting Period after receipt of such notice.

(d) Franchisee agrees the NAP Fees may be used to pay various costs and expenses, including costs incurred by RRI for personnel and other departmental costs for advertising that is administered or prepared internally by RRI, costs incurred by RRI for other marketing activities undertaken by RRI; provided that salary expenses for RRI's personnel paid by the NAP shall be commensurate with the amount of that time spent by such personnel on NAP matters. Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the NAP.

(e) Upon receipt by RRI, NAP Fees are the sole and absolute property of RRI. RRI shall account for NAP Fees as separate funds received in the ordinary course of business, but RRI will not be required to segregate NAP Fees from other funds.

(f) RRI shall not use NAP Fees to defray RRI's general operating expenses, except for such reasonable salaries, administrative costs and overhead as RRI may incur in activities reasonably related to the administration and activities of the NAP and creation or conduct of its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials and collecting and accounting for contributions to the NAP.

(g) RRI may spend in a fiscal year an amount greater or less than the aggregate contributions of all Red Robin Restaurants to the NAP in that year. The NAP may borrow from RRI or other lenders at standard commercial interest rates to cover deficits of the NAP or cause the NAP to invest any surplus for future use by the NAP. RRI reserves the right to cause the NAP to be incorporated or operated through a separate entity at such time as RRI deem appropriate, and such successor entity shall have all the same rights and duties as RRI with respect to the NAP.

(h) RRI is solely responsible to provide an annual, unaudited statement of the operations of the NAP, at the NAP's expense, and such statement shall be made available to Franchisee upon Franchisee's request.

(i) RRI may have the NAP audited annually, at the NAP's expense, by an independent certified public accountant. RRI reserves the right to cause the NAP to be incorporated and/or operated through a separate, successor entity upon thirty (30) days prior written notice to Franchisee and, in such event, such entity shall have the same rights and duties as RRI with respect to the NAP. RRI reserves the right to terminate the NAP as determined by RRI in its sole discretion; provided that all NAP Fees shall have been expended for advertising and/or promotional purposes as referenced above. RRI's company-owned restaurants located in the United States of America will contribute to the NAP on the same basis as its franchisees.

(j) Franchisee acknowledges that the NAP is intended to maximize recognition of the Marks, the System and Red Robin Restaurants generally. Although RRI will endeavor to use the NAP to develop advertising and marketing materials and programs, and to place advertising in order to benefit Red Robin Restaurants, RRI undertakes no obligation to ensure that expenditures by the NAP in or affecting any geographic area are proportionate or equivalent to the contributions to the NAP by restaurants operating in that geographic area or that any restaurants will benefit directly or in proportion to its contribution to the NAP from the development of advertising and marketing materials or the placement of advertising. RRI may use the NAP to promote any type of Red Robin Restaurants in the System. Franchisee acknowledges that any failure to derive any such benefit will not serve as a basis for a reduction or elimination of NAP Fees. Franchisee further agrees that the failure (whether with or without our permission) of any other franchisee to make the appropriate amount of contributions to the NAP shall not in any way release or reduce Franchisee's obligations with respect to the NAP, such obligations being Franchisee's separate and independent obligations under this Franchise Agreement.

(k) Except as expressly set forth in this Section, RRI assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction, or administration of the NAP. RRI may at any time, upon thirty (30) days' prior written notice to Franchisee, reduce or suspend the NAP (including, without limitation, NAP Fees) and operations for one (1) or more periods of any length and terminate (and, if terminated, reinstate) the NAP; provided that RRI will not terminate the NAP until all monies contributed to the NAP have been expended for advertising, public relations, or promotional purposes, or distributed to the contributors in proportion to their respective NAP contributions during the preceding twelve (12) month period.

Section 10.3 Regional Advertising Program. In the event RRI requires Franchisee to participate in a "Regional Advertising Program" or "RAP", then (a) Franchisee shall comply with this Section 10.3 and (b) RRI shall be responsible for maintaining and administering the RAP.

(a) Franchisee agrees that RRI shall have the right, in its discretion, to designate any geographical area (e.g., an area of dominant influence or "ADI") as a region for purposes of establishing a Regional Advertising Program.

(b) A Regional Advertising Program may be composed of one or more Red Robin Restaurants operated by RRI and/or one or more Red Robin Restaurants operated by Franchisee (and/or its parent company or affiliates) and/or other franchisees of RRI. If a Regional Advertising Program has been (or, is) established for the geographic area where the Franchised Restaurant is located, then Franchisee shall execute such documentation as required by RRI to become a member of such Regional Advertising Program.

(c) The Regional Advertising Program shall be organized, governed, and operated in accordance with written guidelines prepared and approved in advance by RRI (the "RAP Guidelines") and RRI shall be responsible for maintaining and administering advertising programs in the geographic area where the Franchised Restaurant is located in accordance with the RAP Guidelines. No advertising or promotional plans or materials may be used by the Regional Advertising Program or furnished to its members without the prior written consent of RRI. Further, RRI shall direct all advertising and production programs in the Regional Advertising Program and RRI shall have sole responsibility for all advertising, marketing, and/or promotional materials used in connection with the Regional Advertising Program all as determined by RRI in its sole discretion.

(d) In the event RRI requires Franchisee to participate in the Regional Advertising Program, then (and on or before the fifteenth (15th) day of each calendar month), Franchisee shall pay to RRI a continuing monthly advertising fee in an amount up to or equal to four percent (4%) of Gross Sales (the "RAP Fee"). Subject to the Maximum Advertising Obligation, the RAP Fee shall be determined by RRI in its sole discretion from time-to-time during the Term, but shall not exceed four percent (4%) of Gross Sales.

(e) The RAP shall be used by RRI for the purpose of maintaining, administering, directing, and preparing advertising, public relations, and promotional activities for the benefit of the System, including, without limitation, the activities set forth below:

(1) preparation of, and payment for, marketing, consumer, public relations, and guest engagement research and studies;
(2) preparation of, and payment for, television, radio, magazine, newspaper, website, and social media advertising campaigns;
(3) preparation of, and payment for, creative design services;
(4) payment for direct mail and outdoor billboard advertising;
(5) printing and distribution costs;
(6) production, preparation and payment of marketing materials, advertising copy, and commercials;
(7) payment of tracking costs, agency fees, customer relationship management costs, engagement marketing costs, and similar costs;
(8) implementation of, and payments for, public relations activities;
(9) creation of training materials and other branding materials;
(10) retention of, and payments to, advertising agencies;
(11) implementation of, and payments for, marketing sponsorships;
(12) internet marketing and communications;
(13) monitoring and maintenance of social media and social networking sites;
(14) search engine optimization and similar marketing optimization activities;
(15) implementation of social media influencer campaigns and similar marketing stunts;
(16) creation and implementation of marketing sweepstakes and contests;
(17) implementing and administering guest loyalty (a/k/a royalty) programs;
(18) maintenance of approved website(s) for the System;
(19) maintenance of approved mobile application(s) for the System;
(20) creation of targeted local advertising programs including micro-market targeting programs and similar targeted local advertising programs;
(21) costs incurred by RRI for personnel and other departmental costs that are administered or prepared internally by RRI;

(22) other expenditures for marketing activities deemed necessary or appropriate by RRI, as determined by RRI in its sole discretion) to advertise, promote and market Red Robin Restaurants regionally or nationally; and

(23) all other similar activities typically undertaken by similar regional advertising and promotional funds and all as determined by RRI in its sole discretion.

(f) In the event the RAP Fee is set by RRI at an amount less than four percent (4%) of Gross Sales, then RRI may require Franchisee to spend an amount equal to the difference between the actual RAP Fee and four percent (4%) of Gross Sales on local advertising in accordance with Section 10.4 below.

(i) Within 15 days after the expiration of each fiscal quarter, Franchisee shall submit to RRI written documentation to show that Franchisee has complied with this Section 10.3(f) and such documentation shall be signed and certified by Franchisee and Principal Owner as true, complete, and accurate. In the event Franchisee does not comply with this Section 10.3 and/or in the event Franchisee fails to spend the required amount on local advertising approved by RRI for the benefit of the Franchised Restaurant, then such failure shall constitute a default by Franchisee and, in addition to any other rights available to RRI under this Franchise Agreement, RRI may require the Franchisee to remit such funds to RRI as a contribution to the NAP or RAP (as applicable) and/or and RRI may spend such funds on local advertising for the Franchised Restaurant.

(ii) Franchisee shall submit to RRI such other statements or reports as may be reasonably required by RRI in connection with the Regional Advertising Program.

(g) RRI, in its sole discretion, may exclude Red Robin Restaurants operated by RRI from the Regional Advertising Program and may grant to Franchisee (or, any other franchisee in the Regional Advertising Program) an exemption for any length of time from the requirement of membership in the Regional Advertising Program, upon written request stating reasons supporting such exemption. RRI may require as a condition of granting such exemption that Franchisee comply with other provisions of this Article 10; provided that RRI may require Franchisee to spend an amount equal to such amounts as Franchisee would have otherwise been obligated to pay under this Section 10.4. RRI's decision concerning such request for exemption shall be final.

(h) In the event RRI requires Franchisee to participate in a Regional Advertising Program, then Franchisee acknowledges and agrees that the terms of Section 10.2(d) through 10.2(j) shall also apply to the RAP.

Section 10.4 Local Advertising Program. In the event RRI requires Franchisee to participate in a "Local Advertising Program" or "LAP", then (a) Franchisee shall comply with this Section 10.4 and (b) RRI shall be responsible for maintaining and administering the LAP.

(a) In the event RRI requires Franchisee to participate in a LAP, then (and in addition to the NAP Fee and/or RAP Fee, as applicable, and otherwise subject to the Maximum Advertising Obligation) Franchisee agrees to spend a percentage of the Gross Sales on (RRI-approved) local advertising during each calendar quarter (the "LAP Fee").

(b) Subject to the Maximum Advertising Obligation, the LAP Fee shall be determined by RRI in its sole discretion from time-to-time during the Term. RRI may increase the LAP Fee at any time upon ten (10) days prior notice to Franchisee (subject to the Maximum Advertising Obligation) and, in such event, the increased LAP Fee shall be due each Accounting Period after receipt of such notice.

(c) All local advertising (including the proposed schedule for expenditure of such local advertising fees) shall be subject to RRI's prior written approval in its sole discretion. On or before the fifteenth (15th) day after each calendar quarter, Franchisee shall provide RRI with an accurate accounting of Franchisee's local advertising expenditures and marketing activities during the immediately preceding calendar quarter.

(d) Franchisee also agrees to provide RRI with such other periodic reports and records of such local advertising upon request and Franchisee acknowledges that RRI also reserves the right to audit Franchisee's local advertising expenditures and marketing activities. In the event the NAP Fee, RAP Fee, and/or LAP Fee are less than the annual Maximum Advertising Obligation, then RRI reserves the right to require Franchisee to contribute an amount equal to such shortage to the NAP or RAP as applicable.

Section 10.5 Franchisee's Separate Website. Franchisee acknowledges and agrees that any website will be deemed "advertising" under this Franchise Agreement. Further, Franchisee will not establish a separate website unless approved by RRI in writing as determined by RRI in its sole discretion and otherwise subject to RRI's standards as set forth in the FOM or other written guidelines established by RRI.

(a) In the event Franchisee intends to establish a separate website, then Franchisee shall submit to RRI, a sample of the proposed website including domain name, format, visible content, screen shots, non-visible content (including, but not limited to, meta tags), and such other items (and in the form and format) RRI may require.

(b) In the event such website is approved by RRI (as determined by RRI in its sole discretion), then Franchisee shall use such website in strict accordance with RRI's approval and the FOM and shall not thereafter modify such website without RRI's prior written approval as to such proposed modification.

(c) Franchisee acknowledges that RRI reserves the right, but not the obligation, to designate one or more web page(s) to describe Franchisee and/or the Franchised Restaurant, with such web page(s) to be located within RRI's website.

(d) In addition to any other applicable requirements, Franchisee shall comply with RRI's standards and specifications for websites as prescribed from time to time in the FOM or otherwise in writing. Franchisee will establish such hyperlinks to RRI's website (and other websites) as RRI may require in the FOM or otherwise in writing. RRI may revoke its approval of Franchisee's separate website at any time and require that Franchisee immediately discontinue use of a separate website.

Section 10.6 Social Media and Social Networking. Franchisee's use of any social networking websites (such as LinkedIn®, X®, TikTok®, Facebook®, Instagram®, or YouTube®) constitutes "advertising" under this Franchise Agreement and any such use (including, without limitation, the posting of messages or other content) is RRI's prior written approval (as determined by RRI in its sole discretion) and otherwise subject to RRI's standards as set forth in the FOM or other written guidelines established by RRI. RRI reserves the right of prior written approval of any message, commentary, or content that

Franchisee intends to post on a social networking website and Franchisee shall not post any such message, commentary, or comment without RRI's prior written approval.

Section 10.7 Internet Search Engines. Franchisee agrees to list and advertise its Restaurant on all major Internet search engines (for example, Google Review, Apple Review, etc.) and all major Internet consumer review websites (for example, Yelp, etc.).

Section 10.8 Administration of Advertising Programs. RRI reasonably anticipates that the NAP Fee shall be expended for advertising and/or promotional purposes as described herein during RRI's fiscal year within which such fees are received. In the event excess amounts remain in such advertising programs at the end of such fiscal year, then all expenditures in the following fiscal year(s) shall be made first out of accumulated fees from previous years and then from fees collected during the current year. The advertising programs and funds referenced herein are operated as a conduit for the collection and expenditure of advertising fees for the purposes stated herein.

Section 10.9 Advertising Standards and Approval. All advertising and promotion by Franchisee in any medium shall be conducted in a dignified manner and shall conform to the standards and requirements of RRI as set forth in the FOM or otherwise. Franchisee shall obtain RRI's prior written consent to all advertising and promotional plans and materials that Franchisee desires to use which have not been prepared or previously approved by RRI within one (1) year.

(a) Franchisee shall not use any advertising, marketing, and/or promotional materials in connection with the Franchised Restaurant unless such materials have been approved by RRI in writing. Franchisee shall submit any unapproved advertising, marketing, and/or promotional materials to RRI. Franchisee shall use no such materials until they have been approved by RRI and shall promptly discontinue use of any advertising, marketing, and/or promotional materials upon notice from RRI.

(b) This section shall apply in all respects to the distribution and display of advertising, marketing, and/or promotional materials in any medium including, without limitation, print, radio, television, internet, website, social media, and any other media or channel.

Section 10.10 Internet and Electronic Commerce. Franchisee shall not advertise the Franchised Restaurant over the Internet (or any other form of electronic commerce and/or electronic media) without RRI's prior written consent. Franchisee shall not use the Red Robin Marks over the Internet (or any other form of electronic commerce and/or electronic media) without RRI's prior written consent. Franchisee shall not develop, create, establish, and/or use any website or other electronic media which uses, and/or creates any association with, the System and/or the Red Robin Marks (including any abbreviation, acronym, phonetic variation, or visual variation).

(a) All domain names using, and/or creating any association with, the System and/or the Red Robin Marks (including any abbreviation, acronym, phonetic variation, or visual variation) shall be registered in RRI's name. RRI may grant to Franchisee a non-exclusive license to use domain name(s) selected by RRI for Franchisee's use in accordance with this Franchise Agreement. Franchisee shall not register any domain name in any class or category that uses or creates any association with the System and/or Red Robin Marks (including any abbreviation, acronym, phonetic variation, or visual variation) without RRI's prior written consent.

(b) Franchisee agrees that any consent by RRI to develop, create, establish, advertise, register, and/or use any of the Red Robin Marks over the Internet (or any other form of electronic commerce and/or electronic media) shall be subject to certain conditions including, without limitation, requirements as to form, content, and appearance; requirement of a hypertext link to RRI's

website(s); prohibitions on hypertext links to third-party websites; and other requirements, restrictions, and prohibitions deemed necessary by RRI.

(c) On termination or expiration of this Franchise Agreement or in the event Franchisee fails to comply with this Section, then RRI shall have the right (in addition to RRI's other rights and remedies hereunder) to revoke its consent to Franchisee's development, creation, establishment, advertisement, registration, and/or use any of the Red Robin Marks over the Internet or any other form of electronic commerce and/or electronic media (including, without limitation, website(s) and domain names) and, in such event, Franchisee shall immediately cease all such activities and shall immediately take all actions reasonably required to disassociate Franchisee from all such activities.

Section 10.11 Supplemental Marketing Programs and Application(s). Franchisee acknowledges that (i) supplemental marketing programs (e.g., limited time offers, gift cards, gift certificates, coupons, loyalty programs, customer relationship management, and other supplemental marketing programs) are an integral part of the System and (ii) Franchisee shall be required to participate in (and comply with) such supplemental marketing programs established by RRI from time-to-time. Franchisee acknowledges it may be responsible for the payment of certain costs associated with these supplemental marketing programs and that any such costs are not subject to the Maximum Advertising Obligation.

(a) RRI reserves the right to establish (and set forth the terms and conditions of) such supplemental marketing programs through (i) a supplement and/or modification to the FOM or (ii) a standard supplemental marketing program agreement which Franchisee agrees to sign, if so requested by RRI.

