

Del Frisco's Restaurant Group, Inc.  
Form DEF 14A  
April 02, 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

**DEL FRISCO S RESTAURANT GROUP, INC.**

(Name of Registrant as Specified In Its Charter)

Edgar Filing: Del Frisco's Restaurant Group, Inc. - Form DEF 14A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

**DEL FRISCO S RESTAURANT GROUP, INC.**

**920 S. Kimball Avenue, Suite 100**

**Southlake, Texas 76092**

April 2, 2015

To Our Stockholders:

You are cordially invited to attend the 2015 Annual Meeting of Stockholders of Del Frisco s Restaurant Group, Inc. The Annual Meeting will be held on Wednesday, May 13, 2015, at 9:00 a.m., local time, at the Del Frisco s Grille located at 1200 E. Southlake Blvd., Southlake, Texas 76092.

We describe in detail the actions we expect to take at our Annual Meeting in the attached Notice of 2015 Annual Meeting of Stockholders and Proxy Statement.

In addition to the Proxy Statement you should have also received a copy of our Annual Report on Form 10-K for fiscal year 2014, which we encourage you to read. It includes information about our operations as well as our audited, consolidated financial statements. You can also access a copy of our 2014 Annual Report on Form 10-K on the Company s website at [www.dfrg.com](http://www.dfrg.com).

Please use this opportunity to take part in the affairs of our company by voting on the business to come before the Annual Meeting. Whether or not you plan to attend the Annual Meeting, please complete, sign, date, and return the accompanying proxy card or voting instruction card. In some instances, you may also be able to vote your shares on the Internet. See About the Annual Meeting How Do I Vote by Proxy? in the Proxy Statement for more details. Returning the proxy card or voting instruction card or voting on the Internet does not deprive you of your right to attend the Annual Meeting and to vote your shares in person for the matters to be acted upon at the Annual Meeting.

We look forward to seeing you at the Annual Meeting.

Sincerely,

Mark S. Mednansky

Chief Executive Officer

**DEL FRISCO'S RESTAURANT GROUP, INC.**

**920 S. Kimball Avenue, Suite 100**

**Southlake, Texas 76092**

**NOTICE OF 2015 ANNUAL MEETING OF STOCKHOLDERS**

**Important Notice Regarding the Availability of Proxy Materials for the Stockholder**

**Meeting to be Held on May 13, 2015**

**The Proxy Statement and accompanying Annual Report to Stockholders**

**are available at *investor.dfrg.com/annuals.cfm***

<b>TIME AND DATE</b>	9:00 a.m., local time, on Wednesday, May 13, 2015
<b>LOCATION</b>	Del Frisco's Grille  1200 E. Southlake Blvd.  Southlake, Texas 76092
<b>ITEMS OF BUSINESS</b>	<ol style="list-style-type: none"><li>1. To elect the two directors named in the Proxy Statement to hold office until the 2016 annual meeting and two directors named in the Proxy Statement to hold office until the 2018;</li><li>2. To ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 29, 2015; and</li><li>3. To approve the material terms of the performance goals under the Company's 2012 Long-Term Incentive Plan for purposes of Section 162(m) of the Internal Revenue Code of 1986.</li></ol> <p>Stockholders will also act upon such other matters as may properly come before the Annual Meeting.</p>
<b>RECORD DATE</b>	The stockholders of record at the close of business on March 31, 2015, will be entitled to vote at the Annual Meeting and any adjournment or postponement thereof.
<b>PROXY VOTING</b>	It is important that your shares be represented and voted at the Annual Meeting. You can vote your shares by completing and returning the proxy card or voting instruction card sent to you. Voting instructions are printed on your proxy card or voting instruction card and are included in the accompanying Proxy Statement. In some instances, you may also be able to vote your shares on the Internet. You can revoke

your proxy at any time prior to its exercise at the Annual Meeting by following the instructions in the Proxy Statement.

**DEL FRISCO'S RESTAURANT GROUP, INC.**

**920 S. Kimball Avenue, Suite 100**

**Southlake, Texas 76092**

**PROXY STATEMENT**

We are providing these proxy materials in connection with the 2015 Annual Meeting of Stockholders of Del Frisco's Restaurant Group, Inc. This Proxy Statement, the accompanying proxy card or voting instruction card, and the Company's 2014 Annual Report on Form 10-K were first mailed to stockholders on or about April 9, 2015. This Proxy Statement contains important information for you to consider when deciding how to vote on the matters to be brought before the Annual Meeting. Please read it carefully. Unless the context otherwise indicates, references to "Del Frisco's Restaurant Group," "our company," "the Company," "us," "we" and "our" refer to Del Frisco's Restaurant Group, Inc. and its consolidated subsidiaries.

**ABOUT THE ANNUAL MEETING**

***Who is soliciting my vote?***

The Board of Directors of the Company is soliciting your vote in connection with the 2015 Annual Meeting of Stockholders.

***What is the purpose of the Annual Meeting?***

The meeting will be the Company's regular, Annual Meeting of Stockholders. You will be voting on the following matters at the Annual Meeting:

1. Election of the two Class I directors named in the Proxy Statement to hold office until the 2016 annual meeting and the election of the two Class III directors named in the Proxy Statement to hold office until the 2018 annual meeting;
  2. Ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 29, 2015; and
  3. Approval of the material terms of the performance goals under the Company's 2012 Long-Term Incentive Plan for purposes of Section 162(m) of the Internal Revenue Code of 1986.
- Stockholders will also act upon any other business that may properly come before the Annual Meeting.

***How does the Board of Directors recommend I vote?***

The Board of Directors recommends a vote:

Edgar Filing: Del Frisco's Restaurant Group, Inc. - Form DEF 14A

1. For the election of Ian R. Carter and Richard L. Davis as Class I directors and Norman J. Abdallah and Mark S. Mednansky as Class III directors;
2. For the ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 29, 2015; and



3. *For* the approval of the material terms of the performance goals under the Company's 2012 Long-Term Incentive Plan for purposes of Section 162(m) of the Internal Revenue Code of 1986.

***Who is entitled to vote at the Annual Meeting?***

The Board of Directors set March 31, 2015 as the record date for the Annual Meeting, or the Record Date. All stockholders who owned common stock of the Company at the close of business on the Record Date may attend and vote at the Annual Meeting.

