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As filed with the Securities and Exchange Commission on May 23, 2013

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

NOODLES & COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**5812**	**84-1303469**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

520 Zang Street, Suite D
Broomfield, CO 80021
(720) 214-1900

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Kevin Reddy
Chairman & Chief Executive Officer
Noodles & Company
520 Zang Street, Suite D
Broomfield, CO 80021
(720) 214-1900
(Name, address, including zip code, and telephone number, including area code, of agent for service)

	Copies to:	
Andrew L. Fabens Steven R. Shoemate Gibson, Dunn & Crutcher LLP 200 Park Avenue New York, NY 10166 (212) 351-4000	Paul A. Strasen Executive Vice President, General Counsel & Secretary Noodles & Company 520 Zang Street, Suite D Broomfield, CO 80021 (720) 214-1900	Joshua N. Korff Michael Kim Kirkland & Ellis LLP 601 Lexington Avenue New York, NY 10022 (212) 446-4800

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. o

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer o	Non-accelerated filer ☒ (Do not check if a smaller reporting company)	Smaller reporting company o

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE[(1)(2)]	AMOUNT OF REGISTRATION FEE
Class A common stock, par value $0.01 per share	$75,000,000.00	$10,230.00

(1) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended.

(2) Includes shares which the underwriters have the option to purchase to cover over-allotments, if any.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission acting pursuant to such section 8(a) may determine.

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PROSPECTUS (Subject to Completion)
Issued , 2013

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

Shares

CLASS A COMMON STOCK

Noodles & Company is offering shares of its Class A common stock. This is our initial public offering and no public market currently exists for our Class A common stock. We anticipate that the initial public offering price will be between $ and $ per share.

Following this offering, we will have two classes of outstanding common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except that our Class B common stock does not vote on the election or removal of directors unless converted on a share-for-share basis into Class A common stock.

We expect to apply to list our Class A common stock on the Nasdaq Global Select Market or the New York Stock Exchange under the symbol NDLS.

Noodles & Company is an "emerging growth company" as defined under the federal securities laws and, as such, may elect to comply with certain reduced public company reporting requirements in future reports after the closing of this offering.

Investing in our Class A common stock involves risks. See "Risk Factors" beginning on page 11.

PRICE $ A SHARE

	Price to Public	***Underwriting Discounts and Commissions***	***Proceeds to Noodles & Company***
Per Share	*$*	*$*	*$*
Total	*$*	*$*	*$*

We have granted the underwriters the right to purchase up to an additional shares of Class A common stock to cover over-allotments.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class A common stock to purchasers on or about , 2013.

MORGAN STANLEY *UBS INVESTMENT BANK*

BofA MERRILL LYNCH *JEFFERIES* *BAIRD* *PIPER JAFFRAY*

, 2013

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You should rely only on the information contained in this prospectus or in any free-writing prospectus we may authorize to be delivered or made available to you. We have not, and the underwriters have not, authorized anyone to provide you with additional or different information. We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus or any free-writing prospectus is accurate only as of its date, regardless of its time of delivery or of any sale of shares of our Class A common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

Until , 2013 (25 days after the commencement of this offering), all dealers that buy, sell or trade shares of our Class A common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

For investors outside the United States: We have not, and the underwriters have not, done anything that would permit this offering, or possession or distribution of this prospectus, in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the United States.

"Noodles & Company" and "Your World Kitchen" are our primary registered trademarks. This prospectus contains these trademarks and some of our other trademarks, trade names and service marks. Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its respective holder.

Certain monetary amounts, percentages and other figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them. In this prospectus, "Noodles & Company," "Noodles," "we," "us" and the "Company" refer to Noodles & Company and, where appropriate, its subsidiaries, unless expressly indicated or the context otherwise requires. We refer to our Class A common stock as "common stock," unless the context otherwise requires. We sometimes refer to our common stock, Class B common stock and Class C common stock as "equity interests" when described on an aggregate basis. The rights of the holders of our Class A common stock and our Class B common stock are identical in all respects, except that our Class B common stock does not vote on the election or removal of directors unless converted on a share-for-share basis into Class A common stock. We refer to our customers as our "guests." Our quarters are generally comprised of three periods, the first two periods of which are four weeks and the last period of which is five weeks.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all the information that you should conside before deciding to invest in our Class A common stock, which we refer to in this prospectus as "common stock," unless the context otherwise requires. You should rea the entire prospectus carefully, including "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and ou consolidated financial statements and notes to those consolidated financial statements, before making an investment decision.