(b) Franchisee acknowledges that RRI has developed a guest loyalty (a/k/a royalty) program and Franchisee shall be required to participate in (and comply with the terms and conditions of) RRI's guest loyalty (a/k/a royalty) policy as amended or modified by RRI from time-to-time and any such costs associated with the guest loyalty (a/k/a royalty) program shall be paid by Franchisee and are not subject to the Maximum Advertising Obligation.

(c) Franchisee acknowledges that RRI has developed a gift card program and Franchisee shall be required to participate in (and comply with the terms and conditions of) RRI's gift card policy as amended or modified by RRI from time-to-time and any such costs associated with the gift card program shall be paid by Franchisee and are not subject to the Maximum Advertising Obligation.

(d) Franchisee acknowledges that RRI has developed a mobile application (and may develop similar applications in the future) and Franchisee shall be required to integrate with, participate in, and comply with the terms and conditions of RRI's mobile application usage policy as amended or modified by RRI from time-to-time and any such costs associated with the mobile application policy shall be paid by Franchisee and are not subject to the Maximum Advertising Obligation.

Section 10.12 Copyrights. Franchisee acknowledges that RRI or its affiliates own the worldwide copyright and other ownership rights to the FOM, and all components of the System that are written, electronic, and/or magnetic media subject to copyright (collectively, the "Copyright Materials"). Franchisee acknowledges and agrees that it may only make modifications to the Copyright Materials upon receiving the prior written consent of RRI. Franchisee agrees to use proper copyright and other proprietary notices in connection with all Copyright Materials or translations, modifications or adaptations of the Copyright Materials and conform to RRI's standards for protecting its rights. Franchisee agrees to promptly cause the execution of any assignments, waivers of rights, or other documents, and take any further actions needed or advisable to ensure that RRI has such copyright and other rights described in this Section.

ARTICLE 11
INSURANCE

Section 11.1 Liability Insurance. During the Term, Franchisee shall maintain, at its cost, comprehensive general liability insurance, including broad form contractual liability, broad-form property damage, personal injury, completed operations, products liability and fire damage coverage, in the amount of Two Million Dollars ($2,000,000) per occurrence for bodily injury and property damage, Two Million Dollars ($2,000,000) for liquor liability and Three Million Dollars ($3,000,000) general aggregate.

Section 11.2 Property Insurance. During the Term, Franchisee shall maintain, at its sole cost and expense, property insurance against damage or loss by fire and such other hazards (including without limitation, earthquake, lightning, windstorm, hail, explosion, riot, civil commotion, vandalism, malicious mischief, aircraft, vehicle and smoke) on an "all risk" basis on the Franchised Restaurant in an amount not less than the full replacement value thereof.

Section 11.3 Worker's Compensation Insurance. During the Term, Franchisee shall subscribe to the workers' compensation law in the state in which the Franchised Restaurant is located and shall maintain, at its sole cost, workers' compensation and employers' liability insurance covering all of Franchisee's employees with employer's liability limits not less than Five Hundred Thousand Dollars ($500,000) for each bodily injury by accident and Five Hundred Thousand Dollars ($500,000) for each bodily injury of an employee by disease, and Franchisee is required to carry this insurance regardless of waiver or exemption of coverage under applicable state statute.

Section 11.4 Builder's Risk Insurance. In connection with any construction, renovation, refurbishment or remodeling of the Franchised Restaurant, Franchisee shall maintain "all risks" Builder's Risk insurance and performance and completion bonds in forms and amounts, and written by a carrier or carriers, reasonably satisfactory to RRI.

Section 11.5 Automobile Insurance. During the Term, Franchisee shall maintain, at its cost, automobile liability insurance for all owned, non-owned and hired vehicles covering bodily injury, death and property damage with a minimum combined single coverage limit of One Million Dollars ($1,000,000).

Section 11.6 Excess Insurance. During the Term, Franchisee shall maintain, at its cost, commercial umbrella liability or excess liability insurance with a minimum limit of Five Million Dollars ($5,000,000) per occurrence; such policy shall provide excess limits for the general liability, automobile liability and employer's liability forms required above or at least as broad in coverage.

Section 11.7 Additional Insurance Policies. During the Term, Franchisee shall maintain, at its sole cost, cybersecurity, network risk, and/or cyber liability insurance policies in such amounts as a reasonably prudent franchisee would maintain or as reasonably required by RRI from time-to-time. In addition (and during the Term), Franchisee shall maintain, at its sole cost, such additional insurance policies as a reasonably prudent franchisee would maintain or as reasonably required by RRI from time-to-time.

Section 11.8 Policy Requirements. All insurance policies required under this Article will contain provisions to the effect that the insurance is primary and will not be canceled or modified without at least 30 days prior written notice to RRI and that no modification will be effective unless approved in writing by RRI. All such policies will be issued by a company or companies, rated "A" or better by Best's Insurance Guide, responsible and authorized to do business in the state in which Franchised Restaurant is located, as Franchisee may determine, and as approved by RRI, which approval will not be unreasonably withheld.

(a) All insurance policies required hereunder, with the exception of Workers' Compensation Insurance, shall name RRI, its affiliates, successors and assigns (and their respective officers, directors, shareholders, partners, employees, servants, representatives and agents) as additional insureds and shall expressly provide that any interest of same therein shall not be affected by any breach by Franchisee of any policy provisions. In addition, all insurance policies required hereunder shall waive subrogation in favor of RRI, its affiliates, successors and assigns (and their respective officers, directors, shareholders, partners, employees, servants, representatives and agents).

(b) Franchisee may elect to have reasonable deductibles in connection with the insurance coverage required under this Article subject to a reasonable evaluation of Franchisee's financial strength as compared to such deductibles and otherwise subject to RRI's prior written consent. Franchisee may not agree to sublimits in the insurance policies required by this Article without the prior, written consent of RRI.

(c) Franchisee's obligation to maintain the insurance policies under this Article shall not (i) release Franchisee from its obligations under the indemnity provisions set forth below; or (ii) be limited by reason of any insurance which may be maintained by RRI.

(d) RRI reserves the right to reasonably revise and/or reasonably increase the insurance coverages required under this Article and Franchisee shall promptly comply with any such revisions and/or increases.

(e) Not less than once per year, Franchisee shall deliver to RRI certificates of insurance evidencing the insurance coverages required under this Article. Franchisee shall also deliver such certificates and/or copies of such insurance policies within 10 days after RRI's request.

Section 11.9 RRI's Right to Procure Insurance. In the event Franchisee fails to comply with this Article, then (in addition to any other remedies available to RRI under this Franchise Agreement), RRI shall have the right (but not the obligation) to procure such insurance on Franchisee's behalf and to charge same to Franchisee, which charges, together with a reasonable fee for RRI's expenses in so acting, shall be payable by Franchisee immediately upon notice.

ARTICLE 12
TRANSFER AND ASSIGNMENT

Section 12.1 Transfer by RRI. RRI shall have the right to transfer or assign this Franchise Agreement and all or any part of its rights or obligations herein (including, without limitation, the Red Robin Marks and/or the System) to any person or legal entity and, in such event, (i) the transferee or assignee shall be solely responsible for all of RRI's obligations hereunder arising after the date of such transfer or assignment and (ii) RRI shall be released of its obligations hereunder to the extent such obligations arise after the date of such transfer or assignment. Franchisee expressly and specifically waives any claims, demands, or damages against RRI in connection therewith.

(a) Without limiting the foregoing, Franchisee agrees that RRI may (i) sell its assets, the Red Robin Marks or the System to a third party; (ii) offer its securities privately or publicly; (iii) merge, acquire other corporations or be acquired by another corporation; and/or (iv) undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring, and Franchisee expressly and specifically waives any claims, demands, or damages against RRI in connection therewith.

(b) Nothing contained in this Franchise Agreement shall require RRI to offer any services or products, whether or not bearing the Red Robin Marks, to Franchisee if RRI transfers or assigns its rights in this Franchise Agreement.

Section 12.2 Transfer by Franchisee. Franchisee agrees the rights and duties set forth in this Franchise Agreement are personal to Franchisee and that RRI entered into this Franchise Agreement in reliance on the business skill, financial capacity, restaurant operating experience, restaurant operating systems, organizational expertise, corporate infrastructure, staffing resources, and personal character of the Franchisee and Franchisee's Owners.

(a) Franchisee and/or Franchisee's Owners shall not (i) sell, assign, transfer, convey, give away, gift, pledge, mortgage or otherwise encumber any direct or indirect interest in this Franchise Agreement and/or the Red Robin Marks and (ii) shall not grant a security interest or collateral interest in this Franchise Agreement and/or Red Robin Marks.

(b) Subject to RRI's prior written consent (as determined by RRI in its sole discretion and which RRI may condition upon any or all of the requirements set forth in this Article), Franchisee and/or Franchisee's Owners shall not sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in Franchisee and/or the Franchised Restaurant.

(c) Any purported assignment, transfer, conveyance, give away, gift, pledge, mortgage or other encumbrance (by operation of law or otherwise) by Franchisee and/or Franchisee's Owners which does not comply with this Article (including, without limitation, the prior written consent of RRI) shall be null and void and shall constitute an event of default under this Franchise Agreement.

Section 12.3 Conditions for Approval. RRI shall not unreasonably withhold its consent to a transfer of any interest in Franchisee, this Franchise Agreement, and/or the Franchised Restaurant; provided RRI may, in its sole discretion, require any or all of the following as conditions precedent to its approval (and Franchisee agrees that all such conditions are reasonable and necessary).

(a) All of Franchisee's accrued monetary obligations and all other outstanding obligations to RRI, its subsidiaries and its affiliates shall have been satisfied.

(b) Franchisee is not in default of any provision of this Franchise Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee and RRI, or its subsidiaries and affiliates.

(c) Franchisee, Franchisee's Owners, and the proposed transferor shall have executed a general release, in a form satisfactory to RRI, of any and all claims against RRI, its subsidiaries and affiliates, successors and assigns and their respective officers, directors, shareholders, partners, employees, servants, representatives and agents, in their corporate and individual capacities, including, without limitation, claims arising under this Franchise Agreement and federal, state and local laws, rules and ordinances.

(d) The proposed transferee shall enter into a written agreement, in a form satisfactory to RRI, assuming full, unconditional, joint and several liability for and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Franchise Agreement; and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreement as transferee's owners and shall guarantee the performance of all such obligations, covenants and agreements in writing in a form satisfactory to RRI.

(e) The proposed transferee shall demonstrate to RRI's satisfaction that such transferee meets the criteria considered by RRI when reviewing a prospective franchisee's application for a franchise including but not limited to RRI's educational, managerial and business standards; transferee's good moral character, business reputation and credit rating; transferee's aptitude and ability to operate the Franchised Restaurant in accordance with this Franchise Agreement (as may be evidenced by prior related business experience or otherwise); transferee's ability, financial resources, infrastructure, and capital for operation of a multi-unit restaurant business; and the geographic proximity of other Red Robin Gourmet Burgers and Brews restaurants owned or operated by transferee and the territories or areas with respect to which transferee is obligated to develop Red Robin Gourmet Burgers and Brews restaurants pursuant to any development agreement between RRI and Franchisee, in relation to the Franchised Restaurant.

(f) The proposed transferee shall execute, for a term ending on the expiration date of this Franchise Agreement and with such renewal term as may be provided by this Franchise Agreement, the standard form franchise agreement then being offered to new franchisees in the System and other ancillary agreements as RRI may require; and if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreements as transferee's principals and shall guarantee the performance of all such obligations, contracts and agreements in writing in a form satisfactory to RRI. Such agreements shall supersede this Franchise Agreement and its ancillary documents in all respects and the terms of such agreements may differ from the terms of this Franchise Agreement, including, without limitation, a higher percentage royalty fee and a higher advertising contribution; provided, however, that the transferee shall not be required to pay any initial franchise fee.

(g) The proposed transferee, at its expense, shall remodel and/or upgrade the Franchised Restaurant to conform to the Current Image and then-current standards and specifications of the System and shall complete such remodeling and/or upgrading within the time specified by RRI.

(h) Franchisee, Franchisee's Owners, and the proposed transferor shall remain liable for all of the obligations and liabilities related to this Franchise Agreement and/or the Franchised Restaurant prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by RRI to evidence such liability.

(i) The proposed transferee, the transferee's manager and the transferee's operating partner shall complete, at transferee's cost, any training programs then in effect for franchisees upon such terms and conditions as RRI may reasonably require.

(j) Franchisee shall pay a non-refundable "Transfer Fee" of Ten Thousand and 00/100 Dollars ($10,000.00), or such greater amount as is necessary to reimburse RRI for its reasonable costs and expenses associated with any transfer of this Franchise Agreement, including, without limitation, legal and accounting fees -- in addition to any other transfer fees that may be payable under applicable Development Agreement and/or Franchise Agreement(s).

(k) If the proposed transferee is a corporation or a partnership, then transferee shall make and will be bound by any or all of the representations, warranties and covenants set forth above and transferee shall provide to RRI evidence satisfactory to RRI that the terms of Article 5 have been satisfied and are true and correct on the date of transfer.

(l) Franchisee, Franchisee's Owners, and the proposed transferor and transferee shall comply with any other conditions that RRI reasonably requires from time to time as part of RRI's transfer policies including, without limitation, evidence of landlord consent, subordination of purchase price to monetary obligations under this Franchise Agreement, execution of confidentiality and non-compete agreements, etc.

Section 12.4 No Security Interest. Franchisee shall not grant a security or collateral interest in this Franchise Agreement, the System, and/or the Red Robin Marks. Franchisee shall not grant a security or collateral interest in the Franchised Restaurant, without RRI's prior written consent, which shall not be unreasonably withheld. In connection therewith, the secured party will be required by RRI to agree that in the event of any default by Franchisee under any documents related to the security interest, RRI shall have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any default of Franchisee.

Section 12.5 Transfer for Convenience of Ownership. Any proposed assignment and/or transfer of this Franchise Agreement by Franchisee to an affiliated or subsidiary corporation or other entity formed by Franchisee solely for the convenience of ownership shall be subject to RRI's prior written consent which RRI may condition upon any or all of the requirements set forth above (as determined by RRI in its sole discretion). With respect to any proposed assignment or transfer under this Section, Franchisee shall be the owner of all of the voting stock or interest of such corporation or entity and if Franchisee is more than one individual, each individual shall have the same proportionate ownership interest in the corporation or entity as such individual had in Franchisee prior to the transfer.

Section 12.6 Right of First Refusal. The "Right of First Refusal" attached hereto as Attachment C is hereby incorporated into this Franchise Agreement.

Section 12.7 Transfer Upon Death or Permanent Disability.

(a) Upon the death of any person with an interest in this Franchise Agreement and/or Franchisee (the "Deceased"), the executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party approved by RRI within twelve (12) months after the death. If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by RRI. If the distributee is not approved by RRI, then the distributee shall transfer such interest to a third party approved by RRI within twelve (12) months after the death of the Deceased.

(b) Upon the permanent disability of any person with an interest in this Franchise Agreement or Franchisee, RRI may, in its sole discretion, require such interest to be transferred to a third party in accordance with the conditions described in this Article within six (6) months after notice to Franchisee. "Permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Franchise Agreement or in the Guaranty attached to this Franchise Agreement for at least ninety consecutive days and from which condition recovery within ninety days from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician selected by RRI upon examination of the person; or if the person refuses to submit to an examination, then such person shall be automatically deemed permanently disabled as of the date of such refusal for the purpose of this Article. The costs of any examination required by this Section shall be paid by RRI.

(c) Upon the death or claim of permanent disability of any person with an interest in this Franchise Agreement and/or Franchisee, Franchisee or a representative of Franchisee must promptly notify RRI of such death or claim of permanent disability. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Article for any inter vivos transfer. If an interest is not transferred upon death or permanent disability as required in this Section, then RRI may terminate this Franchise Agreement.

Section 12.8 Non-Waiver of Claims. RRI's consent to a transfer of any interest under this Article shall not constitute a waiver of any claims it may have against transferor nor shall it be deemed a waiver of RRI's right to demand exact compliance with any of the terms of this Franchise Agreement by the proposed transferee.

Section 12.9 Offerings by Franchisee. Securities or partnership interests in Franchisee may be offered to the public by private offering or otherwise, only with the prior written consent of RRI (whether or not RRI's consent is required under this Article), which consent shall not be unreasonably withheld. All materials required for such offering by federal or state law shall be submitted to RRI for a limited review as discussed below prior to their being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to RRI for such review prior to their use. No Franchisee offering shall imply (by use of the Red Robin Marks or otherwise) that RRI is participating in an underwriting, issuance or offering of Franchisee or RRI securities; and RRI's review of any offering shall be limited solely to the subject of the relationship between Franchisee and RRI. RRI may, at its option, require Franchisee's offering materials to contain a written statement prescribed by RRI concerning the limitations described in the preceding sentence. Franchisee and the other participants in the offering must fully indemnify RRI in connection with the offering. For each proposed offering, Franchisee shall pay to RRI a non-refundable fee of Ten Thousand and 00/100 Dollars ($10,000.00). Franchisee shall give RRI written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Section.