***Who is entitled to attend the Annual Meeting?***

Only persons with evidence of stock ownership as of the Record Date or who are invited guests of the Company may attend and be admitted to the Annual Meeting. Stockholders with evidence of stock ownership as of the Record Date may be accompanied by one guest. Photo identification will be required (e.g., a valid driver's license, state identification or passport). If a stockholder's shares are registered in the name of a broker, trust, bank or other nominee, the stockholder must bring a proxy or a letter from that broker, trust, bank or other nominee or their most recent brokerage account statement that confirms that the stockholder was a beneficial owner of shares of stock of the Company as of the Record Date.

Cameras (including cell phones with photographic capabilities), recording devices and other electronic devices will not be permitted at the Annual Meeting.

***How many votes can be cast by stockholders?***

Each share of common stock is entitled to one vote. There is no cumulative voting. There were 23,443,046 shares of common stock outstanding and entitled to vote on the Record Date.

***How many votes must be present to hold the Annual Meeting?***

A majority of the outstanding shares of common stock as of the Record Date must be present at the Annual Meeting in order to hold the Annual Meeting and conduct business. This is called a quorum. Your shares are counted as present at the Annual Meeting if you are present at the Annual Meeting and vote in person or a proxy card or voting instruction card has been properly submitted by you or on your behalf or, if applicable, you have voted your shares on the Internet. Both abstentions and broker non-votes are counted as present for the purpose of determining the presence of a quorum. A broker non-vote is a share of common stock that is beneficially owned by a person or entity and held by a broker or other nominee, but for which the broker or other nominee (1) lacks the discretionary authority to vote on certain matters, and (2) has not received voting instructions from the beneficial owner in respect of those specific matters.

***How many votes are required to elect directors and approve the other proposal?***

Directors are elected by a plurality of the votes cast. This means that the four individuals nominated for election to the Board of Directors who receive the most FOR votes (among votes properly cast in person or by proxy) will be elected. Abstentions and broker non-votes will not affect the outcome of the election of directors.

The ratification of the selection of KPMG LLP as the Company's independent registered public accounting firm requires the affirmative vote of a majority of the shares of common stock present, in person or by proxy, at the Annual Meeting and entitled to vote. Abstentions have the same effect as a vote against the proposal.

The approval of the material terms of the performance goals under the Company's 2012 Long-Term Incentive Plan requires the affirmative vote of a majority of the shares of common stock present, in person or by proxy, at the Annual Meeting and entitled to vote. Abstentions have the same effect as a vote against the proposal. Broker non-votes will not affect the outcome of this proposal.

***How do I vote by proxy?***

You can vote your shares by completing and returning the proxy card or voting instruction card accompanying this Proxy Statement. In some instances, you may also be able to vote your shares on the Internet. Please see your proxy card or voting instruction card for more information on how to vote by proxy.

***What if I don't vote for some of the items listed on my proxy card or voting instruction card?***

If you return your signed proxy card or voting instruction card in the enclosed envelope or vote on the Internet but do not mark selections, your shares will be voted in accordance with the recommendations of the Board of Directors. In connection therewith, the Board of Directors has designated Mark S. Mednansky and Thomas J. Pennison, Jr. as proxies. If you indicate a choice with respect to any matter to be acted upon on your proxy card or voting instruction card or by Internet vote, your shares will be voted in accordance with your instructions. It is therefore important that you provide instructions to your broker if your shares are held by a broker or other nominee so that your shares will be voted at the Annual Meeting.

If you are a beneficial owner and hold your shares in street name through a broker or other nominee and do not return the voting instruction card or, if applicable, vote your shares on the Internet, the broker or other nominee will vote your shares on each matter at the Annual Meeting for which he or she has the requisite discretionary authority. Under applicable rules, brokers have the discretion to vote on routine matters, such as the ratification of the selection of independent registered public accounting firms. However, brokers do not have the discretion to vote on the uncontested election of directors or with respect to compensation matters, including the approval of the Company's 2012 Long-Term Incentive Plan.

***Who pays for the proxy solicitation and how will the Company solicit votes?***

The Company bears the expense of printing and mailing proxy materials. In addition to this solicitation of proxies by mail, the Company's directors, officers and other employees may solicit proxies by personal interview, telephone, facsimile or email. These individuals will not be paid any additional compensation for any such solicitation. The Company will request brokers and other nominees who hold shares of common stock in their names to furnish proxy materials to the beneficial owners of such shares. The Company will reimburse such brokers and other nominees for their reasonable expenses incurred in forwarding solicitation materials to such beneficial owners.

***Can I change or revoke my vote after I return my proxy card or voting instruction card?***

Yes. Even if you sign and return the proxy card or voting instruction card in the form accompanying this Proxy Statement or, if applicable, vote your shares on the Internet, you retain the power to revoke your proxy or change your vote. You can revoke your proxy or change your vote at any time before it is exercised at the Annual Meeting by giving written notice to the Secretary of the Company, specifying such revocation. You may also change your vote by timely delivering a valid, later-dated proxy or voting instruction card or, if applicable, by voting again on the Internet, or by voting in person at the Annual Meeting. However, please note that if you would like to vote at the Annual Meeting and you are not the stockholder of record, you must request, complete and deliver a proxy from your broker or other nominee.

**PROPOSAL NO. 1 ELECTION OF DIRECTORS**

At the Annual Meeting, stockholders will be asked to elect four directors to serve on the Board of Directors. The Company's Certificate of Incorporation provides that the Board of Directors shall consist of not fewer than three nor more than 13 directors with the exact number to be determined from time to time by resolution adopted by the Board of Directors. The Board currently consists of six directors. The Company's Certificate of Incorporation divides the Board of Directors into three classes with the terms of office of the directors of each Class ending in different years. The terms of directors in Classes III, I, and II presently end at the annual meetings in 2015, 2016 and 2017, respectively. On February 19, 2015, the Board re-assigning Mr. Richard L. Davis from Class III to Class I such that the number of directors in each class would be more equal in number. As a result of this re-assignment and the appointment of Mr. Ian R. Carter to serve as a Class I director effective April 1, 2015, each class currently has two directors. The Nominating and Corporate Governance Committee is currently in the process of identifying additional qualified director candidates to join our Board of Directors.

The Board of Directors has nominated Norman J. Abdallah and Mark S. Mednansky for election as Class III directors for three-year terms expiring at the 2018 annual meeting. The Board of Directors has also nominated Ian R. Carter and Richard L. Davis for election as Class I directors for one-year terms expiring at the 2016 annual meeting. Although the terms of Class I directors do not end at the Annual Meeting, because of the Board's re-assignment of Mr. Davis and appointment of Mr. Carter, each as a Class I director, the Board has determined as a matter of good corporate practice to allow the Company's stockholders to express their views on such actions by submitting Messrs. Carter and Davis for re-election.