NOODLES & COMPANY
A World of Flavors Under One Roof

Noodles & Company is a high growth, fast casual restaurant concept offering lunch and dinner within a fast growing segment of the restaurant industry. W opened our first location in 1995, offering noodle and pasta dishes, staples of many cuisines, with the goal of delivering fresh ingredients and flavors from around th world under one roof—from Pad Thai to Mac & Cheese. Today, our globally inspired menu includes a wide variety of high quality, cooked-to-order dishes, includin noodles and pasta, soups, salads and sandwiches, which are served on china by our friendly team members. We believe we offer our guests a compelling valu proposition with per person spend of approximately $8.00 for the twelve months ended April 2, 2013. We have 339 restaurants, comprised of 288 company-owned an 51 franchised locations, across 25 states and the District of Columbia, as of April 30, 2013. Our revenue and income from operations have grown from $170 millio and $2 million in 2008 to $300 million and $16 million in 2012, representing compound annual growth rates ("CAGRs") of 15.2% and 67.5%.

YOUR WORLD KITCHEN
Our Differentiated Offering

Your World Kitchen captures the breadth of our differentiated offering and defines our guests' experience. Our company was founded on the core principle th food can be served quickly and conveniently in an inviting environment without sacrificing quality, freshness or flavor.

"Your" . . . On trend with our world today, where customization is commonplace, we put control into our guests' hands. Each dish is cooked-to-order and can b customized to each guest's personal tastes. "Your" also represents the control our guests have over their dining experience, whether they want a meal to go, a quick si down lunch or a leisurely dinner with friends or family.

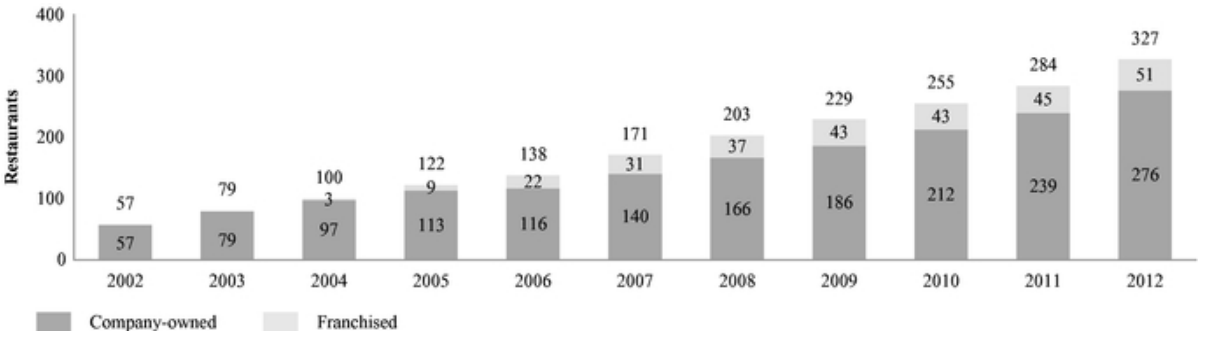
"World" . . . We offer globally inspired flavors with more than 25 Asian, Mediterranean and American dishes together in a single menu. At many restaurant people are limited to a particular ethnic cuisine or type of dish, such as a sandwich, burrito or burger. At Noodles & Company, we aim to eliminate the "veto vote" b satisfying the preferences of a wide range of guests, whether a mother with kids, a group of coworkers, an individual or a large party.

"Kitchen" . . . Open kitchens are the focal point of our restaurants. Our guests can see the freshness of our ingredients and watch their food being cooke "Kitchen" says "cooking" and emphasizes that we cook each dish to order.

LEADING RESTAURANT GROWTH AND PERFORMANCE

From 2004 to 2012, we increased the number of our total restaurants from 100 to 327, representing a CAGR of 16.0%. If we continue to grow at our current rat we believe we can grow to 2,500 restaurants across the United States over the next 15-20 years.

Total Restaurants at End of Fiscal Year



We have experienced steady growth in comparable restaurant sales (at restaurants open for at least 18 full periods) in 28 of the last 29 quarters, due primarily t an increase in guest traffic. System-wide comparable restaurant sales growth for 2010, 2011 and 2012 was 3.7%, 4.8% and 5.4%, respectively. Our company-owne restaurant average unit volumes ("AUVs") grew from $1,098,000 at the beginning of 2010 to $1,178,000 at the end of 2012. In 2012, our company-owned restaura contribution margin (restaurant revenue less restaurant operating costs) was 20.3% for all restaurants and 22.3% for restaurants in the comparable base, placing us the top-tier of the restaurant industry, according to Technomic.

Our new restaurant investment model calls for a total cash investment of approximately $725,000, net of tenant allowances. Our current target cash-on-cash retu on investment for a new company-owned restaurant is 30% in its third full-year of operations. Company-owned restaurants that were open a full three years b January 1, 2013, achieved an average cash-on-cash return on investment of 34.8% in their third full year of operations.