ARTICLE 13
DEFAULT AND TERMINATION

Section 13.1 Obligations Material. Franchisee acknowledges and agrees that: (i) each of the Franchisee's obligations described in this Franchise Agreement is a material and essential obligation of Franchisee; (ii) Franchisee's nonperformance of such obligations will adversely and substantially affect the RRI and the System; and (iii) the exercise by RRI of the rights and remedies set forth herein are appropriate and reasonable.

Section 13.2 Default and Automatic Termination. Each of the following shall be deemed an event of default by Franchisee and, upon such default, this Franchise Agreement shall automatically terminate without notice to Franchisee or cure period.

(a) Franchisee shall become insolvent or makes a general assignment for the benefit of creditors or any purported assignment, transfer, conveyance, give away, gift, pledge, mortgage or other encumbrance (by operation of law or otherwise) by Franchisee and/or Franchisee's Owners which does not comply with this Franchise Agreement.

(b) Franchisee files a voluntary petition (or an involuntary petition involving Franchisee is filed) under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state thereof, or admits in writing its inability to pay its debts when due or Franchisee is adjudicated a bankrupt or insolvent in proceedings filed against Franchisee under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state thereof.

(c) A bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee. A receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction. Proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee. A final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed). Franchisee is dissolved or if execution is levied against Franchisee's business or property. Suit or other proceeding to foreclose any lien or mortgage against the Franchised Restaurant (or equipment therein) is instituted against Franchisee and not dismissed within thirty (30) days or the real or personal property of the Franchised Restaurant shall be sold after levy thereupon by any sheriff or other person with competent jurisdiction.

(d) Franchisee or any of Franchisee's Owners (i) violates any "Anti-Terrorism Laws", as defined below, (ii) is listed under any such Anti-Terrorism Laws, (iii) has any dealings with any person listed under any such Anti-Terrorism Laws, and/or (iv) assets are blocked under any such Anti-Terrorism Laws.

(1) The term "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

Section 13.3 Other Defaults by Franchisee. Each of the following shall be deemed an event of default by Franchisee under this Franchise Agreement.

(a) Franchisee ceases to operate or otherwise abandons the Franchised Restaurant for three (3) consecutive days unless the Franchised Restaurant has been closed (i) for a purpose that has been expressly approved in writing by RRI; (ii) due to governmental order; or (iii) due to fire, flood, other casualty, or other catastrophic forces beyond Franchisee's control; provided (1) such event was not

caused by Franchisee's intentional and/or negligent acts, (2) that Franchisee applies within thirty (30) days after such event, for RRI's approval to relocate or reconstruct the Franchised Restaurant (which approval shall not be unreasonably withheld), and (3) Franchisee thereafter diligently pursues such reconstruction or relocation, and (4) any such approval by RRI may be conditioned upon the payment of an agreed minimum royalty to RRI during the period in which the Franchised Restaurant is not in operation.

(b) Franchisee (i) breaches the lease agreement for the Approved Location and/or loses the right to possession and/occupancy of the Approved Location, and/or (ii) loses the right to transact business in the jurisdiction where the Franchised Restaurant is located.

(c) Franchisee or any of Franchisee's Owners is convicted (regardless of any pending appeal) of a felony, a crime involving moral turpitude, or any other crime or offense that RRI believes is reasonably likely to have an adverse effect on the System, the Red Robin Marks, the goodwill associated therewith, or RRI's interest therein. Submission by Franchisee or any of Franchisee's Owners of a franchise application and/or management commitment form (or other documentation required under this Franchise Agreement) which contains any material false or misleading statements or omits any material fact.

(d) Franchisee or any of Franchisee's Owners engages in conduct that is deleterious or reflects unfavorably on RRI, the System, the Red Robin Marks, and/or the goodwill associated therewith including, without limitation, conduct which exhibits a disregard for the physical and mental well-being of employees, guests, RRI's representatives, the public at large (e.g., battery, assault, sexual harassment, discrimination, and other forms of threatening, outrageous, or socially unacceptable behavior).

(e) Franchisee fails to comply with this Franchise Agreement, the System, and/or any health, safety, or sanitation law, rule, or regulation relating to cleanliness and sanitation of the Franchised Restaurant. Franchisee's construction, maintenance, and/or operation of the Franchised Restaurant represents a threat or danger to public health or safety.

(f) Franchisee misuses or makes any unauthorized use of the Red Robin Marks or otherwise materially impairs the goodwill associated therewith or RRI's rights therein.

(g) Franchisee and/or any of Franchisee's Owners enters into a subfranchise agreement, management agreement, consulting arrangement, subcontracting arrangement, outsourcing arrangement, or any other similar arrangement relating to this Franchise Agreement and/or the Franchised Restaurant.

(h) Franchisee fails to pay the Franchise Fee, Royalty Fee, Advertising Fee, and/or any other amounts due hereunder.

(1) Any failure by Franchisee to pay the Royalty Fee in full as and when due (without any retention, deduction, credit, and/or offset whatsoever, except any deduction and/or credit expressly permitted under the definition of Gross Sales) shall automatically be deemed a failure to pay the Royalty Fee and an event of default by Franchisee under this Franchise Agreement.

(i) Franchisee and/or any of Franchisee's Owners fails to comply with any provision of this Franchise Agreement.

(j) Franchisee repeatedly fails to comply with the provisions of this Franchise Agreement (whether or not cured after notice).

(k) Franchisee has not opened the Franchised Restaurant for business to the general public within 180 days after the Effective Date of this Franchise Agreement.

Section 13.4 Remedies for Default by Franchisee. In the event of a default under Section 13.3, then RRI may, at its option, elect any one or more of the following remedies.

(a) With respect to a default under Section 13.3(c), RRI may terminate this Franchise Agreement immediately upon written notice which notice shall specify the nature of the default(s).

(b) With respect to a default under Section 13.3(d), RRI may terminate this Franchise Agreement upon three (3) days prior written notice which notice shall specify the nature of the default(s). In the event Franchisee cures such default(s) to the satisfaction of RRI prior to the expiration of such 3-day period, then such default shall be deemed as cured and this Franchise Agreement shall not terminate due to such default. If any such default is not cured within such 3-day period, then this Franchise Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the 3-day period.

(c) With respect to other defaults under Section 13.3, RRI may terminate this Franchise Agreement upon ten (10) days prior written notice to Franchisee which notice shall specify the nature of the default(s). In the event Franchisee cures such default(s) to the satisfaction of RRI prior to the expiration of such 10-day period (or such shorter period in the event of an emergency), then such default shall be deemed as cured and this Franchise Agreement shall not terminate due to such default. If any such default is not cured within such 10-day period, then this Franchise Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the 10-day period.

(d) RRI may elect any other right or remedy available to RRI under this Franchise Agreement, at law, or in equity including, without limitation, the remedies set forth below.

Section 13.5 Additional Remedy – Guaranty by Principal Owner. Principal Owner, Operating Partner, and any other of Franchisee's Owners shall not be obligated to execute the Guaranty in the form set forth on Attachment D; provided that, in the event of a default by Franchisee under this Franchise Agreement (even if such default is cured by Franchisee), RRI reserves the right to require the Principal Owner to sign the Guaranty in the form set forth on Attachment D. In such event, any failure by Principal Owner to immediately sign such Guaranty shall constitute an event of default under Section 13.3.

Section 13.6 Additional Remedy – Letter of Credit and Other Payment Remedies. In the event of a default by Franchisee under this Franchise Agreement (even if such default is cured by Franchisee), RRI reserves the right (as determined by RRI in its sole discretion) to require (i) Franchisee to execute such documents as required to authorize and direct Franchisee's bank or financial institution to pay and deposit directly to RRI all monetary amounts due to RRI under this Franchise Agreement, and/or (ii) Franchisee to post a Letter of Credit (or, LOC) in accordance with this Section.

(a) In such event, Franchisee shall deliver a clean, unconditional, and irrevocable letter of credit established in RRI's favor in the amount of One Hundred Thousand and 00/100 Dollars (US$100,000.00) issued by a federally-insured banking or lending institution reasonably acceptable to RRI with a retail banking branch located in Denver, Colorado. Any failure by Franchisee to immediately deliver the LOC to RRI in accordance with this Section shall constitute an event of default under Section 13.3.

(b) The form, terms, and conditions of the LOC shall be subject to RRI's review and prior written approval, not to be unreasonably withheld. In addition, the LOC shall have an initial term of not less than five (5) years and shall specifically provide for automatic renewal as an evergreen letter of credit until the expiration of the Term, partial draws, and fully transferable by RRI without payment of any fees or charges.

(c) The LOC shall provide that – in the event Franchisee fails to make any payment of any monetary amount required under this Franchise Agreement – then RRI may, in its sole discretion, make a draw under the LOC in an amount equal to the amount(s) then due and owing to RRI under this Franchise Agreement by delivery of written notice to the issuing bank. Further, the LOC shall provide that the issuing bank shall make payment under the LOC in the amount requested by RRI immediately upon receipt of such written notice from RRI.

(d) In the event that RRI draws upon the LOC, then Franchisee shall present to RRI a replacement LOC in the amount of One Hundred Thousand and 00/100 Dollars (US$100,000.00) satisfying all of the terms and conditions of this Section within ten (10) days after receipt of notice from RRI of such draw. Franchisee's failure to do so within such 10-day period will constitute a default hereunder (Franchisee hereby waiving any additional notice and/or cure periods), and, upon such default, RRI shall be entitled to immediately exercise all rights and remedies available hereunder, at law or in equity.

(e) Upon expiration of the initial 5-year term, the LOC shall provide for automatic renewal without amendment for consecutive periods of one (1) year each thereafter until the expiration of the Term, unless the issuing bank sends notice of non-renewal (the "Non-Renewal Notice") to RRI not less than ninety (90) prior to the then-current expiration date of the LOC.

(f) Upon receipt of the Non-Renewal Notice, Franchisee shall immediately post a replacement LOC in the amount of One Hundred Thousand and 00/100 Dollars (US$100,000.00) satisfying all of the terms and conditions of this Section. In addition (and upon receipt of the Non-Renewal Notice), RRI shall have the right to draw the full amount of the LOC by sight draft on the issuing bank and shall hold the proceeds of any such draw as a deposit to secure Franchisee's unconditional performance of its obligations under this Franchise Agreement.

Section 13.7 No Cure Period. Franchisee agrees there is no cure period for any of the events of default described in Section 13.2. Franchisee agrees there is no cure period for any of the events of default described in Section 13.3 except as expressly set forth in Section 13.4. If any applicable law or rule requires a notice period and/or a cure period, then the notice period and/or cure period required under such law or rule shall be substituted for the requirements herein.

Section 13.8 No Waiver. Forbearance by RRI to enforce its rights and remedies in this Article 14 in the event of a default by Franchisee shall not constitute a waiver of such default and shall not constitute a waiver by RRI of its rights and remedies in this Article in the event of any subsequent default by Franchisee.

Section 13.9 Remedies Not Exclusive. No right or remedy herein conferred upon or reserved to RRI is exclusive of any other right or remedy provided or permitted by law or in equity.

Section 13.10. Default By RRI. If RRI defaults in the performance of any term of this Franchise Agreement, then Franchisee shall deliver written notice of such default to RRI within thirty (30) days after such default and such notice shall clearly and definitively specify each act or omission constituting

such default. If Franchisee does not believe that RRI has cured such default within sixty (60) days after delivery of such default notice to RRI, then Franchisee shall notify RRI that Franchisee believes such default has not been cured. If Franchisee fails to notify RRI within such 60-day period that such default has not been cured, then such default shall be deemed as cured.

ARTICLE 14
TERMINATION OR EXPIRATION OF FRANCHISE AGREEMENT

Section 14.1 Termination or Expiration. Upon termination or expiration of this Franchise Agreement, Franchisee agrees that all rights and licenses granted to Franchisee under this Franchise Agreement (including, without limitation, rights to use the System, the FOM, and the Red Robin Marks) shall immediately terminate and any right, title, and interest claimed by Franchisee to any such matters shall immediately revert to RRI without further notice or documentation. Franchisee shall also comply with the following obligations:

(a) Franchisee shall immediately cease to operate the Franchised Restaurant and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of RRI.

(b) Franchisee shall immediately and permanently cease to use, in any manner whatsoever, the System, the Red Robin Marks, the FOM, and the Confidential Information. In connection with the promotion, advertising, marketing, and/or operation of any other business conducted by Franchisee, Franchisee shall not, under any circumstances, use any reproduction, counterfeit, copy or colorable imitation of the Red Robin Marks which is likely to cause confusion, mistake, or deception, or which is likely to dilute RRI's rights in and to the Red Robin Marks. Franchisee shall not use any designation of origin, description, or representation which falsely suggests or represents an association and/or connection (or former association or connection) with RRI.

(c) Franchisee shall immediately de-identify (and make non-structural changes to) the Franchised Restaurant in accordance with a "De-Identification Schedule" to be prepared by RRI so as to reasonably distinguish the building shell (and its interior) from other Red Robin Restaurants, except as otherwise designated in writing by RRI.

(d) Franchisee shall immediately deliver to RRI the FOM, Confidential Information, all written materials bearing the Red Robin Marks or identifying the Franchised Restaurant, all computer hardware and software which may have been provided or licensed by RRI, such items as may be listed in the De-Identification Schedule, and all other records, files, instructions, correspondence, brochures, agreements, invoices, and other materials relating to the operation of the Franchised Restaurant. Franchisee shall retain no copy or record of any of the foregoing, except Franchisee's copy of this Franchise Agreement and copies of any correspondence between the parties.

(e) Franchisee shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the Red Robin Marks and Franchisee shall furnish RRI with evidence satisfactory to RRI of compliance with this obligation within five (5) days after termination or expiration of this Franchise Agreement.

(f) Within 10 days after such termination or expiration, Franchisee shall pay all sums owing to RRI under this Franchise Agreement including, without limitation, all damages, costs (including costs under subparagraph (g) below), expenses, and reasonable attorneys' fees incurred by RRI as a result of such termination or expiration. In the event Franchisee fails to comply with this subparagraph (f), then (in addition to any rights and remedies available to RRI), such failure shall give

rise to and remain a lien in favor of RRI (until paid in full) against any and all of the personal property, furnishings, equipment, signs, fixtures, and inventory owned by Franchisee at the Franchised Restaurant (in addition to any other rights and remedies available to RRI under this Franchise Agreement or applicable law).

(g) In the event Franchisee fails or refuses to comply with the requirements of this Section, then RRI shall have the right to enter the Approved Location, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required under this Section, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

Section 14.2 Liquidated Damages. If RRI terminates this Franchise Agreement under Article 13, then (and in addition to all other remedies that RRI may have available under this Franchise Agreement or otherwise), Franchisee shall pay to RRI, as liquidated damages, an amount equal to (a) the average monthly Royalty Fees due hereunder for the twelve (12) months immediately preceding such termination (or such period of time Franchisee has operated the Franchise Restaurant if less twelve (12) months), multiplied by (b) the lesser of (i) twenty-four (24) months or (ii) the number of months remaining in the then-current term of this Agreement. The parties agree that this calculation is a reasonable estimate of the potential damages that will result from such a termination and that this provision is not meant as a penalty.

Section 14.3 Survival. The terms of this Article shall survive the termination or expiration of this Franchise Agreement. Franchisee shall pay to RRI all damages, costs and expenses, including reasonable attorneys' fees, incurred by RRI subsequent to the termination or expiration of this Franchise Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Article.

ARTICLE 15
NO-COMPETE CLAUSE AND RELATED COVENANTS

Section 15.1 Best Efforts. During the Term, Franchisee, Principal Owner and Operating Partner (as applicable) agree to devote full time and best efforts to the management and operation of the Franchised Restaurant.

Section 15.2 Receipt of Confidential Information. Franchisee and Franchisee's Owners agree (i) they will receive valuable specialized training and Confidential Information which is beyond their present skills and experience, and (ii) that such training and Confidential Information provide a competitive advantage and will be valuable to them in the operation of the Franchised Restaurant, (iii) access to such training and Confidential Information is a primary reason for entering into this Franchise Agreement, (iv) such training and Confidential Information are provided by RRI for the benefit of the System and each Red Robin Restaurant under the System and (v) that the System and each such restaurant individually and mutually benefit from Franchisee's compliance with the covenants described below.

Section 15.3 No-Compete Clause. In consideration for such training and Confidential Information (and the other benefits provided to Franchisee by this Franchise Agreement), Franchisee and Franchisee's Owners agree as follows:

(a) During the Term, Franchisee and Franchisee's Owners shall not directly, indirectly, or in any manner whatsoever:

(1) Divert or attempt to divert any business or customer of Red Robin Restaurants to any Competitive Restaurant (defined below) or otherwise take any action

injurious or prejudicial to the goodwill associated with the Red Robin Marks and the System.

(2) Employ or seek to employ any person who is at that time employed by RRI or by any other franchisee or developer of RRI, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, develop, operate, or have any interest in any Competitive Restaurant.