When elected, a director serves until his or her successor has been duly elected and qualified or until such director's earlier resignation or removal. Proxies cannot be voted for a greater number of persons than the number of nominees named. If you sign and return the accompanying proxy card or voting instruction card, your shares will be voted for the election of the four nominees recommended by the Board of Directors unless you choose to abstain or vote against any of the nominees. The Company did not receive any stockholder nominations for director.

If any of the nominees for any reason is unable to serve or will not serve, proxies may be voted for such substitute nominee as the proxy holder may determine. The Company is not aware of any nominee who will be unable to or will not serve as a director. Please see "The Board of Directors and Its Committees" below for information about the nominees for election as directors and the current members of the Board of Directors who will continue serving following the Annual Meeting, their business experience and other pertinent information.

Directors are elected by a plurality of the votes cast. This means that the four nominees who receive the most **FOR** votes (among votes properly cast in person or by proxy) will be elected. Abstentions and broker non-votes will not affect the outcome of the election of directors.

*The Board of Directors unanimously recommends that you vote **FOR** all Nominees*

**PROPOSAL NO. 2 RATIFICATION OF THE APPOINTMENT OF KPMG LLP**

The Audit Committee has selected KPMG LLP, or KPMG, to audit the consolidated financial statements of the Company as of December 29, 2015, and for the fiscal year then ending. At the Annual Meeting, stockholders will be asked to ratify the selection of KPMG.

The Company has been advised by KPMG that the firm has no relationship with the Company or its subsidiaries other than that arising from the firm's engagement as auditors, tax advisors and consultants. The Company has also been advised that representatives of KPMG will be present at the Annual Meeting where they will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Neither the Company's Certificate of Incorporation nor the Company's bylaws require that stockholders ratify the selection of KPMG as the Company's independent registered public accounting firm. However, we are requesting ratification because we believe it is a matter of good corporate practice. If the Company's stockholders do not ratify the selection, the Audit Committee will reconsider whether or not to retain KPMG, but may, nonetheless, retain KPMG as the Company's independent registered public accountants. Even if the selection is ratified, the Audit Committee in its discretion may change the appointment at any time if it determines that the change would be in the best interests of the Company and its stockholders.

The affirmative vote of a majority of the shares of common stock present, in person or by proxy, at the Annual Meeting is necessary to ratify the appointment of KPMG as the Company's independent registered public accounting firm for the year ending December 29, 2015. Abstentions have the same effect as a vote against the proposal.

***The Board of Directors unanimously recommends that you vote FOR the ratification of the selection of KPMG as the Company's independent registered public accounting firm for the year ending December 29, 2015***

**PROPOSAL NO. 3 APPROVAL OF THE MATERIAL TERMS OF THE PERFORMANCE GOALS UNDER THE 2012 LONG-TERM INCENTIVE PLAN FOR PURPOSES OF SECTION 162(m)**

**OF THE INTERNAL REVENUE CODE OF 1986**

At the Annual Meeting, stockholders will be asked to approve the material terms of the performance goals under the Company's 2012 Long-Term Incentive Plan for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended. The Del Frisco's Restaurant Group 2012 Long-Term Incentive Plan, or the 2012 Plan, was adopted by the Board of Directors on July 16, 2012.

In order to allow for certain awards under the 2012 Plan to qualify as tax-deductible performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended to date, or the Code, which is referred to in this Proxy Statement as Section 162(m), we are asking stockholders to approve the material terms of the performance goals under the 2012 Plan. ***Stockholders are not being asked to approve any amendment to the 2012 Plan or any increase in the number of shares of Company common stock under the 2012 Plan in this Proposal 3 but are only asked to approve the material terms of the performance goals under the 2012 Plan for compliance with Section 162(m) of the Code. As such, approval of this Proposal 3 will not increase the aggregate number of shares of Company common stock authorized for issuance under the 2012 Plan, and, accordingly, will not result in any additional dilution to stockholders.***

Our Board of Directors believes that it is in the best interests of the Company and its stockholders to provide an equity incentive plan under which equity-based compensation awards made to executive officers can be deducted by the Company for federal income tax purposes. The 2012 Plan has been structured in a manner such that awards granted under it may satisfy the requirements for performance-based compensation within the meaning of Section 162(m), however, there can be no guarantee that amounts payable under the 2012 Plan will be treated as qualified performance-based compensation under Section 162(m). In general, under Section 162(m), the federal income tax deductibility of compensation paid to our Chief Executive Officer or any of our two other most highly compensated executive officers may be limited to the extent that such compensation exceeds \$1,000,000 in any fiscal year. However, compensation that satisfies the requirements for performance-based compensation as defined in Section 162(m) is not subject to this limit and, therefore, is generally deductible in full by the Company. One of the requirements of performance-based compensation for purposes of Section 162(m) is that the material terms of the performance goals under which compensation may be paid be disclosed to and approved by our stockholders every five years. As a result of an exception applicable to newly public companies, this stockholder approval requirement was not applicable to the 2012 Plan to date, but will be following the Annual Meeting.

For purposes of Section 162(m), the material terms include (i) the employees eligible to receive compensation, (ii) a description of the business criteria on which the performance goals are based and (iii) the maximum amount of compensation that can be paid to an employee under the performance goals. Each of these aspects is discussed below. Stockholders are requested in this Proposal No. 3 to approve the material terms of the performance goals under the 2012 Plan for compliance with Section 162(m).

**Summary of the 2012 Plan**

The following summary of the 2012 Plan is qualified in its entirety by the specific language of the 2012 Plan, a copy of which is filed with this Proxy Statement as *Appendix A*.

**Purpose** The purpose of the 2012 Plan is to advance our interests by stimulating the efforts of employees, officers, non-employee directors and other service providers, in each case who are selected to be participants, by heightening the desire of such persons to continue working toward and contributing to the success and progress of the Company. The 2012 Plan provides for the grant of incentive and nonqualified stock options, stock appreciation rights, restricted stock and restricted stock units, any of which may be performance-based, and for incentive bonuses, which may be paid in cash or stock or a combination thereof, as determined by the administrator.