OUR INDUSTRY

We Think of Ourselves as a "Category of One"

We operate in the fast casual segment of the restaurant industry. According to Technomic, in 2011 the 150 largest fast casual concepts grew sales by 8.4% $21.5 billion, compared with 3.5% for the 500 overall largest restaurant chains in the United States.

We believe we are the only national fast casual restaurant concept offering a menu with a wide variety of noodle and pasta dishes, soups, salads and sandwich inspired by global flavors. We believe our combination of attributes—global flavors and variety and fast service—allows us to compete against multiple segmen throughout the restaurant industry. Accordingly, we have a larger addressable market for lunch and dinner. We believe we provide a better overall experience than ou casual dining competitors by quickly delivering fresh food with friendly service at a price point we believe is attractive to our guests. You do not have to jostle you gear or carry trays of food to or from your table. Grab a drink, have a seat and we will deliver your food to your table—all without the need to tip.

Our Strengths

We believe the following strengths set us apart from our competitors:

Variety Makes Togetherness Possible

We have purposefully chosen a range of healthy to indulgent dishes to satisfy carnivores and vegetarians. Our menu encourages guests to customize their meals t meet their tastes and nutritional preferences with our selection of 14 fresh vegetables and six proteins—beef, pork, chicken, meatballs, shrimp and organic tofu. W believe our variety ensures that even the pickiest of eaters can find something to crave, which eliminates the "veto vote" and encourages people with different tastes enjoy a meal together.

All of our dishes are cooked-to-order with fresh high quality ingredients sourced from carefully selected suppliers. Our culinary team strives to develop ne dishes and limited time offers ("LTOs") that incorporate seasonal ingredients to bring flavorful and nutritious dishes to our guests. For example, our Spinach & Fres Fruit Salad rotates between fresh strawberries in the summer and Fuji apples in the winter. We recently introduced our award-winning slow-braised, naturally raise pork, serving it on our BBQ Mac & Cheese, our BBQ Pork Sandwich or as an add-on to any of our other dishes.

Value That Is Greater Than Our Competitive Price Point

Our value proposition, the quality of our food and the warmth of our restaurants create an overall guest experience that we believe is second-to-none. Our 201 per person spend of $7.80 is competitive not only within the fast casual segment, but also within the quick-service segment. We believe the speed of our

service and the quality of our food contribute to a value proposition that enables us to take market share from casual dining restaurants. We deliver value by combinir a family-friendly dining environment with the opportunity to enjoy many dishes containing gourmet ingredients, like truffle oil and baby portobella mushrooms in ou Truffle Mac & Cheese, at a price point of less than $8.00.

Everything Is a Little Nicer Here

We design each location individually, which we believe creates an inviting restaurant environment. The ambience is warm and welcoming, with muted lightir and colors, comfortable seating and our own custom music mix, which is intended to make our guests feel relaxed and at home.

We believe we deliver an exceptional overall dining experience. We think that our guests should expect not only great food from our restaurants, but also warr hospitality and attentive service. Whether you are a mother with kids or a businessperson with a BlackBerry, you simply order your food, grab a drink and take a sea We cook each dish to order in approximately five minutes and bring the food right to your table. Our guests may enjoy a relaxed meal or just eat and run.

Consistent with our culture of enhanced guest service, we seek to hire individuals who will deliver prompt, attentive service by engaging guests the moment the enter our restaurants. Our training philosophy empowers both our restaurant managers and team members to add a personal touch when serving our guests, such a coming out from behind the counter to explain our menu and guide guests to the right dish. Our restaurant managers are critical to our success, as we believe that the entrepreneurial spirit and outreach efforts generate the warmth of our environment and build our brand in our communities.

After our guests order at the counter, their food is served on china by our friendly team members. To further enhance our guests' dining experience, we check o them throughout their meal. We offer them drink refills, a glass of wine or dessert, so they do not have to leave their seats.