(4) The term "Competitive Restaurant" means (1) any restaurant or food service business, other than a Red Robin Restaurant, that is a restaurant in the full-service, "casual" or "family" segment of the restaurant industry that offers burgers and may reasonably be expected to generate more than fifteen percent (15%) of its food sales from the sale of burgers, including, without limitation, a restaurant which is similar to a Red Robin Restaurant; or (2) any businesses granting franchises or licenses to others to operate the type of restaurant or food service business specified in subparagraph (1).

(b) Commencing on (i) the expiration or termination of this Franchise Agreement or (ii) on the date of an approved transfer of all of Franchisee's interest in this Franchise Agreement and continuing for a period of two (2) years after such date, Franchisee shall not directly, indirectly, or in any manner whatsoever:

(1) Divert or attempt to divert any business or customer of Red Robin Restaurants to any competitor or otherwise take any action injurious or prejudicial to the goodwill associated with the Red Robin Marks and the System.

(2) Employ or seek to employ any person who is at that time employed by RRI or by any other franchisee or developer of RRI, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, develop, operate, or have any interest in any Competitive Restaurant located in the United States of America.

(c) Commencing on (i) the expiration or termination of this Franchise Agreement or (ii) on the date which an individual or entity ceases to satisfy the definition of "Franchisee's Owner" and continuing for a period of two (2) years after such date, Franchisee's Owner(s) shall not directly, indirectly, or in any manner whatsoever:

(1) Divert or attempt to divert any business or customer of Red Robin Restaurants to any Competitive Restaurant or otherwise take any action injurious or prejudicial to the goodwill associated with the Red Robin Marks and the System.

(2) Employ or seek to employ any person who is at that time employed by RRI or by any other franchisee or developer of RRI, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, develop, operate, or have any interest in any Competitive Restaurant located in the United States of America.

(d) In addition to any other rights and remedies available to RRI under this Franchise Agreement and in the event of a violation of Sections 15.3(a)(ii), 15.3(b)(ii), and/or 15.3(c)(ii), RRI may elect, in its sole discretion, to require Franchisee to pay to RRI an amount equal to three (3) times the annual salary of the person(s) involved in such violation plus an amount equal to costs and attorney's fees incurred by RRI in connection with such violation and such amounts shall be deemed as liquidated damages.

Section 15.4 Managers and Employees. At RRI's request, Franchisee shall require and obtain execution of covenants similar to those set forth in this Article (including covenants applicable upon the termination of a person's relationship with Franchisee) from any and all managers of Franchisee and any other employees of Franchisee who have received or will receive training or Confidential Information, and any holder (except for limited partners) of a beneficial interest of less than one percent (1%) of the securities of Franchisee and any corporation, partnership or limited liability company directly or indirectly controlling Franchisee, if Franchisee is a corporation, partnership or limited liability company (or of any general partner that is a corporation, partnership or limited liability company or any corporation, partnership or limited liability company directly or indirectly controlling a general partner of Franchisee, if Franchisee is a partnership).

Section 15.5 Survival. The terms of this Article shall survive the termination, expiration, or any transfer of this Franchise Agreement. The parties agree this Article shall be construed as independent of any other provision of this Franchise Agreement. If all or any portion of this Article is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which RRI is a party, Franchisee and Franchisee's Owners expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Article.

Section 15.6 Reduction in Scope. Franchisee and Franchisee's Owners agree; that RRI shall have the right, in its sole discretion, to reduce the scope of any provision, or portion thereof, in this Article without their consent, effective immediately upon notice to Franchisee; and Franchisee and Franchisee's Owners agree that they shall comply forthwith with any provision as so modified, which shall be fully enforceable notwithstanding the provisions of Section 19.1.

Section 15.7 No Defense. Franchisee and Franchisee's Owners expressly agree that the existence of any claims they may have against RRI, whether or not arising from this Franchise Agreement, shall not constitute a defense to the enforcement by RRI of the provisions of this Article. In addition to any other rights and remedies, Franchisee and Franchisee's Owners agree to pay all costs and expenses (including reasonable attorneys' fees) incurred by RRI in connection with the enforcement of this Article.

Section 15.8 Consent to Injunctive Relief. Franchisee and Franchisee's Owners acknowledge that a violation of the terms of this Article would result in irreparable injury to RRI for which no adequate remedy at law may be available, and Franchisee and Franchisee's Owners accordingly consent to the issuance of an injunction prohibiting any conduct by Franchisee or Franchisee's Owners in violation of the terms of this Article.

ARTICLE 16
INDEPENDENT CONTRACTOR AND INDEMNIFICATION

Section 16.1 Independent Contractor. The parties agree that Franchisee is an independent contractor, this Franchise Agreement does not create a fiduciary or other special relationship between them, and nothing in this Franchise Agreement is intended to designate either party as an agent, legal

representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

(a) During the Term, Franchisee shall hold itself out to the public as an independent contractor operating the Franchised Restaurant under this Franchise Agreement. Franchisee agrees to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place in the Franchised Restaurant, the content of which RRI reserves the right to specify.

(b) The parties agree that nothing in this Franchise Agreement authorizes Franchisee or any of Franchisee's Owners to make any contract, agreement, warranty, or representation on RRI's behalf, or to incur any debt or other obligation in RRI's name; and that RRI shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall RRI be liable by reason of any act or omission of Franchisee or Franchisee's Owners or for any claim or judgment arising therefrom against Franchisee, any of Franchisee's Owners or RRI.

(c) Franchisee shall be the sole and exclusive employer of its employees with the sole right to hire, discipline, and discharge such employees and the sole right to establish wages, hours, benefits, employment policies, and other terms and conditions of employment for such employees all as determined by Franchisee in its sole discretion without consultation or approval by RRI. Franchisee shall be solely responsible for the payment of all social security taxes and/or other applicable payroll-related, government-mandated contributions and/or taxes and Franchisee shall indemnify and hold RRI harmless from any liability for any such contributions and/or taxes.

Section 16.2 Indemnity. Franchisee is responsible for all Damages (defined below) related to Franchisee's obligations under this Franchise Agreement and the development and operation of the Franchised Restaurant. Franchisee shall, at all times, indemnify and hold RRI (including its subsidiaries, affiliates, successors and assigns and their respective officers, directors, attorneys, shareholders, partners, agents, representatives, independent contractors and employees -- collectively referenced hereinafter as "Indemnitees") harmless to the fullest extent permitted by law (without regard to the cause thereof or the negligence of Indemnitees) from all Damages related to Franchisee's obligations under this Franchise Agreement and the development and operation of the Franchised Restaurant including, without limitation, Damages related to the following matters:

(a) The infringement, alleged infringement, or any other violation or alleged violation by Franchisee or any of Franchisee's Owners of any patent, mark or copyright or other proprietary right owned or controlled by third parties (except as such may occur with respect to any right to use the Red Robin Marks or other proprietary information granted hereunder).

(b) The violation, breach or asserted violation or breach by Franchisee or any of Franchisee's Owners of any federal, state or local law, regulation, ruling, standard or directive or any industry standard (including, without limitation, any claims related to the employment of Franchisee's employees).

(c) Libel, slander or any other form of defamation of RRI, the System or any developer or franchisee operating under the System, by Franchisee or by any of Franchisee's Owners;

(d) The violation or breach by Franchisee or by any of Franchisee's Owners of any provision of this Franchise Agreement or in any other agreement between Franchisee, its subsidiaries and affiliates and RRI, its subsidiaries and affiliates or the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees thereof.

(e) Acts, errors, or omissions of Franchisee, any of Franchisee's subsidiaries or affiliates and any of Franchisee's Owners and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of Franchisee and its subsidiaries and affiliates in connection with the establishment and operation of the Franchised Restaurant.

Section 16.3 Notice to RRI. Franchisee and each of Franchisee's Owners agree to give RRI notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At the expense and risk of Franchisee and each of Franchisee's Owners, RRI may elect to assume (but under no circumstance is obligated to undertake) or select counsel of its own choosing with respect to, the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Such an undertaking by RRI shall, in no manner or form, diminish the obligation of Franchisee and each of Franchisee's Owners to indemnify the Indemnitees and to hold them harmless.

Section 16.4 Settlement or Other Remedial Actions. In order to protect persons or property, or its reputation or goodwill, or the reputation or goodwill of others, RRI may, at any time and without notice, as it, in its judgment deems appropriate, consent or agree to settlements or take such other remedial or corrective actions it deems expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in RRI's sole judgment, there are reasonable grounds to believe that (i) any of the acts or circumstances enumerated in Section 16.2 have occurred or (ii) any act, error, or omission as described in Section 16.2(e) may result directly or indirectly in damage, injury, or harm to any person or any property.

(a) All Damages incurred under this Article shall be chargeable to and paid by Franchisee or any of Franchisee's Owners pursuant to its obligations of indemnity under this Article, regardless of any actions, activity or defense undertaken by RRI or the subsequent success or failure of such actions, activity, or defense.

Section 16.5 Definition of Damages. As used in this Article, the term "Damages" shall include, without limitation, all liability, losses, damages (including, without limitation, compensatory, exemplary and punitive damages), claims, fines, charges, costs, expenses, debts, lost profits, reasonable attorney's fees, court costs, settlement amounts, judgments, compensation for damages to the RRI's reputation and goodwill, costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

Section 16.6 No Liability. Indemnitees do not assume any liability whatsoever for acts, errors, or omissions of those with whom Franchisee, any of Franchisee's Owners, Franchisee's subsidiaries and affiliates or any of the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of Franchisee, its subsidiaries or affiliates may contract, regardless of the purpose.

Section 16.7 No Requirement to Pursue Third Party. Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against Franchisee or any of Franchisee's Owners. Franchisee and each of Franchisee's Owners agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from Franchisee or any of Franchisee's Owners by the Indemnitees.

Section 16.8 Survival. The terms of this Article shall survive the termination, expiration, or any transfer of this Franchise Agreement.

ARTICLE 17
APPROVALS AND WAIVERS

Section 17.1 Requests for Approvals. Whenever this Franchise Agreement requires the prior approval or consent of RRI, Franchisee shall make a timely written request to RRI therefor, and such approval or consent shall be obtained in writing.

(a) RRI makes no warranties or guarantees upon which Franchisee or Franchisee's Owners may rely, and assumes no liability or obligation to Franchisee or such persons, by providing any waiver, approval, consent, or suggestion to Franchisee or Franchisee's Owners in connection with this Franchise Agreement, or by reason of any neglect, delay, or denial of any request therefor.

Section 17.2 No Waiver. No delay, waiver, omission, or forbearance on the part of RRI to exercise any right, option, duty, or power arising out of any breach or default by Franchisee or Franchisee's Owners under this Franchise Agreement shall constitute a waiver by RRI to enforce any such right, option, duty, or power as against Franchisee or Franchisee's Owners, or as to any subsequent breach or default. Subsequent acceptance by RRI of any payments due to it hereunder shall not be deemed to be a waiver by RRI of any preceding breach by Franchisee or Franchisee's Owners of any terms, provisions, covenants, or conditions of this Franchise Agreement.

ARTICLE 18
NOTICES

Any and all notices permitted or required to be delivered under this Franchise Agreement shall be delivered by email; provided sender confirms such email delivery by sending a confirmation copy via overnight delivery service within one (1) business day after transmission thereof to the respective parties at the addresses listed below. So long as any notice is prepared, addressed, and delivered in accordance with this Section, then any such notice shall be deemed to have been received at the time of transmission in the case of email, provided confirmation is sent as described above. The parties may change their notice information below by delivery of written notice to the other party in accordance with this Section with new notice information.

If to RRI:
LeAnne Stine
Vice President Franchise & Alternative Platforms
Red Robin International, Inc.
Email: lstine@redrobin.com

With a required copy to:
Chief Legal Officer
Red Robin International, Inc.
10000 East Geddes Avenue, Suite 500
Englewood, CO 80112
Email: legalteam@redrobin.com

If to Franchisee:
_____ (Name)
_____ (Title)
_____ (Address)
_____ (Email)

ARTICLE 19
MISCELLANEOUS PROVISIONS

Section 19.1 Entire Agreement. This Franchise Agreement, the documents referred to herein, and the Attachments hereto constitute the entire, full and complete agreement between RRI and Franchisee concerning the subject matter hereof, and shall supersede all prior agreements, discussions, correspondence, understandings and/or communications in any form or format between the parties hereto with respect to the subject matter hereof. Except for those permitted to be made unilaterally by RRI hereunder, no amendment, change, or variance from this Franchise Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. In entering into this Franchise Agreement, no party is relying on any promise, warranty, inducement or representation by the other party other than those expressly set forth herein; provided, however, that nothing in this Franchise Agreement is intended to disclaim any representations made by RRI in the franchise disclosure document provided to Franchisee by RRI.

Section 19.2 Severability. Except as expressly provided to the contrary herein, each portion, section, part, term, and/or provision of this Franchise Agreement shall be considered severable; and if, for any reason, any section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, and/or provisions of this Franchise Agreement as may remain otherwise intelligible; and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid portions, sections, parts, terms and/or provisions shall be deemed not to be a part of this Franchise Agreement.

Section 19.3 No Benefit. Except as expressly provided to the contrary herein, nothing in this Franchise Agreement is intended, nor shall be deemed, to confer upon any person or legal entity any rights or remedies under this Franchise Agreement (and otherwise except for Franchisee, Franchisee's Owners, RRI, and RRI's officers, directors, and employees).

Section 19.4 Agreement to be Bound. Franchisee and Franchisee's Owners, as applicable, expressly agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Franchise Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which RRI is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

Section 19.5 Captions. All captions in this Franchise Agreement are intended solely for the convenience of all parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

Section 19.6 Survival. Any obligation of Franchisee or Franchisee's Owners that contemplates performance of such obligation after termination, expiration, or any transfer of this Franchise Agreement shall be deemed to survive such termination, expiration or transfer.

Section 19.7 References. All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, where applicable; and, without limiting the obligations individually undertaken by the Franchisee's Owners hereunder, all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all those executing this Franchise Agreement on behalf of Franchisee.

(a) Each reference in this Franchise Agreement to a corporation or partnership shall be deemed to also refer to a limited liability company and any other entity or organization similar thereto. Each reference to the organizational documents, owners, directors, and officers of a corporation in this Franchise Agreement shall be deemed to refer to the functional equivalents of such organizational documents, owners, directors, and officers, as applicable, in the case of a limited liability company or any other entity or organization similar thereto.

Section 19.8 Counterparts. This Franchise Agreement may be executed in one or more counterparts and each counterpart so executed shall be deemed an original.

Section 19.9 Business Days. The term "business days" means any days excluding Saturday, Sunday and the following national holidays: New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving and Christmas.

Section 19.10 Franchisee's Responsibility For Franchisee's Owners. Franchisee shall, at its sole cost, expense, and liability, be solely and completely responsible to ensure (and cause) each of Franchisee's Owners to comply with the terms of this Franchise Agreement. Franchisee agrees that any violation of the terms of this Franchise Agreement by Franchisee's Owners shall constitute an event of default under Article 13.

Section 19.11 Outsourcing by RRI. RRI may, in its sole discretion, elect to outsource and/or subcontract certain of RRI's obligations set forth in this Franchise Agreement to subsidiaries, affiliates, contract employees, third-party vendors, and/or other third-party suppliers; provided (i) any such outsourcing and/or subcontracting shall not discharge RRI from its obligations under this Franchise Agreement, and (ii) any such outsourced or subcontracted obligations shall be performed in accordance with the terms of this Franchise Agreement.

ARTICLE 20
DISPUTE RESOLUTION

Section 20.1 Legal Remedies. RRI and Franchisee will each have the right in a proper case to obtain specific performance, eviction from the premises of the Franchised Restaurant, temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction. Franchisee agrees that RRI may have temporary or preliminary injunctive relief without bond, but upon due notice, and Franchisee's sole remedy in the event of the entry of such injunctive relief will be the dissolution of the injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any injunction being expressly waived).

Section 20.2 Consent to Jurisdiction, Venue, and Governing Law. Franchisee and Franchisee's Owners irrevocably (i) submit themselves to the jurisdiction of the State Courts of Colorado, located in Arapahoe County, Denver, and the United States District Court for the District of Colorado, Denver Division; (ii) waive all questions of personal jurisdiction for the purpose of effectuating this provision; (iii) agree that service of process may be made upon any of them in any proceeding relating to, or arising out of, this Franchise Agreement (including the relationship contemplated by this Franchise Agreement) by any means allowed by Colorado or Federal law; and (iv) agree that venue for any proceeding relating to, or arising out of, this Franchise Agreement shall be in Arapahoe County, Colorado; provided RRI may bring an action for injunctive or other extraordinary relief in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes, and/or actions, this Franchise Agreement shall be interpreted and construed under Colorado law (without regard

to Colorado choice of law rules), except that any State law regarding (i) the offer and sale of franchises, (ii) franchise relationships, and/or (iii) business opportunities will not apply unless the applicable jurisdictional requirements are met independently without reference to this paragraph.

Franchisee, Franchisee's Owners, and RRI acknowledge the terms of this Section provide each of the parties with the mutual benefit of uniform interpretation of this Franchise Agreement and any dispute arising out of the relationship contemplated by this Franchise Agreement. Franchisee, Franchisee's Owners, and RRI acknowledge the receipt and sufficiency of mutual consideration for such benefit.