**Authorized Shares** Subject to adjustment as described under **Adjustments** below, an aggregate of 2,232,800 shares of our common stock have been authorized for issuance under the 2012 Plan, which represented 9.5% of the number of shares of Company's common stock outstanding as of December 30, 2014. Shares issued under the 2012 Plan may be authorized but unissued shares of our common stock or shares that were reacquired by the Company, including shares purchased in the open market. The aggregate number of shares issued under the 2012 Plan at any time may only equal the number of shares actually issued upon exercise or settlement of an award. In addition, shares subject to an award under the 2012 Plan will not count as shares issued under the 2012 Plan if such shares are: (i) shares that were subject to a stock-settled stock appreciation right and were not issued upon the net settlement or net exercise of such stock appreciation right, (ii) shares used to pay the exercise price of an option, or (iii) shares delivered to or withheld by the Company to pay the withholding taxes related to an award. In addition, shares subject to awards that have been canceled, expired or forfeited and shares subject to awards settled in cash will not count as shares issued under the 2012 Plan.

**Certain Award Limits** Upon expiration of the reliance period relating to the exemption for corporations that become publicly held, as specified in Treasury Regulation Section 1.162-27(f), the aggregate number of shares subject to awards granted under the 2012 Plan during any calendar year to any single participant may not exceed 600,000, subject to adjustment as described under **Adjustments** below, but only to the extent that such adjustment will not affect the status of any award intended to qualify as performance-based compensation under Section 162(m). The aggregate number of shares of our common stock that may be issued pursuant to the exercise of incentive stock options may not exceed 2,232,800, subject to adjustment as described under **Adjustments** below. Upon the expiration of the reliance period relating to the exemption for corporations that become publicly held, as specified in Treasury Regulation Section 1.162-27(f), the maximum cash amount payable pursuant to that portion of an incentive bonus earned for any 12-month period to any participant under the 2012 Plan that is intended to satisfy the requirements for performance-based compensation under Section 162(m) of the Code may not exceed \$10,000,000.

**Substitute Awards** Awards granted or shares of our common stock issued by the Company in assumption of, or is substitution or exchange for, awards previously granted, or the right or obligation to make future awards, by a company acquired by the Company or any subsidiary or with which the Company or any subsidiary combines, or Substitute Awards, will not reduce the shares authorized for issuance under the 2012 Plan or authorized for grant to a participant in any calendar year. In addition, in the event that a company acquired by the Company or any subsidiary, or with which the Company or any subsidiary combines, has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the share available for grant pursuant to the terms of such pre-existing plan may be used for awards under the 2012 Plan and will not reduce the shares authorized for issuance under the 2012 Plan.

**Adjustments** The administrator will make appropriate to the number and kind of shares available for issuance under the 2012 Plan and the number and kind of shares subject to the individual limits described above as it determines appropriate to reflect any reorganization, reclassification, combination of shares, stock split, reverse stock split, spin-off, dividend or distribution of securities, property or cash (other than regular, quarterly cash dividends), or any other event or transaction that affects the number or kind of shares of the Company outstanding. The terms of any outstanding awards will also be equitably adjusted as determined necessary by the administrator as to price, number or kind of shares subject to the award, vesting and other terms to reflect the foregoing events. In the event of a change in control (as defined in the 2012 Plan), other merger, consolidation or otherwise, the administrator will determine the appropriate and equitable adjustment, if any, to be effected.

**Change in Control** If a change in control occurs, unless otherwise provided in an award agreement or other contract, or under the terms of a transaction constituting a change in control, the administrator may provide that any or all of the following will occur upon a participant's qualifying termination of employment within 24 months following the change in control: (i) in the case of an option or stock appreciation right, the participant will have the ability to exercise any portion thereof not previously exercisable, (ii) in the case of a performance award or incentive bonus, the participant will have the right to receive a payment equal to the target amount

payable or, if greater, a payment based on performance through a date determined by the administrator prior to the change in control, and (iii) in the case of shares issued in payment of an incentive bonus, and/or in the case of outstanding restricted stock and/or restricted stock units, all conditions to the grant, issuance, retention, vesting or transferability of, or any other restrictions applicable to, such award will immediately lapse. Notwithstanding anything in the 2012 Plan to the contrary, in the event of a change in control in which the acquiring or surviving company in the transaction does not assume or continue outstanding awards upon the change in control, then immediately prior to the change in control, all awards that are not assumed or continued will be treated as follows effective immediately prior to the change in control: (x) in the case of an option or stock appreciation right, the participant will have the ability to exercise such option or stock appreciation right, including any portion thereof not previously exercisable, (y) in the case of a performance award or incentive bonus, the participant will have the right to receive a payment equal to the target amount payable or, if greater, a payment based on performance through a date determined by the administrator prior to the change in control, and (z) in the case of shares issued in payment of an incentive bonus, and/or in the case of outstanding restricted stock and/or restricted stock units, all conditions to the grant, issuance, retention, vesting or transferability of, or any other restrictions applicable to, such award will immediately lapse.

**Administration** The 2012 Plan is administered by our Compensation Committee or, in the absence thereof, our full Board of Directors. Any power of the administrator may also be exercised by the full Board of Directors except as provided in the 2012 Plan. The administrator may authorize one or more officers of the Company to perform any or all things that the administrator is authorized and empowered to do or perform under the 2012 Plan; provided, however, that the administrator must specify the total number of awards (if any) that such officer(s) may award pursuant to such delegation and no such officer may designate himself or herself as a recipient of any award. In addition, the administrator may delegate any or all aspects of the day-to-day administration of the 2012 Plan to one or more officers or employees of the Company or any subsidiary, and/or to one or more agents. Subject to the express provisions of the 2012 Plan, the administrator is authorized and empowered to do all things that it determines to be necessary or appropriate in connection with the administration of the 2012 Plan, including, without limitation: (i) to prescribe, amend and rescind rules and regulations and to define terms not otherwise defined; (ii) to determine which persons are participants, to which of such participants, if any, awards will be granted and the timing of such awards; (iii) to grant awards and determine the terms and conditions thereof, including the number of shares subject to awards and the exercise or purchase price of such shares and the circumstances under which awards become exercisable or vested or are forfeited or expire, which terms may but need not be conditioned upon the passage of time, continued employment, the satisfaction of performance criteria, the occurrence of certain events, or other factors; (iv) to establish and verify the extent of satisfaction of any performance goals or other conditions applicable to the grant, issuance, exercisability, vesting and/or ability to retain any award; (v) to prescribe and amend the terms of the agreements or other documents evidencing awards (which need not be identical) and the terms of or form of any document or notice required to be delivered to the Company by participants; (vi) to determine whether, and the extent to which, adjustments are required; (vii) to interpret and construe the 2012 Plan, any rules and regulations thereunder and the terms and conditions of any award granted thereunder, and to make exceptions to any such provisions if the administrator, in good faith, determines that it is necessary to do so in light of extraordinary circumstances and for the benefit of the Company; (viii) to approve corrections in the documentation or administration of any award; and (ix) to make all other determinations deemed necessary or advisable for the administration of the 2012 Plan. The administrator may, in its sole and absolute discretion, without amendment to the 2012 Plan, waive or amend the operation of 2012 Plan provisions respecting exercise after termination of employment or service to the Company or an affiliate and, except as otherwise provided in the 2012 Plan, adjust any of the terms of any award. All decisions, determinations and interpretations by the administrator regarding the 2012 Plan, any rules and regulations under the 2012 Plan and the terms and conditions of or operation of any award granted thereunder are final and binding on all participants, beneficiaries, heirs, assigns or other persons holding or claiming rights under the 2012 Plan or any award.