Desirable and Loyal Consumer Base

Based on customer data and surveys, we estimate that approximately 40% of our guests visit our restaurants at least once each month. Our guests skew slightl younger and more affluent than the general population, and according to a recent Gallup survey, this demographic spends more on dining than others. We believe th variety of our food and our ability to accomodate a guest's desire to eat quickly or to enjoy a longer meal enable us to draw sales almost equally between lunch ar dinner. Our broad appeal and guest loyalty have led to industry and media recognition:

- *Nation's Restaurant News*, MenuMasters Award, 2013, Golden Chain Winner, 2010, awarded on the basis of the impact of menu items on the restaurar industry.
- *The International Foodservice Manufacturers Association*, COEX Innovator Award, 2013, awarded annually to a national chain shaping the restaurar industry through innovation.
- *DigitalCoco*, Top 10 "Most Loved" food and beverage brands in social media, 2012, awarded on the basis of positive comments made by guests o social media.
- *Restaurant Social Media Index*, Top Social Media Brands and Top Social Consumer Sentiment, 2012, awarded on the basis of comments made b guests on social media.
- *Parents Magazine*, Parents Top 10 Family-Friendly Restaurant Chains, 2011 and 2009, awarded on the basis of the healthfulness and quality o ingredients of menu items.
- *Health Magazine*, America's Top 10 Healthiest Fast Food Restaurants, 2009, America's Healthiest Restaurants, 2008, awarded on the basis o healthfulness of dishes and use of organic produce, among other factors.

Consistent Restaurant Economics and a Flexible Footprint

Our restaurant model generates strong cash flow, consistent restaurant-level financial results and a high return on investment. Our restaurants have bee successful in diverse geographic regions, with a broad range of population densities and real estate settings. We believe we are an attractive tenant to the owners ar developers of a wide variety of real estate development types, which allows us to be highly selective in our evaluation of potential new sites. Our disciplined approac to site selection is grounded in an analytical data-driven model with strict criteria including population density, demographics and traffic generators. We take pride i selecting sites where we can design and construct a comfortable, warm environment for our guests.

Experienced Leadership

Our strategic vision and culture have been developed and nurtured by our senior management team under the stewardship of our Chairman and Chief Executiv Officer, Kevin Reddy, and our President and Chief Operating Officer, Keith Kinsey. Kevin and Keith joined Noodles in 2005 after working at McDonald's and, mo recently, Chipotle. At Chipotle, they were instrumental in growing the concept from a small number of restaurants to more than 400 across the country between 200 and 2005 with the financial backing of McDonald's. They delivered a similar growth trajectory when they joined Noodles eight years ago, increasing the restaura base from 100 to 327 between 2005 and 2012, a CAGR of 16.0%. Kevin and Keith have assembled a talented senior management team with restaurant experienc across a broad range of disciplines. We believe our management team is integral to our success and has positioned us well for long-term growth.

Steady, Reliable Financial Performance

Our globally inspired flavors and differentiated dining experience have resonated with our guests and have resulted in our track record of building profitab restaurants. Since 2008, our revenue and income from operations have grown at CAGRs of 15.2% and 67.5%, respectively. We achieved our sales growth through combination of new restaurant openings and comparable restaurant sales increases. Our approach has resulted in stable gross margins despite minimal price increase and allows us to stay true to our principle of quality food at a price we believe is attractive to our guests. By design, our selection of dishes is comprised of a divers collection of ingredients, mitigating exposure to commodity price inflation.

A Clear Path Forward

We believe we have significant growth potential because of our brand positioning, strong unit economics, financial results and broad guest appeal. We believ there are significant opportunities to expand our business, strengthen our competitive position and enhance our brand through the continued implementation of th following strategies:

Continuing to Grow Our Restaurant Base

We have more than doubled our restaurant base in the last six years to 339 locations in 25 states and the District of Columbia, as of April 30, 2013, including 1 company-owned restaurants opened in 2013. In 2012, we opened 39 company-owned restaurants and six franchise restaurants. In 2013, we plan to open between 3 and 42 company-owned restaurants and between six and eight franchise restaurants. We believe we are at an early stage of nationwide expansion, and that we ca grow to 2,500 restaurants over the next 15-20 years across the United States based on our scalable infrastructure, broad appeal and flexible and portable real esta model.

Although we expect the majority of our expansion to continue to be from company-owned restaurants, we are strategically expanding our base of franchis restaurants. Our franchise program is a low cost and high return model that allows us to expand our footprint and build brand awareness in markets that we do

not plan to enter in the short to medium term. As of April 30, 2013, we have 51 franchise units in 10 states operated by eight franchisees. Our franchise partners pla to open between six and eight new restaurants in 2013.

Improving Our Performance

Our system-wide comparable restaurant sales growth for 2012 was 5.4%. We plan to build on our growth performance by increasing brand awareness, gue frequency, new guest visits, per person spend and sales outside our restaurants. The following is our plan to achieve these goals:

- *Heighten brand awareness.* We believe that our food is our best currency and that once people try it they become loyal and repeat guests; howeve before guests can try our food, they need to know about us. We differentiate Noodles & Company through an innovative, community-based marketin strategy at the corporate and restaurant level to build brand awareness and guest loyalty. Our restaurant managers engage in local relationshi marketing where they approach nearby businesses, groups and individuals for appreciation days, tastings and hero lunches to introduce our neighbors t our food. We also communicate directly to the 600,000 members in our Noodlegram club and use our other social media outlets to promote bran awareness.