Section 20.3 Place of Execution of Franchise Agreement. Franchisee, Franchisee's Owners, and RRI acknowledge (i) this Franchise Agreement was executed in Arapahoe County, Colorado; and (ii) performance of certain obligations of Franchisee and Franchisee's Owners under this Franchise Agreement, including payment of monetary sums due hereunder, shall occur at RRI's principal offices in Englewood (Denver), Colorado.

Section 20.4 Costs and Attorneys' Fees. Prior to the commencement of litigation, arbitration, or other dispute resolution procedure and in the event RRI incurs costs and expenses (including attorneys' fees) in connection with Franchisee's failure to comply with (and/or failure to timely pay amounts owing to RRI under) this Franchise Agreement, then Franchisee shall promptly reimburse RRI for such reasonable costs and expenses. In the event of litigation, arbitration, or other dispute resolution procedure between the parties to enforce this Franchise Agreement, the prevailing party in any such action shall be entitled to recover reasonable costs and expenses from the other party, including, without limitation, court costs, attorneys' fees, and discovery costs.

Section 20.5 Rights of Parties are Cumulative. RRI's and Franchisee's rights under this Franchise Agreement are cumulative and the exercise or enforcement of any right or remedy under this Franchise Agreement will not preclude the exercise or enforcement by a party of any other right or remedy under this Franchise Agreement which it is entitled by law or this Franchise Agreement to exercise or enforce.

Section 20.6 Waiver of Punitive Damages and Jury Trial. To the fullest extent permitted by law, the parties waive any right to, or claim for, any punitive or exemplary damages against the other party. The parties also agree that, in the event of a dispute between them, the party making a claim will be limited to recovery of actual damages, if any. In addition, the parties irrevocably waive trial by jury in any action, proceeding, and/or counterclaim brought by either party.

Section 20.7 Limitation of Claims. Any and all claims arising out of or relating to this Franchise Agreement or the relationship among the parties to this Franchise Agreement will be barred unless an action or proceeding is commenced within one year from the date Franchisee or RRI knew or should have known of the facts giving rise to such claim.

(a) RRI and Franchisee acknowledge and agree that any claims involving this Franchise Agreement will be conducted on an individual, not a class-wide, basis, and any proceeding between RRI and Franchisee (including, without limitation, any claim involving Franchisee's Owners) may not be consolidated with another proceeding between RRI and any other person or entity, nor may any claims of another party or parties be joined with any claims asserted in any action or proceeding between RRI and Franchisee. No claims may be brought on Franchisee's (or Franchisee's Owners' behalf) by any association.

(b) RRI and Franchisee acknowledge and agree that no previous course of dealing shall be admissible to explain, modify, or contradict the terms of this Franchise Agreement.

(c) RRI and Franchisee acknowledge and agree this Franchise Agreement constitutes the entire agreement between RRI and Franchisee with respect to the subject matter hereof and that no implied covenant of good faith and fair dealing shall be used, applied, and/or implied to alter the terms of this Franchise Agreement.

ARTICLE 21
ACKNOWLEDGMENTS

Section 21.1 Investigation by Franchisee and Franchisee's Owners. Franchisee and Franchisee's Owners agree that (i) they have conducted an independent investigation of the Franchised Restaurant; (ii) the business venture contemplated by this Franchise Agreement involves business risks; and (iii) Franchisee's success will be largely dependent upon the ability of Franchisee and Franchisee's Owners as independent business people. RRI expressly disclaims the making of, and Franchisee and Franchisee's Owners agree not having received, any warranty or guarantee, express or implied as to the potential volume, profits, or success of the business venture contemplated by this Franchise Agreement. Further, Franchisee and Franchisee's Owners acknowledge that RRI has made no representations that Franchisee or any of Franchisee's Owners may or will derive income from the Franchised Restaurant.

Section 21.2 Franchisee's Receipt of Documents. Franchisee and Franchisee's Owners acknowledge they have received a copy of RRI's franchise disclosure document and have had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Franchise Agreement by counsel of their own choosing at least fourteen (14) calendar days prior to its execution and they are entering into this Franchise Agreement after having made an independent investigation and not upon any representation as to the profits and/or sales volume which Franchisee might be expected to realize.

(a) Further, Franchisee represents that it (or its parent or any affiliates) is an entity that has been in business for at least five (5) years and has a net worth of at least Five Million Dollars ($5,000,000), and therefore, acknowledges that in accordance with 16 C.F.R. § 436.8(a)(5)(ii), RRI is not required to comply with the disclosure obligations set forth in 16 C.F.R. part 436; and Franchisee further represents that it is not executing this Franchise Agreement in reliance on any information set forth in any Franchise Disclosure Document.

Section 21.3 Sophisticated Parties; Acknowledgement by Franchisee and Franchisee's Owners. Franchisee and Franchisee's Owners acknowledge they have read and understood this Franchise Agreement, the Attachments hereto, and agreements relating hereto, if any, and that RRI has accorded Franchisee and Franchisee's Owners ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Franchise Agreement. Franchisee represents to RRI that Franchisee and Franchisee's Owners are sophisticated business person(s) who were adequately represented by counsel during negotiations regarding this Franchise Agreement and that Franchisee and Franchisee's Owners were fully informed of the terms and conditions of this Franchise Agreement prior to signature. Franchisee acknowledges and agrees that RRI is justifiably relying on Franchisee's representation under this Section.

Section 21.4 RRI's Business Judgment and Right To Vary The System. Franchisee acknowledges and agrees that RRI reserves the right to operate, develop and change the System and the products and services offered by Red Robin Restaurants in any manner that is not specifically prohibited in this Franchise Agreement. Further, Franchisee acknowledges and agrees that, whenever RRI has reserved the right in this Franchise Agreement to take or refrain from taking any action (or to prohibit Franchisee from taking or refraining from any action), RRI may make its decision (or, exercise its rights) based on the information then readily available to RRI and in reliance on RRI's business judgment under

the circumstances, regardless of whether RRI could have made other reasonable, or even arguably preferable, alternative decisions and regardless of whether RRI's decision or action benefits RRI or its affiliates or impacts the interests of Franchisee, Franchisee's Owners or any other person or entity. Franchisee and Franchisee's Owners acknowledge and agree that other franchisees of the System may be granted franchise rights and various other rights pursuant to franchise agreements or other similar agreements which may substantially differ from this Franchise Agreement (including without limitation, the amount and timing for payment of franchise fees, royalty fees, advertising fees, and other fees).

(a) Franchisee and Franchisee's Owners acknowledge and agree that RRI reserves the right to vary the System and other standards, specifications, and operating procedures (including standards and specifications related to building, furniture, fixtures, equipment, and signage) to address different circumstances or for other reasons deemed sufficient by RRI, in its sole discretion, and that there may be variations granted by RRI to other franchisees that RRI is not required to (or, does not) grant to Franchisee or Franchisee's Owners under this Franchise Agreement.

(b) Franchisee and Franchisee's Owners acknowledge and agree that (i) other franchisees of the System may pay different (i.e., greater or lesser) royalty fees, advertising fees, and other fees as compared to the same (or, similar fees) paid by Franchisee under this Franchise Agreement, and (ii) RRI reserves the right to charge to different (e.g., greater or lesser) franchisee fees, royalty fees, advertising fees, and other fees to other franchisees of the System as compared to the same (or, similar fees) paid by Franchisee under this Franchise Agreement, all as determined by RRI in its sole and absolute discretion.

(c) Franchisee and Franchisee's Owners acknowledge and agree that nothing herein (and no action by any party to this Franchise Agreement) constitutes a course of conduct, and/or course of dealing that creates a common basis of understanding for interpreting the parties' conduct either past, present, or future and that nothing herein (and no action by any party to this Franchise Agreement) creates a basis upon which Franchisee may justifiably rely as a basis for further actions, negotiations, and/or discussions in any manner whatsoever.

(d) Franchisee and Franchisee's Owners acknowledge and agree that RRI and Franchisee have negotiated the terms of this Franchise Agreement and that, to the fullest extent permitted by applicable law, neither party shall claim the existence of any implied covenants or conditions including without limitation, any implied covenant of good faith and fair dealing, in contravention of (or, as a modification or limitation to) any right, term, condition, obligation or other provision of this Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Franchise Agreement to be effective as of the Effective Date.

RRI:

Red Robin International, Inc.,
a Nevada corporation

By: _____
Name: _____
Title: _____

Franchisee:

_____,
a _____ corporation

By: _____
Name: _____
Title: _____

ATTACHMENT A TO FRANCHISE AGREEMENT

FRANCHISEE'S OWNERS, PRINCIPAL OWNER, AND OPERATING PARTNER

Principal Owner: _____

Operating Partner: _____

Franchisee's Owners	Percentage of Ownership

ATTACHMENT B TO FRANCHISE AGREEMENT

DONATO'S NESTED RESTAURANT AGREEMENT

This Donato's Nested Restaurant Agreement (this "NRA") between RRI International, Inc., a Nevada corporation ("RRI"), and _____, a _____ corporation ("Franchisee") to be effective as of the Effective Date of this Franchise Agreement to which this NRA is attached.

RECITALS

RRI has created a proprietary system for establishing, developing, owning, operating, promoting and franchising casual dining, full-service restaurants featuring gourmet burgers and spirits under the RRI® brand (previously defined as the "System").

Donatos Pizzeria, LLC, ("Donatos") has created a proprietary system for establishing, developing, owning, operating, promoting and franchising restaurants and other food venues that offer fresh, high-quality pizzas, sandwiches and other foods under the Donatos® brand (the "Donatos System").

Pursuant to a master license from Donatos, RRI and Donatos have developed a new business model whereby authorized RRI restaurants prepare and sell Donatos-branded thin-crust pizzas as specified in the Donatos Nested Operation Manual (the "Donatos Products"), using certain operational aspects of the Donatos System and utilizing Donatos' trademarks within RRI restaurants for dine-in, pick-up and delivery service of the Donatos Products (such system referred to as the "Nested Donatos System" and such resulting RRI restaurants, hereinafter referred to as the "Nested Restaurants").

RRI and Franchisee are parties to that certain RRI Gourmet Burgers and Brews Franchise Agreement regarding the operation of the Franchised Restaurant at the Approved Location all as more particularly set forth in such agreement (the "Franchise Agreement").

Franchisee desires offer Donatos Products for sale at the Franchised Restaurant and to operate the Nested Donatos System at the Franchised Restaurant, subject to the terms and conditions of this NRA (the "Nested Restaurant System").

NOW THEREFORE, with the intent of being legally bound hereby and in consideration of good and valuable consideration and the mutual promises set forth below, the parties agree as set forth in this NRA.

1) Defined Terms. Capitalized terms used herein shall have the same meaning as the Franchise Agreement, unless otherwise expressly defined herein.

A. (a) "Donatos Brand" means the Donatos® name, Donatos Products, Donatos Nested IP, and Donatos Trademarks, whether alone or in combination with other words or symbols, and any variations or derivatives of any of the foregoing as well as the Nested Donatos System and Donatos Nested Operations Manual. "Donatos Nested IP" means all intellectual property owned or controlled by or on behalf of Donatos covering, reading on, relating to, or embodied in (i) the Donatos Brand, (ii) products or services sold or distributed under the Donatos Brand (including the Donatos Products) or (iii) the Nested Donatos System, in each case that is necessary or useful for establishing, owning, opening, operating, franchising and promoting the Nested Restaurants. "Trademarks"

means all trademarks, service marks, trade names, trade dress, designs, logos, slogans and other indicia of source or origin, whether registered or unregistered.

(b) "Donatos Nested Operations Manual" means the manual containing the standards, methods, specifications, and procedures for use of the Nested Donatos System and sale of Donatos Products at authorized RRI restaurants.

(c) "Donatos Net Sales" means all amounts received from sales of Donatos Products (including any jointly-created Recipes for Pizza Products) conducted directly or indirectly from or through the Nested Restaurants, whether from check, cash, credit, charge account, debit account, electronic payment methods (e.g., Apple Pay), exchange, barter or otherwise. For the avoidance of doubt, Net Sales shall be reduced by: (1) sales of goods for which payment has been refunded, to the extent that such sales shall have previously been included in Net Sales; (2) the amount of any sales tax imposed by any federal, state, municipal or other Government Authority directly on sales and collected from customers, provided that the amount thereof is added to the selling price or absorbed therein and actually paid by RRI to such Government Authority; or (3) the face value of coupons redeemed by customers or any discounts. Each charge or sale upon credit shall be treated as a sale for the full price on the day during which such charge or sale shall be made, irrespective of the time when payment is received (whether full or partial, or at all) therefor. For the avoidance of doubt, commissions or expenses for Third Party Delivery or RRI Self-Delivery services shall not reduce Net Sales.

(d) The term "Donato's Launch Date" means the first date on which Donato's Products are available for sale at the Franchised Restaurant in accordance with this NRA.

2) Franchisee's Participation in the Nested Restaurant System. Franchisee represents it has conducted an independent investigation of the Nested Restaurant System contemplated by this NRA. Franchisee acknowledges the Nested Restaurant System involves business risks and Franchisee's success in the Nested Restaurant System will be largely dependent upon the ability of Franchisee as independent business entity. Further, Franchisee has requested permission to participate in the Nested Restaurant System. Franchisee acknowledges that the Nested Restaurant System will be a dynamic process and that RRI may modify, change, and alter the Nested Restaurant System during the Term of the Franchise Agreement. Franchisee agrees to comply with such rules, standards, procedures, and specifications regarding the Nested Restaurant System as RRI may prescribe from time-to-time in RRI's reasonable discretion. Franchisee shall only use third party delivery platforms specified by RRI.

(a) Franchisee agrees that any rules, standards, procedures, and specifications prescribed by RRI regarding the Nested Restaurant System shall be deemed as rules, standards, procedures, and specifications regarding the maintenance and operation of the Franchised Restaurant under the Franchise Agreement.

(b) Franchisee agrees this Nested Restaurant System is also subject to the terms of the Franchise Agreement and Franchisee shall comply with the terms of such agreement in connection with the Nested Restaurant System. Franchisee agrees that any violation of this NRA by Franchisee shall be deemed a material default under the Franchise Agreement.

3) Sublicense for Donatos Products and Nested Donatos System. RRI hereby grants to Franchisee a limited sublicense to prepare and sell Donatos Products in accordance with the Nested Donatos System and the Donatos Nested Operations Manual at the Franchised Restaurant, subject to the

terms and conditions of this NRA. Franchisee hereby accepts a limited sublicense to sell Donatos Products in accordance with the Nested Donatos System and the Donatos Nested Operations Manual at the Franchised Restaurant, subject to the terms and conditions of this NRA.

(a) Franchisee hereby agrees to comply with the terms and conditions of this NRA at all times during the Term of the Franchise Agreement and agrees to only sell Donatos Products in accordance with the Nested Donatos System and the Donatos Nested Operations Manual at the Franchised Restaurant during the Term of the Franchise Agreement in accordance with this NRA.

(b) Franchisee agrees that RRI has sole responsibility to determine Donatos Products offered in connection with the Nested Restaurant System under this NRA.

(c) Franchisee also agrees to comply with all menu offerings, product specifications, food preparation procedures, packaging specifications, delivery instructions, and such other procedures and specifications as RRI may prescribe from time-to-time in RRI's reasonable discretion in connection with the Nested Restaurant System. Franchisee shall only sell Donatos Products from approved suppliers in accordance with the Nested Donatos System and Donatos Nested Operations Manual.

(d) During the Term of the Franchise Agreement, Franchisee shall (i) only purchase equipment, products, and services in accordance with the Donatos Nested Operations Manual and otherwise designated and approved by RRI and (ii) only purchase such equipment, products, and services from distributors and suppliers designated and approved by RRI and only on the terms, and according to the specifications, set forth in Donatos Nested Operations Manual and otherwise designated and approved by RRI.

4) Nested Restaurant System Costs. Franchisee shall be solely responsible for all kitchen equipment costs, kitchen modification costs, other restaurant modification costs, capital expenditures, operating expenses, and all other costs and expenses related to the Nested Restaurant System including, without limitation, equipping, furnishing, renovating, and reconfiguring the Franchised Restaurant to comply with RRI's requirements for Franchisee's participation in the Nested Restaurant System (collectively, the "Nested Restaurant System Costs').

(a) Franchisee acknowledges and agrees the Nested Restaurant System Costs may include, without limitation, costs related to the purchase and installation of pizza production equipment and other equipment, delivery capacity, carry-out capacity, approved signage, and other items that may be required by RRI as a condition to Franchisee's participation in the Nested Restaurant System at the Franchised Restaurant.

5) Nested Restaurant System -- Initial Opening Fee. Within ten (10) days after the Donator's Launch Date, Franchisee shall pay to RRI an "Initial Opening Fee" of _____Dollars ($_____).