**Prohibition of Option and SAR Repricing** The 2012 Plan expressly provides that, other than in connection with a change in the Company's capitalization, at any time when the exercise price of an option or

stock appreciation right is above the fair market value of a share of our common stock, the Company may not, without stockholder approval, (i) reduce the exercise price of such option or stock appreciation right, (ii) exchange such award for cash, another award or a new option or stock appreciation right with a lower exercise or base price or (iii) otherwise reprice such award.

**Eligibility** We may grant awards to any current or prospective officer or employee (including any director who is also an employee) or other service provider of the Company or any subsidiary and, in accordance with the provisions of the 2012 Plan, to any non-employee director. Incentive stock options may only be granted to employees. As of March 31, 2015, approximately 4,385 employees, including all of our executive officers, and five directors were eligible for awards under the 2012 Plan.

**Stock Options** The Committee may grant nonstatutory stock options, incentive stock options within the meaning of Section 422 of the Code, or any combination of these. The exercise price of each option generally may not be less than the fair market value of a share of our common stock on the date of grant. However, any incentive stock option granted to a person who at the time of grant owns stock possessing more than 10% of the total combined voting power of all classes of our stock or any parent or subsidiary corporation of the Company (a ten percent stockholder) must have an exercise price equal to at least 110% of the fair market value of a share of common stock on the date of grant. On March 31, 2015, the closing price of our common stock on the NASDAQ Stock Market was \$20.15 per share.

The 2012 Plan provides that the option exercise price may generally be paid in shares or cash or a combination thereof as determined by the administrator, including an irrevocable commitment by a broker to pay over such amount from a sale of the shares issuable under an option, the delivery of previously owned shares and withholding of shares otherwise deliverable upon exercise.

Options will become vested and exercisable at such times or upon such events and subject to such terms, conditions, performance criteria or restrictions as specified by the administrator. The maximum term of any option granted under the 2012 Plan is ten years, provided that an incentive stock option granted to a ten percent stockholder must have a term not exceeding five years. Unless otherwise permitted by the administrator, the vested portion of an option generally will remain exercisable for three months following the participant's termination of service, provided that if service terminates as a result of the participant's death or disability, the option generally will remain exercisable for 12 months and if service terminates due to retirement, the option generally will remain exercisable for a period of three years, but in any event the option must be exercised no later than its expiration date.

**Stock Appreciation Rights** The administrator may grant stock appreciation rights either in tandem with a related option, or a tandem SAR, or independently of any option, or a freestanding SAR. A tandem SAR requires the option holder to elect between the exercise of the underlying option for shares of common stock or the surrender of the option and the exercise of the related stock appreciation right. A tandem SAR is exercisable only at the time and only to the extent that the related stock option is exercisable, while a freestanding SAR is exercisable at such times or upon such events and subject to such terms, conditions, performance criteria or restrictions as specified by the administrator. The exercise price, vesting provisions, exercisability provisions, forfeiture provisions, termination provisions and all other provisions of a tandem SAR will be the same as the terms of the related option. The exercise price of a freestanding SAR may not be less than the fair market value of a share of our common stock on the date of grant and the other terms and conditions applicable to a freestanding SAR are general the same as those described above with respect to stock options. Upon the exercise of any stock appreciation right, the participant is entitled to receive an amount equal to the excess of the fair market value of the underlying shares of common stock as to which the right is exercised over the aggregate exercise price for such shares.

**Restricted Stock Awards and Restricted Stock Units** Restricted stock is an award of shares, the grant, issuance, retention, vesting and/or transferability of which is subject during specified periods of time to such



conditions (including continued employment or performance conditions) and terms as the administrator deems appropriate. Restricted stock units are awards denominated in units of shares under which the issuance of shares is subject to such conditions (including continued employment or performance conditions) and terms as the administrator deems appropriate. Unless determined otherwise by the administrator, each restricted stock unit will be equal to one share and will entitle a participant to either the issuance of shares or payment of an amount of cash determined with reference to the value of shares. To the extent determined by the administrator, restricted stock and restricted stock units may be satisfied or settled in shares, cash or a combination thereof. Restricted stock and restricted stock units need not be identical. The terms of each such award will be as determined by the administrator and set forth in an award agreement. Unless specified otherwise by the administrator, upon a termination for any reason, any unvested portion of such award will be forfeited; *provided, however*, that the administrator may provide for accelerated vesting in its discretion (unless such termination was for cause). In the case of a performance award, in the event of a termination by reason of death, disability, retirement or involuntary termination by the Company without cause during a performance period (and, unless otherwise determined by the administrator, in the case of a termination without cause, at least twelve months after the beginning of the performance period), the participant will receive a prorated payout of the performance award as determined by the administrator based upon the length of time that participant held the performance award during the performance period and the Company's actual results during the performance period as compared to the performance criteria to which the award is subject. Subject to the limits imposed under Section 162(m), notwithstanding the satisfaction of any performance goals, the numbers of shares granted, issued, retainable and/or vested under an award of restricted stock or restricted stock units on account of either financial performance or personal performance evaluations may, to the extent specified in an award agreement, be reduced, but not increased, by the administrator on the basis of such further considerations as the administrator may determine. Unless otherwise determined by the administrator, participants holding shares of restricted stock may exercise full voting rights while participants granted restricted stock units will have no voting rights with respect to the underlying shares unless and until such shares are reflected as issued and outstanding on the Company's stock ledger. Participants in whose name an award of restricted stock and/or restricted stock units is granted will be entitled to receive all dividends and other distributions paid with respect to the shares underlying such award unless determined otherwise by the administrator. In no event will dividends or dividend equivalents be currently payable with respect to unvested or unearned performance awards.