- *Increase existing guest frequency.* We recently refreshed the interior signage in all of our restaurants to encourage menu exploration, which we believ will increase guest frequency. Our new Welcome Wall menu board, placed at the entrance of each of our company-owned restaurants, shows pictures o our dishes in an easily understandable layout so guests can fully grasp our world of flavors without feeling overwhelmed. We believe th merchandising enables our guests to peruse our offerings without feeling the pressure of holding up a line of hungry people. This new merchandisin has already resulted in meaningful improvements to AUVs in the restaurants where it has been implemented, and we expect similar results in the rest o our restaurant base.

- *Increase new guest visits.* We would like to be top-of-mind for guests whenever they need to eat, drink or simply find a place where they feel welcom Although we serve our food quickly, we would like guests to view our restaurants as places to dine and enjoy the company of friends and family. T further drive guest visits at dinner, we have recently enhanced our beer and wine offerings and expanded our appetizer selection.

- *Improve our per person spend.* While we have generally implemented modest price increases to offset rising costs, we also strive to increase the pe person spend by offering additional items, including our expanded beverage selection and appetizers. Our menu development team periodically create innovative LTOs, which sometimes become permanent menu items, such as our Spinach & Fresh Fruit Salad. This strategy allows us to offer our gues greater variety and entices them to "opt-up" to a premium menu offering.

- *Grow sales outside of our restaurants.* We are taking steps to sell more food outside of our restaurants by marketing our larger Square Bowls t families and local businesses. We believe the convenience and price point of our Square Bowls will drive take-out and catering sales. In addition, w believe our commitment to speed of service and freshly prepared food provides us with an opportunity to expand catering sales.

Our Equity Sponsors

Catterton Partners ("Catterton") is one of the largest consumer focused private equity firms in the United States, with over $2.5 billion of equity capital unde active management. Catterton's investment professionals bring complementary strategic and operating experience to their portfolio companies and suppo management teams in accelerating the value creation process after investment. Catterton invests in all major consumer segments, including food and beverage, reta and restaurants, consumer products and services, and media and marketing services. Immediately prior to this offering, Catterton and its

affiliates owned approximately 45% of our outstanding equity interests and will own approximately % of our outstanding equity interests immediately followin the consummation of this offering.

Argentia Private Investments Inc. ("Argentia") is a wholly owned subsidiary of the Public Sector Pension Investment Board ("PSPIB"), a Canadian Crow corporation established to invest the amounts transferred by the Canadian government equal to the proceeds of the net contributions since April 1, 2000, for th pension plans of the Public Service, the Canadian Forces and the Royal Canadian Mounted Police, and since March 1, 2007, for the Reserve Force Pension Pla PSPIB is one of Canada's largest pension investment managers, with $64.5 billion of assets under management at March 31, 2012. Their skilled and dedicated team approximately 400 employees manages a diversified global portfolio including stocks, bonds and other fixed-income securities, and investments in private equity, re estate, infrastructure and renewable resources. Immediately prior to this offering, Argentia owned approximately 45% of our outstanding equity interests and will ow approximately % of our outstanding equity interests immediately following the consummation of this offering. See "Certain Relationships and Relate Transactions."

Corporate Information

We were incorporated in 2002 in Delaware and merged with The Noodles Shop Co., Inc., a Colorado corporation, in 2003. We opened the first Noodles Company in 1995 in Denver, Colorado. In December 2010, Catterton, certain of its affiliated entities and Argentia collectively became our majority stockholders (th "2010 Equity Recapitalization") and, as of April 2, 2013, own approximately 90% of our outstanding equity interests. Our central support office is located at 520 Zan Street, Suite D, Broomfield, Colorado 80021, and our telephone number is (720) 214-1900. Our website is *www.noodles.com*. The information on, or that can b accessed through, our website is not part of this prospectus.

Risks Associated with Our Business

Investing in our common stock involves significant risks. You should carefully consider the risks described in "Risk Factors" before making a decision to inve in our common stock. If any of these risks actually occur, our business, financial condition or results of operations would likely be materially adversely affected. I such case, the trading price of our common stock would likely decline, and you may lose all or part of your investment. Below is a summary of some of the princip risks we face.