6) Nest Royalty Payments. During the Term of the Franchise Agreement, Franchisee agrees to pay to RRI a continuing, non-refundable royalty equal to _____ percent (__%) of Donatos Net Sales (the "Nest Royalty"). The Nest Royalty is due and payable on or before the fifteenth (15th) day following the end of each Accounting Period. The Nest Royalty calculation is based on Donatos Net Sales at the Franchised Restaurant for the previous Accounting Period. Each Nest Royalty payment must be accompanied by a report itemizing Donatos Net Sales at the Franchised Restaurant for the preceding Accounting Period in such form and format as may be specified by RRI (the "Nest Royalty Report"). Franchisee must submit the Nest Royalty Report (and any other reports required under this NRA) to RRI

by e-mail, website upload, or other method of delivery as directed by RRI in the form and format specified by RRI.

(a) Franchisee shall record Donatos Net Sales in the same manner as Franchisee records Gross Sales at the Franchised Restaurant and otherwise in accordance with the Franchise Agreement, provided that Franchisee shall separately identify Donatos Net Sales and shall promptly submit such reports and other data as RRI may reasonably require from time-to-time in connection with the Nested Restaurant System.

(b) Franchisee agrees that (i) any failure to timely and accurately report Donatos Net Sales and/or (ii) any failure to timely and accurately pay the Nest Royalty shall be deemed a violation of this NRA as well as a material default under the Franchise Agreement.

7) Nested Restaurant System Marketing and Advertising Fee. Franchisee agrees that RRI retains sole responsibility for all marketing and advertising of Donatos Products during the Term of the Franchise Agreement, except as otherwise set forth below.

(a) In connection with the Launch Date, Franchisee hereby agrees to spend the total sum of _____ Dollars ($_____) on advertising for Donatos Products (the "Initial Advertising Fee").

(b) Franchisee agrees that (i) all such advertising (regardless of whether national, regional, local, digital, broadcast media, social media, and/or any other form of advertising) will be created, designed, developed, implemented, administered, and distributed by RRI in its sole discretion and (ii) Franchisee shall pay the Nested Restaurant System Advertising Fee in a lump sum or installments as directed by RRI in its sole discretion.

(c) Except for the payment of the Nested Restaurant System Advertising Fee, Franchisee shall not engage in any advertising of the Donatos Products (regardless of whether national, regional, local, digital, broadcast media, social media, and/or any other form of advertising) in any manner whatsoever, except as otherwise approved by RRI in writing.

(d) Franchisee agrees the Nested Restaurant System Advertising Fee may be used by RRI to procure and contract for the professional services related to the introduction of Donatos Products at the Franchised Restaurant including, without limitation, development of menus and menu inserts, in-store merchandising materials, and other branding and concept materials related to the Nested Restaurant System.

(e) During the Term of the Franchise Agreement (and On or before the fifteenth (15th) day of each Accounting Period, Franchisee shall pay to RRI a continuing monthly advertising fee in an amount up to or equal to _____ percent (_____%) of Donatos Net Sales (the "Donatos Advertising Fee"). RRI may increase the Donatos Advertising Fee at any time upon ten (10) days prior notice to Franchisee and, in such event, the increased Donatos Advertising Fee shall be due each Accounting Period after receipt of such notice.

8) Training and Other Support. During the Term of the Franchise Agreement, RRI shall provide Franchisee with such training and other support concerning the Nested Restaurant System as RRI deems reasonably appropriate. Franchisee acknowledges that RRI may provide such training in such format(s) and at such location(s) as RRI deems reasonably appropriate. RRI reserves the right to charge Franchisee for training costs, trainers' fees, travel expenses, and such other fees, costs, and expenses as RRI deems reasonably appropriate for such training and other support provided by RRI in connection

with the Nested Restaurant System. Franchisee shall be solely responsible for all costs and expenses incurred by Franchisee in connection with such training and other support in connection with the Nested Restaurant System. Franchisee acknowledges that RRI may modify, change, and alter such training and other support at any time during the Term of the Franchise Agreement.

9) Donatos Brand Protections. Franchisee agrees to comply with RRI's requirements regarding the use and protection of the Donatos Brand. Franchisee agrees that (i) the Donatos Brand is the sole and exclusive property of Donatos, and (ii) Franchisee has not, and shall not, acquire any right to use the Donatos Brand, except for the limited sublicense as set forth in this NRA.

(a) Franchisee acknowledges and agrees that (i) RRI has not secured trademark registrations for any of the brand and/or product names contemplated in the Nested Restaurant System, (ii) such brand names may be subject to challenge, dispute, and/or objection by third parties, (iii) RRI may, in its sole discretion, elect to modify, replace, and/or expand such brand and/or product names, and (iv) Franchisee waives all claims against RRI in connection with the foregoing.

10) No Exclusivity and Limited Delivery Area. Under this NRA, Franchisee only has the right to sell Donatos Product in accordance with the Nested Donatos System in a limited, non-exclusive delivery area comprised of a ten (10) minute drive time periphery in the geographic area centered on the Franchised Restaurant (the "Limited Delivery Area"). Except for the Limited Delivery Area, Franchisee agrees this NRA does not grant any exclusivity rights, restricted territory rights, radius restriction rights, or any other territorial restrictions whatsoever.

11) No Competition. During the Term of the Franchise Agreement, Franchisee agrees it shall not engage in, be financially interested in, or otherwise associate with any business that offers or sells pizza, or offers for sale products that are substantially similar to the Donatos Products at the Franchised Restaurant, except such products as may be expressly approved by RRI in its sole discretion.

12) Inspection. RRI and Donatos shall each have the right during reasonable business hours upon reasonable prior notice to enter the Franchised Restaurant to inspect and verify Franchisee's compliance with this NRA.

13) Indemnity.

(a) Franchisee shall defend and hold harmless RRI (including its officers, directors, employees and agents), from harmless from any and all claims, obligations, damages, and costs (including reasonable attorneys' fees) arising directly or indirectly from this Nested Restaurant System in accordance with the indemnity provisions of the Franchise Agreement including, without limitation, all claims of bodily injury, death, or damage to property resulting from Franchisee's negligent acts or omissions and/or all claims arising out of the failure of Franchisee to perform in accordance with this NRA.

(b) Franchisee shall defend and hold harmless Donatos (including its officers, directors, employees and agents), from harmless from any and all claims, obligations, damages, and costs (including reasonable attorneys' fees) arising directly or indirectly from this Nested Restaurant System in accordance with the indemnity provisions of the Franchise Agreement including, without limitation, all claims of bodily injury, death, or damage to property resulting from Franchisee's negligent acts or omissions and/or all claims arising out of the failure of Franchisee to perform in accordance with this NRA.

14) Insurance. During the Term of the Franchise Agreement, Franchisee shall maintain insurance coverages covering liability and any other insurable matters arising out of the Nested Restaurant System in compliance with the insurance coverages set forth in the Franchise Agreement. All such policies name RRI and Donatos as additional insureds. Within ten (10) days after the Effective Date (and thereafter as requested by RRI), Franchisee shall deliver to RRI copy(ies) of certificates of insurance evidencing insurance coverages required by this NRA.

15) Expiration or Termination of the Nested Restaurant System. Unless sooner terminated, the Nested Restaurant System (and this NRA) shall automatically upon expiration of the Term of the Franchise Agreement. RRI may terminate this NRA for any reason upon one hundred eighty (180) days prior written notice to Franchisee.

(a) Upon expiration or termination of this NRA, Franchisee shall, at its sole cost and expense, immediately cease the sale of Donatos Products and cease using the Nested Donatos System and Franchisee shall have no further rights under this NRA. In addition, Franchisee shall, at its sole cost and expense, immediately comply with such other reasonable steps that RRI or Donatos may prescribe in order to cease Franchisee's participation in the Nested Restaurant System including removal of Donatos Intellectual Property, removal of kitchen equipment related to the Nested Restaurant System, repairs and modifications to the kitchen of the Franchised Restaurant after removal of such kitchen equipment, and de-identification of the Franchised Restaurant. Franchisee shall, at its sole cost and expense, be solely responsible to comply with applicable laws, rules, and regulations related to the cessation of the Nested Restaurant System at the Franchised Restaurant upon termination or expiration of this NRA. RRI and Donatos shall each have the right to inspect the Franchised Restaurant to determine Franchisee's compliance with terms, conditions, procedures, and covenants set forth in this NRA.

16) Franchisee's Acknowledgements. Franchisee agrees that its participation in the Nested Restaurant System is a voluntary decision by Franchisee and does not result in any contractual obligation, either express or implied, on either party, except for the contractual obligations set forth in this NRA. Franchisee agrees this NRA does not constitute a preliminary contractual undertaking upon which Franchisee may justifiably rely as a basis for further actions and Franchisee waives any right to assert claims for reimbursement or damages against RRI arising out of Franchisee's participation in the Nested Restaurant System. Franchisee will be responsible for all fees and expenses (including all fees of design consultants, contractors, kitchen equipment installers, financial advisors, attorneys and accountants) which are incurred by Franchisee in connection with the Nested Restaurant System. Franchisee agrees this Nested Restaurant System is subject to the terms of the Franchise Agreement and Franchisee shall comply with the terms of such agreement in connection with the Nested Restaurant System.

17) No Course of Conduct. Franchisee agrees that the Nested Restaurant System contemplated in this NRA constitutes a unique opportunity and unique situation. Franchisee agrees that nothing herein constitutes a contract interpretation, course of conduct, and/or course of dealing that creates a common basis of understanding for interpreting the parties' conduct (either past, present, or future) and that nothing herein creates a basis upon which Franchisee may justifiably rely as a basis for further actions, negotiations, and/or discussions in any manner whatsoever.

18) Release by Franchisee. As of the Effective Date, Franchisee does hereby release and forever discharge Donatos of and from any and all claims (of any kind or nature whatsoever, whether known or unknown, matured or unmatured, suspected or unsuspected, liquidated, fixed or contingent, disputed or undisputed) which Franchisee ever had (or now has) arising out of in any way any act,

omission, cause, event, incident, matter, dispute, or injury which may have occurred, resulted from, or arisen prior to the Effective Date in connection with the Nested Restaurant System.

19) No Privity, No Third Party Beneficiary, and Donatos as Intended Third Party Beneficiary. Franchisee hereby acknowledges and agrees that (i) Franchisee has no contractual privity with Donatos arising out of this NRA and (ii) Franchisee is not a party to, or a third party beneficiary to, any agreement between RRI and Donatos, and (iii) this NRA shall not be construed to give Franchisee any interest or rights under any agreement between RRI and Donatos. Notwithstanding the foregoing, Franchisee acknowledges that Donatos is an intended third party beneficiary of this NRA, and that, as such, Donatos shall have the right to take action directly against Franchisee to enforce this NRA and the rights and obligations set forth herein.

20) No Representation of Financial Performance. RRI expressly disclaims any statement, representation, warranty, and/or guarantee (express or implied) as to the potential financial performance, revenue, income, profit, volume, and/or success of the Nested Restaurant System contemplated by this NRA. Franchisee acknowledges and agrees that RRI has not made (and that Franchisee has not received or relied upon) any statement, representation, warranty, and/or guarantee (express or implied) as to the potential financial performance, revenue, income, profit, volume, and/or success of the Nested Restaurant System contemplated by this NRA.

21) Covenant Not To Sue. Franchisee, on behalf of itself and its successors, assigns, and other legal representatives, hereby absolutely, unconditionally, and irrevocably, covenants that it will not sue (at law, in equity, in any regulatory proceeding or otherwise) Donatos on the basis of any claim released under this NRA or any other putative claim against Donatos arising out of the Nested Restaurant System. If Franchisee or any of its successors, assigns or other legal representatives violates this covenant not to sue Donatos, Franchisee, for itself and its successors, assigns and legal representatives, agrees to pay reasonable attorneys' fees and costs incurred by Donatos as a result of such violation, in addition to such other damages Donatos may sustain as a result of such violation of this covenant not to sue.

22) Necessary Approvals and Authorizations. RRI represents that it has received the necessary approvals to enter into this NRA and the Nested Restaurant System contemplated by this NRA including, without limitation, approval and authorization from Donatos. Franchisee represents that it has received the necessary approvals to enter into this NRA and the Nested Restaurant System contemplated by this NRA.

23) Confidentiality. Franchisee acknowledges and agrees that the Nested Restaurant System contemplated under this NRA shall give Franchisee access to trade secrets and confidential information concerning the Donatos Brand including, without limitation, confidential information and trade secrets related to manuals, business methods and processes, know-how, lists, recipes, ingredient lists, formulas, financial information, cost and expense information, product information, food cost analyses, pricing and discount information, production data, marketing and customer data, drive time data, delivery area data, business plans, and other technical data (collectively, the "Confidential Information").

(a) Franchisee shall disclose Confidential Information only to Franchisee's officers, representatives, and employees with a need to know in order to participate in the Nested Restaurant System at the Franchised Restaurant. Franchisee shall not copy, duplicate, record, or otherwise reproduce the Confidential Information, in whole or in part, nor otherwise make the same available to any unauthorized person. Franchisee shall be solely responsible to ensure that its officers, representatives, and employees having access to Confidential Information comply with these terms and restrictions regarding the

Confidential Information and do not communicate, divulge or use Confidential Information in violation hereof. During the Term of the Franchise Agreement and for a period of five (5) years thereafter, Franchisee shall not otherwise communicate, divulge or use for the benefit of any other person, partnership, association, or corporation any Confidential Information in any manner whatsoever.

24) Independent Contractors. The relationship between the parties is only that of independent contractors. No partnership, joint venture, or relationship of principal and agent is intended. Neither party shall pledge the other's credit or bind it to any obligation.

25) No Disclosure Obligations. Franchisee represents that it (or its parent or any affiliates) is an entity that has been in business for at least five (5) years and has a net worth of at least Five Million Dollars ($5,000,000), and therefore, acknowledges that in accordance with 16 C.F.R. § 436.8(a)(5)(ii), RRI is not required to comply with the disclosure obligations set forth in 16 C.F.R. part 436; and Franchisee further represents that it is not executing this NRA in reliance on any information set forth in any Franchise Disclosure Document.

26) Notices. Any and all notices permitted or required to be delivered under this Franchise NRA shall be delivered by email; provided sender confirms such email delivery by sending a confirmation copy via overnight delivery service within one (1) business day after transmission thereof to the respective parties at the addresses listed below. So long as any notice is prepared, addressed, and delivered in accordance with this Section, then any such notice shall be deemed to have been received at the time of transmission in the case of email, provided confirmation is sent as described above. The parties may change their notice information below by delivery of written notice to the other party in accordance with this Section with new notice information.

If to RRI:
LeAnne Stine
Vice President Franchise & Alternative Platforms
Red Robin International, Inc.
Email: lstine@redrobin.com

With a required copy to:
Chief Legal Officer
Red Robin International, Inc.
10000 East Geddes Avenue, Suite 500
Englewood, CO 80112
Email: legalteam@redrobin.com

If to Franchisee:
_____ (Name)
_____ (Title)
_____ (Address)
_____ (Email)

27) Consent to Jurisdiction, Venue, and Governing Law. Franchisee irrevocably (i) submits to the jurisdiction of the State Courts of Colorado, located in Arapahoe County, Colorado, and the United States Federal District Court for the District of Colorado, Denver Division; (ii) waive all questions of personal jurisdiction for the purpose of effectuating this provision; (iii) agree that service of process may be made upon any of them in any proceeding relating to, or arising out of, this NRA by any means allowed by Colorado or Federal law; and (iv) agree that venue for any proceeding relating to, or arising out of, this NRA shall be in Arapahoe County, Colorado; provided RRI or Donatos may bring an action for injunctive or other extraordinary relief in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes, and/or actions, this NRA shall be interpreted and

construed under Colorado law (without regard to Colorado choice of law rules), except that any State law regarding (i) the offer and sale of franchises, (ii) franchise relationships, and/or (iii) business opportunities will not apply unless the applicable jurisdictional requirements are met independently without reference to this paragraph. Franchisee agrees the terms of this section provide each of the parties with the mutual benefit of uniform interpretation of this NRA and Franchisee acknowledges the receipt and sufficiency of mutual consideration for such benefit.

28) Costs and Attorneys' Fees. Prior to the commencement of litigation or any other dispute resolution procedure and in the event RRI or Donatos incurs costs and expenses (including attorneys' fees) in connection with Franchisee's failure to comply with (and/or failure to timely pay amounts owing to RRI under) this NRA, then Franchisee shall promptly reimburse RRI (or Donatos, as applicable) for such reasonable costs and expenses. In the event of litigation or any other dispute resolution procedure between the parties to arising out of this NRA, the prevailing party in any such action shall be entitled to recover reasonable costs and expenses from the other party, including, without limitation, court costs, attorneys' fees, and discovery costs.