***Incentive Bonuses*** Each incentive bonus award will confer upon the participant the opportunity to earn a future payment tied to the level of achievement with respect to one or more performance criteria established for a performance period of not less than one year. The terms of any such award will be as set forth in an award agreement.

***Qualifying Performance-Based Compensation*** The administrator may establish performance criteria and level of achievement versus such criteria that will determine the number of shares, units or cash to be granted, retained, vested, issued or issuable under or in settlement of or the amount payable pursuant to an award, which criteria may be based on the qualifying performance criteria set forth below, or the Qualifying Performance Criteria, or other standards of financial performance and/or personal performance evaluations. The administrator may specify that an award or a portion thereof is intended to satisfy the requirements for performance-based compensation under Section 162(m), provided that upon the expiration of the reliance period relating to the exemption for corporations that become publicly held, as specified in Treasury Regulation Section 1.162-27(f), the performance criteria for such award or portion thereof that is intended by the administrator to satisfy the requirements for performance-based compensation under Section 162(m) will be a measure based on one or more of the Qualifying Performance Criteria as selected by the administrator and specified at the time the award is granted. Upon the expiration of the reliance period relating to the exemption for corporations that become publicly held, as specified in Treasury Regulation Section 1.162-27(f), the administrator will certify the extent to which any Qualifying Performance Criteria has been satisfied, and the amount payable as a result thereof, prior to payment, settlement or vesting of any award that is intended to satisfy the requirements for performance-based compensation under Section 162(m). Notwithstanding satisfaction of any performance goals, the number of shares issued under or the amount paid under an award may, to the extent

specified in the award agreement, be modified, but upon the expiration of the reliance period relating to the exemption for corporations that become publicly held, as specified in Treasury Regulation Section 1.162-27(f), may only be reduced, but not increased, by the administrator on the basis of such further considerations as the administrator in its sole discretion may determine. Qualifying Performance Criteria means any one or more of the following performance criteria, or deviations of such performance criteria, either individually, alternatively or in any combination, applied to either the Company as a whole or to a business unit or subsidiary, either individually, alternatively or in any combination, and measured either annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to previous years' results or to a designated comparison group, in each case as specified by the administrator: (i) cash flow (before or after dividends), (ii) earning or earnings per share (including earnings before interest, taxes, depreciation and amortization), (iii) stock price, (iv) return on equity, (v) total stockholder return, (vi) return on capital or investment (including return on total capital, return on invested capital, or return on investment), (vii) return on assets or net assets, (viii) market capitalization, (ix) economic value added, (x) debt leverage (debt to capital), (xi) revenue, (xii) income or net income, (xiii) operating income, (xiv) operating profit or net operating profit, (xv) operating margin or profit margin, (xvi) return on operating revenue, (xvii) cash from operations, (xviii) operating ratio, (xix) operating revenue, (xx) NSR and/or total backlog, (xxi) days sales outstanding, (xxii) customer service, (xxiii) operational safety, reliability and/or efficiency; (xxiv) environmental incidents. To the extent consistent with Section 162(m), the administrator (A) will appropriately adjust any evaluation of performance under a Qualifying Performance Criteria to eliminate the effects of charges for restructurings, discontinued operations, extraordinary items and all items of gain, loss or expense determined to be extraordinary or unusual in nature or related to the acquisition or disposal of a segment of a business or related to a change in accounting principle all as determined in accordance with applicable accounting provisions, as well as the cumulative effect of accounting changes, in each case as determined in accordance with generally accepted accounting principles or identified in the Company's financial statements or notes to the financial statements, and (B) may appropriately adjust any evaluation of performance under a Qualifying Performance Criteria to exclude any of the following events that occurs during a performance period: (i) asset write-downs, (ii) litigation, claims, judgments or settlements, (iii) the effect of changes in tax law or other such laws or provisions affecting reported results, (iv) accruals for reorganization and restructuring programs and (v) accruals of any amounts for payment under the 2012 Plan or any other compensation arrangement maintained by the Company.

**Transferability** Except as otherwise permitted by the administrator in accordance with the terms of the 2012 Plan, each award may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated by a participant other than by will or the laws of descent and distribution, and each option or stock appreciation right is exercisable only by the participant during his or her lifetime.

**Termination or Amendment** The 2012 Plan will continue in effect until its termination by the administrator, provided that all awards will be granted within ten years from the effective date of its adoption by the Board of Directors, which occurred on July 16, 2012. The Board of Directors may amend, alter or discontinue the 2012 Plan and the administrator may amend or alter any agreement or other document evidencing an award made under the 2012 Plan but, except as required in connection with a change in our capitalization, no amendment will, without approval of the stockholders, amend the 2012 Plan in any manner requiring stockholder approval by law or any stock exchange requirement. No amendment or alteration to the 2012 Plan or any award agreement may be made which would impair the rights of the holder of an award without such holder's consent, provided that no consent will be required if the administrator determines in its sole discretion and prior to the date of a change in control that such amendment or alteration either is required or advisable in order for the Company, the 2012 Plan or the award to satisfy any law or regulation or to meet the requirements of or avoid adverse financial accounting consequences under any accounting standard.

#### **Summary of U.S. Federal Income Tax Consequences**

The following summary is intended only as a general guide to the U.S. federal income tax consequences of participation in the 2012 Plan and does not attempt to describe all possible federal or other tax consequences of such participation or tax consequences based on particular circumstances.

**Incentive Stock Options** A participant recognizes no taxable income for regular income tax purposes upon the receipt or exercise of an incentive stock option. Participants who neither dispose of their shares within two years following the date the option was granted nor within one year following the exercise of the option will normally recognize a capital gain or loss equal to the difference, if any, between the sale price and the purchase price of the shares. In such event, we will not be entitled to any corresponding deduction for federal income tax purposes. In the event of the participant's disposition of shares before both of these holding periods have been satisfied (a disqualifying disposition), the participant will recognize ordinary income equal to the spread between the option exercise price and the fair market value of the shares on the date of exercise, but in most cases not to exceed the gain realized on the sale, if lower. Any gain in excess of that amount will be a capital gain. If a loss is recognized, there will be no ordinary income, and such loss will be a capital loss. Any ordinary income recognized by the participant upon the disqualifying disposition of the shares generally should be deductible by us for federal income tax purposes, except to the extent such deduction is limited by applicable provisions of the Code.