- We may not be able to successfully implement our growth strategy if we are unable to identify appropriate sites for restaurant locations, obta favorable lease terms, attract guests to our restaurants or hire and retain personnel.
- We may not be able to maintain or improve levels of our comparable restaurant sales.
- The restaurant industry is a highly competitive industry with many well-established competitors.
- We may be unable to protect our brand name, trademarks and other intellectual property rights.
- Challenging economic conditions may affect our business by adversely impacting numerous items that include, but are not limited to: consume confidence and discretionary spending, the availability of credit presently arranged from our credit facility, the future cost and availability of credit ar the operations of our third-party vendors and other service providers.
- Minimum wage increases and mandated employee benefits could cause a significant increase in our labor costs.
- We may face negative publicity or damage to our reputation, which could arise from concerns regarding food safety and foodborne illness or oth matters.
- We may fail to secure guests' confidential or credit card information or other private data relating to our employees or us.
- We will face increased costs as a result of being a public company.

THE OFFERING

Class A common stock offered by Noodles & Company	shares
Class A common stock outstanding after this offering (assuming no exercise of the underwriters' over-allotment option)	shares
Class B common stock outstanding after this offering[(1)]	shares
Over-allotment option	shares
Use of proceeds	We expect to use the net proceeds from this offering as follows: • approximately $ to repay borrowings under our Credit Agreement dated February 28, 2011 wi Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer and certain oth financial institutions (our "credit facility"); and • the remainder for working capital and other general corporate purposes.
Risk Factors	See "Risk Factors" for a discussion of factors that you should consider carefully before deciding whether to purchase shares of our Class A common stock.
Proposed Nasdaq Global Select Market or New York Stock Exchange symbol	NDLS

Except as otherwise indicated, all information in this prospectus:

- gives effect to (i) a reverse stock split of 1-for- of our shares of Class A common stock, which we refer to in this prospectus as our "commo stock," and our shares of Class B common stock, effective immediately prior to this offering and (ii) the redemption of the one share of our outstandi Class C common stock that will occur upon the closing of this offering;
- assumes the effectiveness of our amended and restated certificate of incorporation and amended and restated bylaws included as exhibits to th registration statement of which this prospectus forms a part, which we will adopt prior to the completion of this offering;
- excludes (i) 5,104,673 shares of common stock issuable on a pre-reverse split basis upon the exercise of stock options outstanding as of April 2, 201 and (ii) shares of our common stock reserved for future grants under our stock option and stock incentive plans;
- assumes no exercise of the warrant to purchase up to 150,000 shares on a pre-reverse split basis of our Class B common stock held by Fahrenhe 212, LLC, and no change to the 10,905,789 shares of Class B common stock outstanding as of April 2, 2013 other than the reverse stock split describe above; and
- assumes (i) no exercise by the underwriters of their option to purchase up to additional shares from us and (ii) an initial public offerin price of $ per share, the midpoint of the price range set forth on the cover of this prospectus.

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(1) Following this offering, we will have two classes of outstanding common stock, Class A common stock and Class B common stock. The rights of the holde of Class A common stock and Class B common stock are identical, except that our Class B common stock does not vote on the election or removal of directo unless converted on a share-for-share basis into Class A common stock.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following table summarizes our consolidated historical financial and operating data. The statements of income data for the fiscal years ended January 2013, January 3, 2012 and December 28, 2010 and the balance sheet data as of January 1, 2013 and January 3, 2012, have been derived from our audited consolidate financial statements included elsewhere in this prospectus and the balance sheet data as of December 28, 2010 have been derived from our audited consolidate financial statements not included in this prospectus. The statements of income data for the quarters ended April 2, 2013 and April 3, 2012 and the balance sheet data a of April 2, 2013 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. The balance sheet data as of April 2012 have been derived from our unaudited consolidated financial statements not included in this prospectus. The financial data presented includes all normal ar recurring adjustments that we consider necessary for a fair presentation of the financial position and results of operations for such periods.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read conjunction with "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statemen and the related notes included elsewhere in this prospectus.

We operate on a 52 or 53 week fiscal year ending on the Tuesday closest to December 31. Fiscal years 2012 and 2010, which ended on January 1, 2013 ar December 28, 2010, respectively, each contained 52 weeks. Fiscal year 2011, which ended on January 3, 2012, contained 53 weeks. We refer to our fiscal years a 2012, 2011 and 2010. Our fiscal quarters each contain thirteen weeks, with the exception of the fourth quarter of a 53 week fiscal year, which contains fourteen weeks