29) Other Important Terms. Franchisee agrees this NRA is limited to the Nested Restaurant System at the Franchised Restaurant and that Franchisee has no rights to conduct (or, participate in) other Nested Restaurant System(s) at any other restaurants, except as mutually agreed by the parties in writing as determined in their sole discretion. Franchisee may not assign or transfer this NRA, or any of the rights herein, or delegate any of its obligations. This NRA and the documents and agreements explicitly referenced herein contain the entire understanding of the parties regarding its subject matter, and supersedes all prior and contemporaneous agreements and understandings between the parties regarding thereto This NRA may only be modified, supplemented, amended or waived in a writing signed by both parties, and approved by Donatos. This NRA shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, legal representatives, successors, successors-in-title and assigns. The terms of this NRA have been examined, reviewed, negotiated, and revised by counsel for each party, and no implication will be drawn against any party by virtue of the preparation and drafting of this NRA. In the event any provision of this NRA is invalid or unenforceable under applicable law, the parties shall use reasonable efforts to negotiate and agree upon a substitute provision which is valid and enforceable and achieves to the greatest extent possible the economic, legal and commercial objectives of such invalid or unenforceable provision. This NRA may be signed in counterparts and/or via e-signature process with the same force and effect as if all required signatures were contained in a single, original instrument. This NRA shall not amend, modify, or limit any franchise agreement or any other agreement to which Franchisee and RRI are parties and all such agreements shall continue in full force and effect without change or modification related to this NRA. The terms of this NRA related to Franchisee's obligations upon expiration or termination of this NRA shall survive any such termination or expiration hereof and shall remain valid and binding obligations of Franchisee and enforceable against Franchisee in accordance with the terms hereof.

IN WITNESS WHEREOF, the parties hereto have executed this NRA as of the dates set forth below to be effective as Effective Date of the Franchise Agreement.

RRI:

Red Robin International, Inc.,
a Nevada corporation

By: _____

Name: _____

Title: _____

Franchisee:

_____,
a _____ corporation

By: _____

Name: _____

Title: _____

ATTACHMENT C TO FRANCHISE AGREEMENT

RIGHT OF FIRST REFUSAL

Capitalized terms used in this Right of First Refusal shall have the meanings ascribed to such terms in this Franchise Agreement unless otherwise defined herein.

(1) In the event Franchisee receives (or delivers) an acceptable bona fide offer from a third party related to a proposed sale of the Franchised Restaurant (or any portion thereof or interest therein), then Franchisee shall give RRI written notice setting forth the name and address of the prospective purchaser, the price and terms of the offer together with a franchise application completed by the prospective purchaser, a copy of the purchase and sale agreement, executed by both Franchisee and purchaser, and all exhibits, copies of any real estate purchase agreement or agreements, proposed security agreements and related promissory notes, assignment documents, title insurance commitment and any other information that RRI may request in order to evaluate the offer.

(2) RRI shall then have the right of first refusal to purchase Franchisee's interest covered by such offer at the price and upon the same terms of the offer. RRI shall have thirty (30) calendar days after receipt of Franchisee's notice of offer and the furnishing of all reasonably requested information within which to notify Franchisee in writing of its intent to accept or reject the offer. Silence on the part of RRI shall constitute rejection. Franchisee may not rely upon any notice from RRI of its intention to accept or reject the offer nor shall such notice be effective unless such notice is in writing and signed by an officer of RRI.

(a) In the event an offer from a third party provides for payment of consideration other than cash or involves certain intangible benefits, RRI may elect to purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the non-cash part of the offer, an independent appraiser shall be designated by RRI to determine such amount, and his determination shall be binding.

(3) If the proposed sale includes assets of Franchisee not related to the Franchised Restaurant, then RRI may, at its option, elect to purchase only the assets related to the Franchised Restaurant and an equitable purchase price shall be allocated to each asset included in the proposed sale.

(4) If (in addition to the Franchised Restaurant) the proposed sale includes (i) other Franchised Restaurant(s) operated by Franchisee (or affiliates of Franchisee or Developer) and/or (ii) RRI-franchised restaurants other than Red Robin Restaurants (the "RRI Non-Red Robin Restaurants"), then RRI may, at its option, elect to purchase: (i) only the Franchised Restaurant; (ii) only the other Franchised Restaurant(s) operated by Franchisee (or affiliates of Franchisee or Developer); (iii) only the RRI Non-Red Robin Restaurants; or (iv) any combination of restaurants set forth in clauses (i)-(iii) whether on an individual restaurant basis or on an aggregate basis; and an equitable purchase price shall be allocated to each restaurant.

(5) To the extent any franchise agreements or other agreements relating to the RRI Non-Red Robin Restaurants may be inconsistent with, or conflict with the terms of the right of first refusal contained herein, the terms of this right of first refusal shall control. This right of first refusal shall apply to any transfer, conveyance, assignment, consolidation, merger or any other transaction in which legal or beneficial ownership of the franchise granted in a franchise agreement is vested in an individual or entity other than Franchisee; provided, however, it shall not apply if Franchisee consists of more than one person and the transfer or assignment is from one partner to another, both of whom are signatories to this

Franchise Agreement, so long as (i) the Principal Owner continues to satisfy the requirements set forth in this Franchise Agreement, and (ii) RRI is given written notice thereof prior to such transfer.

(6) If this Franchise Agreement has been assigned to a corporation in accordance with Section 13.5 of this Franchise Agreement, then this right of first refusal shall also apply if voting common stock in such corporation is sold, assigned or transferred to individuals or entities other than those approved by RRI as owners of the voting common stock.

(7) The election by RRI not to exercise its right of first refusal as to any offer shall not affect its right of first refusal as to any subsequent offer.

(8) Any sale, attempted sale, assignment or other transfer of the rights granted effected without first giving RRI the right of first refusal described above shall be void and of no force and effect.

(9) If RRI does not accept the offer referenced herein, then Franchisee may conclude the sale to the purchaser who made the offer provided RRI's consent to the assignment be first obtained, which consent will not be unreasonably withheld upon compliance with the conditions imposed by RRI on the assignment including the conditions set forth above in this Franchise Agreement.

(10) In addition, Franchisee agrees that, prior to acquiring any other Red Robin Restaurant development rights or franchise which may be offered to it for sale or which it may offer to purchase, such development rights or franchise will first be offered to RRI on the same terms, conditions and price.

* * * * * *

ATTACHMENT D TO FRANCHISE AGREEMENT

GUARANTY OF FRANCHISE AGREEMENT

The undersigned Principal Owner agrees to be individually bound by all the terms and conditions of this Franchise Agreement including any amendments or modifications thereto whenever made (collectively, this "Franchise Agreement") and unconditionally and irrevocably guarantee to RRI and its successors and assigns that all of Franchisee's obligations under this Franchise Agreement will be punctually paid and performed.

Upon default by Franchisee or notice from RRI, the undersigned will immediately make each payment and perform each obligation required of Franchisee under this Franchise Agreement. Without affecting the obligations of the undersigned under this Guaranty, RRI may, without notice to the undersigned, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee.

The undersigned waive all demands and notices of every kind with respect to this Guaranty and this Franchise Agreement, including, without limitation, notice of: the amendment or modification of this Guaranty or this Franchise Agreement, the demand for payment or performance by Franchisee, any default by Franchisee or any guarantor, and any release of any guarantor or other security for this Franchise Agreement or the obligations of Franchisee.

RRI may pursue its rights against the undersigned without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of RRI in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by RRI of any right or remedy shall preclude the further exercise of such right or remedy.

Upon receipt by RRI of notice of the death of an individual guarantor, the estate of such guarantor will be bound by this Guaranty but only for defaults and obligations hereunder existing at the time of death, and the obligations of the other guarantors hereunder will continue in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty to be effective as of the date below.

Acknowledged and Agreed:

_____

Name: _____
Title: _____
Date: _____

EXHIBIT D

STATE ADMINISTRATORS / AGENTS FOR SERVICE OF PROCESS

EXHIBIT D-1
STATE ADMINISTRATORS

STATE	STATE ADMINISTRATOR	ADDRESS
California	Department of Financial Protection and Innovation	320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 Toll Free Telephone #: 1-866-275-2677
Hawaii	Commissioner of Securities	335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Office of The Attorney General	500 South Second Street Springfield, IL 62706
Indiana	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Maryland	Office of The Attorney General Securities Division	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Consumer Protection Division Franchise Section	525 West Ottawa 670 Law Building Lansing, MI 48913
Minnesota	Department of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198
New York	New York State Department of Law Bureau of Investor Protection and Securities	120 Broadway, 23rd Floor New York City, NY 10271
North Dakota	North Dakota Insurance & Securities Department	600 East Boulevard Avenue State Capitol Fifth Floor Dept. 414 Bismarck, ND 58505-0510 Phone: 701-328-4712
Rhode Island	Department of Business Regulation Securities Division	1511 Pontiac Ave Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Securities	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia	Virginia State Corporation Commission Division of Securities and Retail Franchising	1300 East Main Street, 9th Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division	150 Israel Rd. S.W. Tumwater, WA 98501
Wisconsin	Department of Financial Institutions Securities Division	345 W. Washington, 4th Floor Madison, WI 55103

EXHIBIT D-2
AGENTS FOR SERVICE OF PROCESS

STATE	AGENT	ADDRESS
California	Department of Financial Protection and Innovation	320 West 4th Street, Suite 750 Los Angeles, CA 90013-1105
Hawaii	Commissioner of Securities	335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, Il 62706
Indiana	Indiana Secretary of State	302 W Washington Street, Room E-111, Indianapolis, IN 46204
Maryland	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Commerce Corporations and Securities Bureau	525 West Ottawa 670 Law Building Lansing, MI 48913
Minnesota	Commissioner of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198
New York	Secretary of State of the State of New York	41 State Street Albany, NY 12231-0001
North Dakota	Insurance Commissioner	600 East Boulevard Avenue State Capitol Fifth Floor Dept. 414 Bismarck, ND 58505-0510 Phone: 701-328-4712
Rhode Island	Director of the Department of Business Regulation	1511 Pontiac Avenue Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Securities	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions	150 Israel Rd. S.W. Tumwater, WA 98501
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 345 W. Washington Ave., 4th Floor Madison, WI 53701

EXHIBIT E

LIST OF FRANCHISE RESTAURANT LOCATIONS AND AREA DEVELOPERS

EXHIBIT E
List of franchise restaurant locations and area developers

EXHIBIT E
LIST OF FRANCHISE RESTAURANT LOCATIONS AND AREA DEVELOPERS

RESTAURANT LOCATION	ADDRESS	PHONE NUMBERS	OWNER(S)/OPERATOR(S)	DATE OPENED
ALASKA Anchorage	401 E. Dimond Blvd. Anchorage, AK 99515	(907) 522-4321	Gourmet Ventures, Inc. Fred Rosenberg	11/1985
ALASKA Anchorage	1190 N. Muldoon Road, Unit E Anchorage, AK 99504	(907) 276-7788	Gourmet Ventures, Inc. Fred Rosenberg	10/2010
ALASKA Wasilla	1891 E. Parks Highway Wasilla, AK 99654	(907) 373-7373	Gourmet Ventures, Inc. Fred Rosenberg	12/2010
ARIZONA Tempe	1375 W. Elliott Tempe, AZ 85284	(480) 940-9900	Tucson Robinhood, Inc. Mary Dillard	06/1991
DELAWARE Brandywine	6100 Brandywine Pkwy Wilmington, DE 19803	(302) 478-3484	Colby Restaurant Group Craig Colby	06/2008
DELAWARE Middleton	140 Commerce Drive Middletown, DE 19709	(302) 478-3484	Colby Restaurant Group Craig Colby	05/2019
DELAWARE Glasgow	People's Place 2496 Pulaski Hwy Glasgow, DE 19702	(302) 834-8050	Colby Restaurant Group Craig Colby	05/2004
DELAWARE Newark	101 W. Main Street Newark, DE 19702	(302) 455-9000	Colby Restaurant Group Craig Colby	2/2007
KANSAS Olathe	20155 W. 153rd Olathe, KS 66061	(913) 390-1400	PB&J Robin, LLC Paul Khoury, s	04/2005
KANSAS Wichita	7355 West Taft Wichita< KS 67209	(316) 219-2939	PB&J Robin, LLC Paul Khoury, s	06/2022
KANSAS Overland Park	8657 W. 135th Overland Park, KS 66223	(913) 239-0926	PB&J Robin, LLC Paul Khoury, s	11/2003
KANSAS Topeka	6230 SW 6th Street Topeka, KS 66615	(785) 271-5400	PB&J Robin, LLC Paul Khoury, s	09/2005
KANSAS East Wichita	9990 E. 13th St. Wichita, KS 67206	(316) 425-6300 (	PB&J Robin, LLC Paul Khoury, s	08/2004
MICHIGAN Ann Arbor	575 Briarwood Circle Ann Arbor, MI, 48108	(734) 997-9550	Ansara Restaurant Group, Inc. Victor Ansara	5/2010
MICHIGAN Brighton	8522 West Grand River Brighton, MI 48116	(810) 534-1000	Ansara Restaurant Group, Inc. Victor Ansara	04/2002
MICHIGAN Clinton Township	15780 Hall Road Clinton Township, MI 48038	(586) 286-9236	Ansara Restaurant Group, Inc. Victor Ansara	03/2003
MICHIGAN Commerce	3003 Commerce Crossing Commerce, MI 48390	(269) 552-4237	Ansara Restaurant Group, Inc. Victor Ansara	06/2006
MICHIGAN Flint	4141 Miller Rd. Flint, MI 48507	(810) 733-8505	Ansara Restaurant Group, Inc. Victor Ansara	11/2004
MICHIGAN Grandville	3722 Potomoc Circle Grandville, MI 49418	(616) 257-3962	Ansara Restaurant Group, Inc. Victor Ansara	10/2005
MICHIGAN Holland	3379 W. Shore Drive Holland, MI 49424	(269) 552-4237	Ansara Restaurant Group, Inc. Victor Ansara	11/2006
MICHIGAN Kentwood	3195 28th St S.E. Kentwood, MI 49512	(616) 957-1430	Ansara Restaurant Group, Inc. Victor Ansara	07/2006
MICHIGAN Delta Township	6524 W. Saginaw Hwy. Lansing, MI 48917	(517) 886-7440	Ansara Restaurant Group, Inc. Victor Ansara	02/2004
MICHIGAN Livonia	16995 S. Laurel Park Dr. Livonia, MI 48152	(734) 542-8030	Ansara Restaurant Group, Inc. Victor Ansara	06/2004
MICHIGAN Madison Heights	31805 John R. Road Madison Heights, MI 48071	(248) 577-5870	Ansara Restaurant Group, Inc. Victor Ansara	01/1999

RESTAURANT LOCATION	ADDRESS	PHONE NUMBERS	OWNER(S)/OPERATOR(S)	DATE OPENED
MICHIGAN Muskegon	5785 Harvey Street Norton Shores, MI 49444	(231) 798-4100	Ansara Restaurant Group, Inc. Victor Ansara	09/2007
MICHIGAN Novi	43250 Crescent Blvd. Novi, MI 48375	(248) 349-3220	Ansara Restaurant Group, Inc. Victor Ansara	05/1993
MICHIGAN Pittsfield Township	3797 Carpenter Road Pittsfield Townshipi, MI 48197	(734) 794-2000	Ansara Restaurant Group, Inc. Victor Ansara	01/2002
MICHIGAN Portage	5710 Westnedge Rd. Portage, MI 49002	(269) 552-4237	Ansara Restaurant Group, Inc. Victor Ansara	11/2005
MICHIGAN Roseville	32051 Gratiot Ave. Roseville, MI 48066	(586) 285-9993	Ansara Restaurant Group, Inc. Victor Ansara	10/1999
MICHIGAN Southgate	15777 Eureka Southgate, MI 48195	(734) 285-0009	Ansara Restaurant Group, Inc. Victor Ansara	12/1997
MICHIGAN Troy	5460 Corporate Drive Troy, MI 48098	(248) 265-4690	Ansara Restaurant Group, Inc. Victor Ansara	05/2005
MICHIGAN Westland	36350 West Warren Road Westland, MI 48185	(734) 421-4081	Ansara Restaurant Group, Inc. Victor Ansara	10/1995
MISSOURI Independence	18810 East Highway 40 Independence, MO 64055	(816) 795-5678	PB&J Robin, LLC Paul Khoury, s	04/2003
MISSOURI Liberty	1919 Star Road Liberty, MO 64068	(816) 792-3030	PB&J Robin, LLC Paul Khoury, s	02/2007
MISSOURI Kansas City	8501 NW Prairie View Road Kansas City, MO 64153	(816) 381-8553	PB&J Robin, LLC Paul Khoury, s	05/2018
MONTANA Billings	1595 Grand Ave., Suite 210 Billings, MT 59102	(406) 248-7778	JJM Development Jake Jones	07/1986
NEW JERSEY Hamilton	325 Marketplace Blvd Hamilton, NJ 08691	(609) 585-1100	Colby Restaurant Group, Inc. Craig Colby	10/2005
OHIO Fallen Timbers	3100 Main St., Suite 1500 Maumee, OH 43537	(419) 878-2944	Ansara Restaurant Group, Inc. Victor Ansara	04/2008
OHIO Rossford	9854 Olde US 20 Rossford, OH 43460	(567) 331-6250	Ansara Restaurant Group, Inc. Victor Ansara	12/2023
OHIO Toledo	4850 Monroe Street Toledo, OH 43623	(419) 475-9318	Ansara Restaurant Group, Inc. Victor Ansara	07/2002
OREGON Albany	1845 14th Avenue, SE Albany, OR 97321	(541) 812-2550	RDC Gregory & Teresa Hubert	09/2001
OREGON Bend	625 SW Powerhouse Drive Bend, OR 97702	(541) 382-9234	RDC Gregory & Teresa Hubert	12/2001
OREGON Grants Pass	1561 SW Allen Creek Rd. Grants Pass, OR 97527	(541) 916-4986	RDC Gregory & Teresa Hubert	03/2017
OREGON Medford	449 Medford Center Medford, OR 97504	(541) 772-7777	RDC Gregory & Teresa Hubert	07/1999
OREGON Roseburg	2200 NW Stewart Parkway Roseburg, OR 97470	(541) 673-2636	RDC Gregory & Teresa Hubert	03/2007
PENNSYLVANIA Allentown	4688 A Broadway Tighman Square Allentown, PA 18104	(610) 366-1776	LVRB Mike Axiotis	08/1993
PENNSYLVANIA Allentown	1875 Airport Road Allentown, PA 18109	(610) 266-1776	LVRB Mike Axiotis	11/2001
PENNSYLVANIA Stroudsburg	250 Crossroads Mall, Route 611 Bartonsville, PA 18321	(570) 421-0770	LVRB Mike Axiotis	04/2007
PENNSYLVANIA Carlisle	236 Westminster Drive Carlisle, PA 17013	(717) 258-1030	LVRB Mike Axiotis	10/2005