In general, the difference between the option exercise price and the fair market value of the shares on the date when an incentive stock option is exercised is treated as an adjustment in computing income that may be subject to the alternative minimum tax, which is paid if such tax exceeds the regular tax for the year. Special rules may apply with respect to certain subsequent sales of the shares in a disqualifying disposition, certain basis adjustments for purposes of computing the alternative minimum taxable income on a subsequent sale of the shares and certain tax credits which may arise with respect to participants subject to the alternative minimum tax.

**Nonstatutory Stock Options** Options not designated or qualifying as incentive stock options are nonstatutory stock options and have no special tax status. A participant generally recognizes no taxable income upon receipt of such an option. Upon exercising a nonstatutory stock option, the participant normally recognizes ordinary income equal to the difference between the exercise price paid and the fair market value of the shares on the date when the option is exercised. If the participant is an employee, such ordinary income generally is subject to withholding of income and employment taxes. Upon the sale of stock acquired by the exercise of a nonstatutory stock option, any gain or loss, based on the difference between the sale price and the fair market value of the shares on the exercise date, will be taxed as capital gain or loss. We generally should be entitled to a tax deduction equal to the amount of ordinary income recognized by the participant as a result of the exercise of a nonstatutory stock option, except to the extent such deduction is limited by applicable provisions of the Code.

**Stock Appreciation Rights** A participant recognizes no taxable income upon the receipt of a stock appreciation right. Upon the exercise of a stock appreciation right, the participant generally will recognize ordinary income in an amount equal to the excess of the fair market value of the underlying shares of common stock on the exercise date over the exercise price. If the participant is an employee, such ordinary income generally is subject to withholding of income and employment taxes. We generally should be entitled to a deduction equal to the amount of ordinary income recognized by the participant in connection with the exercise of the stock appreciation right, except to the extent such deduction is limited by applicable provisions of the Code.

**Restricted Stock Awards** A participant acquiring restricted stock generally will recognize ordinary income equal to the excess of the fair market value of the shares on the determination date over the price paid, if any, for such shares. The determination date is the date on which the participant acquires the shares, unless the shares are subject to a substantial risk of forfeiture and are not transferable, in which case the determination date is the earlier of (1) the date on which the shares become transferable or (2) the date on which the shares are no longer subject to a substantial risk of forfeiture. If the determination date is after the date on which the participant acquires the shares, the participant may elect, pursuant to Section 83(b) of the Code, to have the date of acquisition be the determination date by filing an election with the Internal Revenue Service no later than 30 days after the date on which the shares are acquired. If the participant is an employee, such ordinary income generally is subject to withholding of income and employment taxes. Upon the sale of shares acquired pursuant to a restricted stock award, any gain or loss, based on the difference between the sale price and the fair market

value on the determination date, will be taxed as capital gain or loss. We generally should be entitled to a deduction equal to the amount of ordinary income recognized by the participant on the determination date, except to the extent such deduction is limited by applicable provisions of the Code.

**Performance Awards, Restricted Stock Unit Awards, Cash-Based Awards and Other Stock-Based Awards** A participant generally will recognize no income upon the receipt of a performance share, performance unit, restricted stock unit, cash-based or other stock-based award. Upon the settlement of such awards, participants normally will recognize ordinary income in the year of settlement in an amount equal to the cash received and the fair market value of any unrestricted shares of stock received. If the participant is an employee, such ordinary income generally is subject to withholding of income and employment taxes. If the participant receives shares of restricted stock, the participant generally will be taxed in the same manner as described above under Restricted Stock Awards. Upon the sale of any shares received, any gain or loss, based on the difference between the sale price and the fair market value on the determination date (as defined above under Restricted Stock Awards ), will be taxed as capital gain or loss. We generally should be entitled to a deduction equal to the amount of ordinary income recognized by the participant on the determination date, except to the extent such deduction is limited by applicable provisions of the Code.

#### **New Plan Benefits**

The benefits that will be awarded or paid under the 2012 Plan are not currently determinable. Awards granted under the 2012 Plan are within the discretion of the administrator, and the administrator has not determined future awards or who might receive them.

#### **Existing Plan Benefits**

The aggregate numbers of shares of common stock subject to outstanding options to certain persons under the 2012 Plan as of March 31, 2015 are as follows:

<b>Person/Group</b>	<b>Number of Option Shares</b>
Mark S. Mednansky <i>Chief Executive Officer</i>	290,500
Thomas J. Pennison, Jr. <i>Chief Financial Officer</i>	135,000
Jeffrey F. Carcara <i>Chief Operating Officer</i>	150,000
All current executive officers, as a group	722,500
All current directors who are not executive officers, as a group	105,875
All employees, excluding executive officers, as a group	594,625

**Equity Compensation Plans**

The following table sets forth information as of December 30, 2014 with respect to our equity compensation plans under which our equity securities are authorized for issuance:

<i>Plan Category</i>	Number of securities to be issued upon exercise of outstanding options and rights	Weighted average exercise price of outstanding options and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders	1,429,000	\$ 17.45	689,925
Equity compensation plans not approved by security holders			
Total	1,429,000	\$ 17.45	689,925

**Vote Required for Approval**

The approval of the Company's 2012 Long-Term Incentive Plan requires the affirmative vote of a majority of the shares of common stock present, in person or by proxy, at the Annual Meeting and entitled to vote. Abstentions have the same effect as a vote against the proposal. Broker non-votes will not affect the outcome of this proposal.

*The Board of Directors unanimously recommends that you vote **FOR** the approval of the material terms of the performance goals under the Company's 2012 Long-Term Incentive Plan for purposes of Section 162(m) of the Code*

---

**THE BOARD OF DIRECTORS AND ITS COMMITTEES**

The following table sets forth the names, ages and background information of the nominees for election as directors and the current members of the Board of Directors who will continue serving following the Annual Meeting, as well as each individual's specific experience, qualifications and skills that led the Board of Directors to conclude that each such nominee/director should serve on the Board of Directors. The persons who have been nominated for election and are to be voted upon at the Annual Meeting are listed first, with continuing directors following thereafter.