	Fiscal Year Ended			Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013 (unaudited)	April 3, 2012 (unaudited)
	(in thousands, except share and per share data)				
Statements of Income Data:					
Revenue:					
Restaurant revenue	$ 297,264	$ 253,467	$ 218,560	$ 80,518	$ 69,198
Franchising royalties and fees	3,146	2,599	2,272	762	690
Total revenue	300,410	256,066	220,832	81,280	69,888
Costs and Expenses:					
Restaurant Operating Costs (exclusive of depreciation and amortization shown separately below):					
Cost of sales	78,997	66,419	56,869	21,301	18,230
Labor	89,435	75,472	64,942	24,830	20,753
Occupancy	29,323	25,208	21,650	8,359	6,936
Other restaurant operating costs	39,241	34,652	29,784	11,060	9,553
General and administrative[(1)]	26,220	23,842	24,921	7,235	6,442
Depreciation and amortization	16,719	14,501	13,932	4,801	3,732
Pre-opening	3,145	2,327	2,088	921	581
Asset disposals, closure costs and restaurant impairments	1,278	1,629	2,815	201	180
Total costs and expenses	284,358	244,050	217,001	78,708	66,407
Income from operations	16,052	12,016	3,831	2,572	3,481
Debt extinguishment expense	2,646	275	—	—	—
Interest expense	5,028	6,132	1,819	1,053	1,284
Income before income taxes	8,378	5,609	2,012	1,519	2,197
Provision (benefit) for income taxes	3,215	1,780	(366)	595	906
Net income	$ 5,163	$ 3,829	$ 2,378	$ 924	$ 1,291

	Fiscal Year Ended			Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013 (unaudited)	April 3, 2012 (unaudited)
	(in thousands, except share and per share data)				
Earnings per Class A and Class B common share, combined:					
Basic	$ 0.13	$ 0.10	$ 0.06	$ 0.02	$ 0.03
Diluted	$ 0.13	$ 0.10	$ 0.05	$ 0.02	$ 0.03
Weighted average Class A and Class B common shares outstanding, combined:					
Basic	40,275,536	40,273,306	42,263,534	40,275,536	40,275,536
Diluted	40,321,564	40,273,306	43,720,951	41,026,517	40,278,762
Selected Operating Data:					
Company-owned restaurants at end of period	276	239	212	284	245
Franchise-owned restaurants at end of period	51	45	43	51	45
Company-owned:					
Average unit volumes[2]	$ 1,178	$ 1,147	$ 1,126	$ 1,180	$ 1,161
Comparable restaurant sales[3]	5.2%	4.2%	3.2%	2.2%	6.8%
Restaurant contribution[4]	$ 60,268	$ 51,716	$ 45,315	$ 14,968	$ 13,726
as a percentage of restaurant revenue	20.3%	20.4%	20.7%	18.6%	19.8%
EBITDA[5]	$ 30,125	$ 26,242	$ 17,763	$ 7,373	$ 7,213
Adjusted EBITDA[5]	$ 36,283	$ 30,488	$ 26,472	$ 8,187	$ 7,952
as a percentage of revenue	12.1%	11.9%	12.0%	10.1%	11.4%
Pro forma net income[6]	$ 9,187			$ 1,411	

	As of				
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013 (unaudited)	April 3, 2012 (unaudited)
			(in thousands)		
Balance Sheet Data[7]:					
Total current assets	$ 16,154	$ 12,879	$ 214,498	$ 17,367	$ 12,246
Total assets	156,995	126,325	311,148	166,054	131,177
Total current liabilities	23,760	20,557	213,664	24,860	21,026
Total long-term debt	93,731	77,523	77,030	99,509	80,153
Total liabilities	142,987	118,802	309,070	150,709	122,196
Temporary equity	3,601	2,572	2,572	3,601	2,572
Total stockholders' equity	10,407	4,951	(494)	11,744	6,409

(1) 2010 included $3.7 million of non-cash stock-based compensation expense and $0.3 million of expense for our portion of payroll taxes related to the 2010 Equity Recapitalization. S Note 2 of our consolidated financial statements, Equity Recapitalization. 2012 and 2011 each included $1.0 million of management fee expense and the first quarter of 2013 and 20 each included $250,000 of management fee expense, in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of t one outstanding share of our Class C common stock. The one share of Class C common stock will be redeemed upon the closing of this offering.

(2) AUVs consist of average annualized sales of all company-owned restaurants over the trailing 12 periods in a typical operating year.

(3) Comparable restaurant sales represent year-over-year sales for restaurants open for at least 18 full periods.

(4) Restaurant contribution represents restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs.

(5) EBITDA and adjusted EBITDA are supplemental measures of operating performance that do not represent and should not be considered as alternatives to net income or cash flow fro operations, as determined by U.S. generally accepted accounting principals ("US GAAP"), and our calculation thereof may not be comparable to that reported by other companies. The measures are presented because we believe that investors' understanding of our performance is enhanced by including these non-GAAP financial measures as a reasonable basis f evaluating our ongoing results of operations.