RESTAURANT LOCATION	ADDRESS	PHONE NUMBERS	OWNER(S)/OPERATOR(S)	DATE OPENED
PENNSYLVANIA Center Valley	2845 Center Valley Pkwy., Ste. 440 Center Valley, PA 18034	(570) 489-0060	LVRB Mike Axiotis	10/2006
PENNSYLVANIA Chambersburg	921 Norland Avenue Chambersburg, PA 17201	(717) 263-7900	LVRB Mike Axiotis	03/2007
PENNSYLVANIA Collegeville	220 Plaza Drive, Suite #1 Collegeville, PA	(610) 850-8000	LVRB Mike Axiotis	7/2013
PENNSYLVANIA Dickson City	1235 Commerce Blvd Dickson City, PA 18519	(570) 489-0060	LVRB Mike Axiotis	11/2005
PENNSYLVANIA Easton	3716 Easton-Nazareth Highway Easton, PA 18045	(610) 515-1111	LVRB Mike Axiotis	11/1995
PENNSYLVANIA Harrisburg	5125 Jonestown Road #125 Harrisburg, PA 17112	(717) 540-8600	LVRB Mike Axiotis	09/2001
PENNSYLVANIA Hamburg	125 Wilderness Trail Hamburg, PA 19526	(484) 668-4040	LVRB Mike Axiotis	10/2011
PENNSYLVANIA Hershey	621 Park Avenue Hershey, PA 17033	(717) 520-1776	LVRB Mike Axiotis	01/1998
PENNSYLVANIA Mill Creek	2350 Lincoln Highway East #900 Lancaster, PA 17603	(717) 405-3600	LVRB Mike Axiotis	04/2011
PENNSYLVANIA Mechanicsburg	6560 Carlisle Pike Ste. 450 Mechanicsburg, PA 17055	(717) 766-5400	LVRB Mike Axiotis	05/2001
PENNSYLVANIA Wilkes Barre	2020 Wilkes Barre Township Marketplace Wilkes Barre, PA 18702	(570) 208-1776	LVRB Mike Axiotis	10/2003
PENNSYLVANIA Quakertown	690 N. West End Blvd., Route 309 Quakertown, PA 18951	(215) 536-9060	LVRB Mike Axiotis	11/2007
PENNSYLVANIA Exeter	4559 Perkiomen Ave Reading, PA 19606	(484) 334-8000	LVRB Mike Axiotis	07/2009
PENNSYLVANIA Selinsgrove	111 Marketplace Blvd. Selinsgrove, PA 17870	(570) 374-7490	LVRB Mike Axiotis	09/2008
PENNSYLVANIA Neshaminy	3605 Horizon Blvd. Trevose, PA 19053	(215) 322-3130	LVRB Mike Axiotis	04/2004
PENNSYLVANIA York	1500 Mount Zion Road York, PA 17402	(717) 885-9674	LVRB. Mike Axiotis	11/2014
TEXAS South Arlington	421 E. Interstate 20 Highway Arlington, TX 78753	(717) 885-9674	LVRB. Mike Axiotis	10/2008
TEXAS Cedar Hill	229 N. Highway 67 Cedar Hill, TX 75104	(717) 885-9674	LVRB. Mike Axiotis	11/2003
TEXAS Flower Mound	5731 Long Prairie Road Flower Mound, TX 75028	(717) 885-9674	LVRB. Mike Axiotis	05/2007
TEXAS Garland	5031 N. Garland Ave. Garland, TX 75044	(717) 885-9674	LVRB. Mike Axiotis	08/2004
TEXAS Pharr	409 S. Jackson Rd Pharr, TX 78577	(956) 683-0022	Restaurant Robin, LP Fernando Villegas	03/2004
TEXAS San Antonio	1750 N. Loop 1604 East, Ste. 102 San Antonio, TX 78232	(210) 494-2500	Centex Red Bird, LLC Agustin Zurita	05/2004
TEXAS San Antonio (The Rim)	17403 IH-10 West San Antonio, TX 78257	(210) 558-0900	Centex Red Bird, L.L.C. Augustin Zurita	03/2007
TEXAS Alamo Ranch	5631 W Loop 1604 N San Antonio, TX 78253	(210) 509-8200	Centex Red Bird, L.L.C. Augustin Zurita	4/2010
TEXAS Selma (Forum)	8227 Agora, Parkway Selma, TX 78154	(210) 659-9229	Centex Red Bird, L.L.C. Augustin Zurita	4/2003

RESTAURANT LOCATION	ADDRESS	PHONE NUMBERS	OWNER(S)/OPERATOR(S)	DATE OPENED
UTAH Layton Hills	1562 N. Woodland Park Drive Layton, UT 84041	(801) 779-3511	Sizzling Platter, LLC	10/1995
UTAH Murray	316 E. Winchester Blvd. Murray, UT 84107	(801) 266-9410	Sizzling Platter, LLC	04/1993
UTAH Provo	1200 Towne Centre Blvd., # 100 Provo, UT 84601	(801) 852-8093	Sizzling Platter, LLC	02/2000
UTAH South Jordan	11615 South District Main Drive South Jordan, UT 84095	(801) 495-5706	Sizzling Platter, LLC	07/2007
UTAH West Valley	3601 S. 2700 West, B152 West Valley, UT 84119	(801) 964-2354	Sizzling Platter, LLC	10/1996

LIST OF AREA DEVELOPERS

NONE

EXHIBIT F

LIST OF FRANCHISEES AND AREA DEVELOPERS THAT LEFT THE SYSTEM

TEXAS South Arlington	421 E. Interstate 20 Highway Arlington, TX 78753	(817) 468-7700	Mandes Restaurant Group, LLC Bob Mandes
TEXAS Cedar Hill	229 N. Highway 67 Cedar Hill, TX 75104	(469) 272-3636	Mandes Restaurant Group, LLC Robert Mandes
TEXAS Flower Mound	5731 Long Prairie Road Flower Mound, TX 75028	(972) 539-5400	Mandes Restaurant Group, LLC Bob Mandes

EXHIBIT G

STATE ADDENDA

STATE ADDENDA

The following are additional disclosures for the Franchise Disclosure Document, Area Development Agreement and Franchise Agreement of Red Robin International, Inc., required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

INDIANA

Item 13 of the FDD is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place: No competing business for two (2) years within the Protected Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place.

Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

Litigation regarding Franchise Agreement in Indiana; other litigation in Franchisor's Choice of Law State. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

Indiana law applies to disputes covered by Indiana franchise laws; otherwise, Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Franchisor's Choice of Law State law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

   No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

MINNESOTA

1. The following language is added to the "Remarks" section of the line item entitled "Insufficient Funds" of Item 6:

Minnesota law provides that the maximum service charge for a dishonored check is $30.00.

2. **Non-Solicitation Fee**. The Item 6 line item entitled **Non-Solicitation Fee** will not be enforced to the extent prohibited by applicable law.

3. **Renewal, Termination, Transfer and Dispute Resolution**. The following is added at the end of the chart in Item 17:

> With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Area Development Agreement or Franchise Agreement and 180 days' notice for non-renewal of the Area Development Agreement or Franchise Agreement.
>
> Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document, Area Development Agreement or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

Minn. Rule Part 2860.4400J might prohibit a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties, or judgment notes. However, we and you will enforce these provisions in our Area Development Agreement or Franchise Agreement to the extent the law allows.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise

NORTH DAKOTA

The State of North Dakota has determined that requiring a franchisee to consent to termination or liquidated damages in a franchise agreement is unfair, unjust and inequitable with the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or required that a franchisee consent to termination or liquidated damages in deleted.

The State of North Dakota has determined that parties agreeing to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business is unfair, unjust, or inequitable with the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation will be agreeable to all parties and may not be remote from the franchisee's place of business.

The State of North Dakota has determined that a Franchise Disclosure Document, Franchise Agreement, and/or the Supplemental Agreements requiring the waiver of a trial by jury to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or requirement in the Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements that a franchisee waive a jury trial is deleted.

The State of North Dakota has determined that a Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements requiring a franchisee to consent to a waiver of exemplary and punitive damages to be unfair, unjust and inequitable with the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or requirement in the Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements that a franchisee consent to a waiver of exemplary and punitive damages is deleted.

The State of North Dakota has determined that requiring a franchisee to consent to a limitation of claims to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The limitation of claims is governed by North Dakota law.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any

applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

The Item 6 line item entitled **Non-Solicitation Fee** will not be enforced to the extent prohibited by applicable law.

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

The "Summary" section of Item 17(v), entitled **Choice of forum**, is deleted and replaced with the following:

Litigation must generally be in the state where our then current principal place of business is located (currently Englewood, Colorado), except that, to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota.

Except as otherwise required by North Dakota law, the laws of the State of Colorado shall apply.

RHODE ISLAND

1. The following language is added to the end of the "Summary" sections of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of law**:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including,fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

SOUTH DAKOTA

In recognition of the requirements of the South Dakota Franchises for Brand-Name Goods and Services Law, SDCL 37-5B, and the policies of the Director of the Securities Division, the Uniform Franchise Disclosure Document for use in the State of South Dakota shall be amended as follows:

Neither RED ROBIN INTERNATIONAL, INC., nor any person identified in Item 2 above, has during the ten-year period preceding the date of this Franchise Disclosure Document, been convicted of a felony, or pleaded nolo contendere to any other felony charge, been convicted of a misdemeanor or pleaded guilty to a misdemeanor charge, reached a settlement in a civil action, been held liable in a civil action by

final judgment, or been the subject of any material complaint or legal proceeding, where such felony, misdemeanor, civil action, complaint, or other legal proceeding involved the violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegations.

Neither RED ROBIN INTERNATIONAL, INC, nor any person identified in Item 2 above, has any material arbitration proceeding pending, or has, during the ten-year period immediately preceding the date of this Franchise Disclosure Document, been a party to concluded material arbitration proceedings.
Neither RED ROBIN INTERNATIONAL, INC, nor any person identified in Item 2 above, is subject to any currently effective order or ruling of the federal trade commission.
To the extent that default under the Franchise Disclosure Document relates to a breach of the Area Development Agreement or Franchise Agreement, failure to meet performance and/or quality standards, and/or failure to make royalty payments, South Dakota law provides that RED ROBIN INTERNATIONAL, INC, must provide a 30 day written notice with an opportunity to cure such default prior to termination.
Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.
Any provision in the Franchise Disclosure Document, franchise agreement or development agreement restricting jurisdiction or venue to a forum outside of South Dakota or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act.

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern shall be governed by the laws of the State of South Dakota. Any provision in the Franchise Disclosure Document, franchise agreement or development agreement restricting jurisdiction or venue to a forum outside of South Dakota or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act.

Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the South Dakota Franchises for Brand-Name Goods and Services Law, SDCL 37-5B, and any rules and regulations promulgated thereunder, are met independently without references to this Amendment.

To the extent this Addendum shall be deemed inconsistent with any terms or conditions of the Franchise Disclosure Document, the terms of this Addendum shall govern.
No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

WISCONSIN

In recognition of the requirements of the Wisconsin Franchise Investment Law, Wis. Stat. §§ 553.01 to 553.78 and the Wisconsin Fair Dealership Law, Wis. Stat. §§ 135.01-135.07, the Franchise Disclosure Document for use in the State of Wisconsin shall be amended as follows:

Registration of this Franchise with a state does not mean that the state recommends or it has verified the information in this Franchise Disclosure Document. If you learn that anything in this Franchise Disclosure Document is untrue, contact the Federal Trade Commission and the Commissioner of Securities, Madison, Wisconsin 53701.

To the extent that the provisions regarding renewal described in this summary are inconsistent with the requirements of the Wisconsin Fair Dealership Law, § 135.04, (which, among other things, currently grants you the right, in most circumstances, to 90 days prior written notice of non-renewal and 60 days within which to remedy any claimed deficiencies), the renewal provisions will be superseded by the Wisconsin Fair Dealership Law's requirements and will have no force or effect.

To the extent that the provisions regarding termination described in this summary are inconsistent with the requirements of the Wisconsin Fair Dealership Law, § 135.04, (which, among other things, currently grants you the right, in most circumstances, to 90 days prior written notice of termination and 60 days within which to remedy any claimed deficiencies), the termination provisions will be superseded by the Wisconsin Fair Dealership Law's requirements and will have no force or effect.

Item 17(v) under the heading "Choice of forum" shall be amended by the addition of the following language at the end of each Summary Section:

"This provision may not be enforceable under Wisconsin law."

Item 17(w) under the heading "Choice of law" shall be amended by the addition of the following language at the end of each Summary Section

"No provision of the Franchise or Area Development Agreement will constitute a waiver of compliance with any provision of the Wisconsin Franchise Investment Law or Wisconsin Fair Dealership Law."

Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Wisconsin Franchise Investment Law, Wis. Stat. §§ 553.01 to 553.78 and the Wisconsin Fair Dealership Law, Wis. Stat. §§ 135.01-135.07, are independently met without reference to this Addendum. The additional disclosures shall have no force or effect if such jurisdictional requirements are not met.

To the extent this Addendum shall be deemed inconsistent with any terms or conditions of the Franchise Disclosure Document, the terms of this Addendum shall govern.

STATE EFFECTIVE DATES

The following states require that the disclosure document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Indiana	Pending
Michigan	Pending
Minnesota	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Wisconsin	Pending

In all other states that do not require registration, the effective date of this Disclosure Document is the issuance date of April 29, 2026.

EXHIBIT H

RECEIPTS

RECEIPT
(OUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Red Robin offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Under Iowa law, Red Robin must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Michigan requires that Red Robin give you this disclosure document at least 10 business days before the execution of any binding franchise agreement or the payment of any consideration, whichever occurs first. Iowa requires that Red Robin give you the disclosure document at the earlier of the 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Red Robin does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit D.

Franchise seller(s) offering the franchise: Red Robin International, Inc., 10000 East Geddes Avenue, Suite 500, Englewood, Colorado 80112. Tel: (303) 846-6000. In addition, please identify the individual franchise seller who offered you a RED ROBIN® RESTAURANT franchise in the space provided below:

LeAnne Stine
Red Robin International, Inc.
10000 East Geddes Avenue, Suite
500
Englewood, Colorado 80112
(303) 846-6000

Issuance Date: April 29, 2026

See Exhibit D-1 for our registered agents authorized to receive service of process.

I have received a disclosure document dated April 29, 2026, that included the following Exhibits:

A.	Financial Statements	F.	List of Franchisees and Area Developers that Left the System
B.	Area Development Agreement		
C.	Franchise Agreement	G.	State Addenda
D-1	State Administrators	H,	Receipts
D-2	Agents for Service of Process		
E.	List of Franchise Restaurant Locations and Area Developers		

_____ _____

Date Prospective Franchisee

Please sign this copy of the receipt, print the date on which you received this disclosure document, and return it, by mail or facsimile, to Chief Legal Officer, Red Robin International, Inc., 10000 East Geddes Avenue, Suite 500, Englewood, Colorado 80112. Phone: (303) 846-6000,

Developer Name: _____

Print Name of Franchisee: _____

Print Name of Signator: _____

Title: Owner (individual) _____

Address _____

Address _____

City / State / Zip _____

Phone: _____ Facsimile: _____

Email: _____

RECEIPT
(YOUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Red Robin offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Under Iowa law, Red Robin must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Michigan requires that Red Robin give you this disclosure document at least 10 business days before the execution of any binding franchise agreement or the payment of any consideration, whichever occurs first. Iowa requires that Red Robin give you the disclosure document at the earlier of the 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If Red Robin does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit D.

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Developer Name: _____

Print Name of Franchisee: _____

Print Name of Signator: _____

Title: Owner (individual) _____

Address _____

Address _____

City / State / Zip _____

Phone: _____ Facsimile: _____

Email: _____

KEEP THIS COPY FOR YOUR RECORDS