**Nominees**

<b>Name and Experience</b>	<b>Age</b>	<b>Class</b>
<p><b>Norman J. Abdallah</b> has served as a member of the Board of Directors since July 2012. Mr. Abdallah served as a member of our Advisory Board from March 2011 to July 2012. Since September 2014, Mr. Abdallah has served as Chief Executive Officer of TM Restaurant Holdings LLC. From December 2013 through September 2014, Mr. Abdallah served as Chief Executive Officer of Counter Concepts, LLC. From May 2013 through December 2013, Mr. Abdallah served as interim Chief Executive Officer of Dinosaur Bar-B-Que. Mr. Abdallah formerly served as the Chief Executive Officer of Romano's Macaroni Grill, from 2010 through April 2013. Mr. Abdallah has also served as a member of the Board of Directors of California Pizza Kitchen, Inc. since 2011 and Chairman of the Board of Triple Tap Ventures since 2008. Prior to joining Romano's Macaroni Grill, Mr. Abdallah served as Chief Executive Officer of Restaurants Unlimited Inc., a privately-held multi-concept restaurant company, from 2009 to 2010. Prior to joining Restaurants Unlimited, Mr. Abdallah served as the Chief Executive Officer and Co-Founder of Fired Up, Inc., the parent company of U.S.-based casual dining concept Carino's Italian, from 1997 to 2008.</p>	52	III

Mr. Abdallah brings extensive knowledge of the restaurant industry to the Board of Directors from his experience with a number of national restaurant concepts. In addition, Mr. Abdallah's service as a chief executive officer of various other restaurant holding companies contributes valuable management experience to the Board's collective knowledge.

<p><b>Ian R. Carter</b> began serving as a member of and Chairman of the Board of Directors on April 1, 2015. Mr. Carter has served as Executive Vice President and President, Development, Architecture and Construction for Hilton Worldwide since October 2012 and previously oversaw Operations since August 2009 for Hilton Worldwide. He previously served as Chief Executive Officer of Hilton International Co. prior to its reacquisition by Hilton Worldwide in February 2006. Prior to joining Hilton International in January 2005, Mr. Carter served as President of Black &amp; Decker Corporation, Middle East, Africa and Asia. Prior to Black &amp; Decker, Mr. Carter spent more than a decade with General Electric Plastics, ultimately serving as President of General Electric Specialty Chemical. Mr. Carter serves as a non-Executive Director on the Board of Burberry Group PLC, where he serves as chairman of the compensation committee, and is a Patron of Hospitality in Action and Chairman of the Hilton in the Community Foundation. He is also Chairman of the International Tourism Partnership. He serves on the board of advisors of Boston University School of Hospitality Administration, serves as a Commissioner of the California Travel and Tourism Commission and is a fellow of the Institute of Hospitality.</p>	53	I
--	----	---

Mr. Carter's extensive experience in business development across a wide range of industries allows him to provide insight to the Board of Directors regarding developing and implementing strategies for growing our business. In addition, Mr. Carter's service as a chief executive officer of various other companies contributes valuable management experience to the Board's collective knowledge.

**Name and Experience****Age Class**

**Richard L. Davis** has served as a member of our Board of Directors since July 2012. Mr. Davis served as a member of our Advisory Board from 2011 to July 2012. Mr. Davis has also served as a member of the board of directors of Bi-Lo Holdings, LLC, a 684-unit grocery company, since 2011. Mr. Davis' 40 year business career has been devoted to managing and developing various businesses in retail, printing services and the restaurant and entertainment industries. Mr. Davis was the founder and owner of Main Street Crossing, a restaurant and live entertainment venue, JoeAuto, a chain of auto repair shops, Extreme Logic, a software training company and Night-Rider Overnight Copy Service, a printing business. Mr. Davis was the CEO of CCG Venture Partners from 1992 to 2010.

62

I

Mr. Davis' extensive experience in business development across a wide range of industries allows him to provide insight to the Board of Directors regarding developing and implementing strategies for growing our business.

**Mark S. Mednansky** has served as Chief Executive Officer since March 2007 and has served as a member of our Board of Directors since July 2012. Prior to becoming our Chief Executive Officer in December 2006, Mr. Mednansky served in senior management roles with Lone Star Steakhouse & Saloon, Inc. From 2005 until March 2007, Mr. Mednansky was the Chief Operating Officer of several Lone Star Steakhouse & Saloon restaurant concepts, including Del Frisco's and Sullivan's. Mr. Mednansky also served as Vice President of Operations of the Del Frisco's and Sullivan's concepts from 2000 to 2005 and President of the Texas Land & Cattle concept from 2003 to 2006. Mr. Mednansky has over 37 years of restaurant industry experience and 27 years of experience as a senior operations manager. Prior to joining Lone Star Steakhouse & Saloon, Inc., he was Director of Operations for Big Four Restaurants from 1997 to 1998, Director of Culinary Services for Dial Corp. from 1990 to 1997 and Area Manager for Big Four Restaurants from 1985 to 1990.

58

III

As our Chief Executive Officer, Mr. Mednansky brings a deep understanding of the Company's business, industry, operations and strategic plan to the Board of Directors. Mr. Mednansky also has extensive institutional knowledge gained through his more than 14 years of experience with the Del Frisco's and Sullivan's concepts. In addition, Mr. Mednansky's other senior leadership and restaurant experience enables him to provide valuable insight and guidance to the Board on our industry as a whole. Mr. Mednansky's Board service also provides a direct open channel of communication between the Board and senior management.

**Continuing Directors****Name and Experience****Age Class**

**David B. Barr** has served as a member of the Board of Directors since July 2012. Mr. Barr served as a member of the Company's Advisory Board from 2008 to July 2012. Mr. Barr has been the Chairman of the Board of Directors of PMTD Restaurants LLC and its affiliates, a franchisee of KFC, since 1998. Mr. Barr has also been Chairman of the board of directors of Rita Restaurant Corp., the owner and operator of Don Pablo's Mexican Restaurants and Hops Grill and Brewery since 2008, in addition to having served on the board of the prior owner. Mr. Barr also serves on the boards of directors of Mrs. Fields Original Cookies, Inc. (owner of the Ms. Fields and TCBY brands), and Charles & Colvard Ltd., and was previously the Chairman of the board of directors of Samuels Jewelers, Inc. from 2000 to 2006. From 1994 to 2008, Mr. Barr served as the Chief Financial Officer and then Chief Executive Officer of the Great American Cookie Company, a franchisor and operator of cookie stores. Mr. Barr began his career with Price Waterhouse in 1986 where he worked until 1991 when he left to join the finance department of Pizza Hut, Inc. Mr. Barr was a licensed certified public accountant in the State of Georgia and a member of the American Institute of Certified Public Accountants from 1991 to 2003. Mr. Barr currently sits on the board of directors of International Franchise Association and the advisory board of the McIntire School of Commerce at the University of Virginia.

51

II