EBITDA is calculated as net income before interest expense, provision (benefit) for income taxes and depreciation and amortization. Adjusted EBITDA further adjusts EBITDA reflect the additions and eliminations described in the table below.

EBITDA and adjusted EBITDA are presented because: (i) we believe they are useful measures for investors to assess the operating performance of our business without the effect non-cash charges such as depreciation and amortization expenses and asset disposals, closure costs and restaurant impairments and (ii) we use adjusted EBITDA internally as benchmark for certain of our cash incentive plans and to evaluate our operating performance or compare our performance to that of our competitors. The use of adjusted EBITDA as performance measure permits a comparative assessment of our operating performance relative to our performance based on our US GAAP results, while isolating the effects of son items that vary from period to period without any correlation to core operating performance or that vary widely among similar companies. Companies within our industry exhil significant variations with respect to capital structures and cost of capital (which affect interest expense and

income tax rates) and differences in book depreciation of property, plant and equipment (which affect relative depreciation expense), including significant differences in the depreciab lives of similar assets among various companies. Our management believes that adjusted EBITDA facilitates company-to-company comparisons within our industry by eliminating son of these foregoing variations. Adjusted EBITDA as presented may not be comparable to other similarly-titled measures of other companies, and our presentation of adjusted EBITD should not be construed as an inference that our future results will be unaffected by excluded or unusual items.

Because of these limitations, EBITDA and adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with US GAA We compensated for these limitations by relying primarily on our US GAAP results and using EBITDA and adjusted EBITDA only supplementally. Our management recognizes th EBITDA and adjusted EBITDA have limitations as analytical financial measures, including the following:

- EBITDA and EBITDA does not reflect our capital expenditures or future requirements for capital expenditures;
- EBITDA and adjusted EBITDA do not reflect interest expense or the cash requirements necessary to service interest or principal payments, associated with our indebtedness;
- EBITDA and adjusted EBITDA do not reflect depreciation and amortization, which are non-cash charges, although the assets being depreciated and amortized will likely ha to be replaced in the future, and do not reflect cash requirements for such replacements; and
- Adjusted EBITDA does not reflect the cost of stock-based compensation;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs.

The following tables present a reconciliation of net income to EBITDA and adjusted EBITDA:

	Fiscal Year Ended			Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013	April 3, 2012
			(in thousands)		
Net income, as reported	$ 5,163	$ 3,829	$ 2,378	$ 924	$ 1,291
Depreciation and amortization	16,719	14,501	13,932	4,801	3,732
Interest expense	5,028	6,132	1,819	1,053	1,284
Provision (benefit) for income taxes	3,215	1,780	(366)	595	906
EBITDA	$ 30,125	$ 26,242	$ 17,763	$ 7,373	$ 7,213
Debt extinguishment expense	2,646	275	—	—	—
Asset disposals, closure costs and restaurant impairment	1,278	1,629	2,815	201	180
Management fees[a]	1,000	1,014	—	250	250
Stock-based compensation expense[b]	1,234	1,328	5,894	363	309
Adjusted EBITDA	$ 36,283	$ 30,488	$ 26,472	$ 8,187	$ 7,952

(a) Fiscal years 2012 and 2011 each included $1.0 million of management fee expense and the first quarter of 2013 and 2012 each included $250,000 of management fee expens in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of the one outstanding share of our Class common stock.

(b) 2010 included $3.7 million of non-cash stock-based compensation expense and $0.3 million of expense for our portion of payroll taxes related to the 2010 Equi Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization.

(6) Pro forma net income gives effect to the transaction as if it had occurred on January 4, 2012. Pro forma net income reflects: (i) the net decrease in interest expense resulting from t prepayment of outstanding loans with the net proceeds of our IPO, (ii) the elimination of our management fee and Class C common stock dividend, (iii) the acceleration of stock opti vesting and the associated expense, (iv) incremental public company costs and (v) increases in income tax expense resulting from higher net income.

	Fiscal Year Ended January 1, 2013	Fiscal Quarter Ended April 2, 2013
Net income, as reported	$ 5,163	$ 924
Interest expense[a]	7,306	961
Management fees[b]	1,000	250
Incremental public company costs[c]	(1,600)	(400)
Tax effect on adjustments[d]	(2,682)	(324)
Pro forma net income	$ 9,187	$ 1,411

(a) Reflects the net adjustment to interest expense resulting from the repayment of borrowings of $94.5 million of aggregate principal amount of outstanding loans with the n proceeds from this offering as if the transaction occurred on January 4, 2012 and assumes that the outstanding debt balance was zero for all periods presented. This intere adjustment was calculated by reversing the historical interest expense and debt extinguishment expense of $7.7 million for the year ended January 1, 2013 and $1.1 million f the quarter ended April 2, 2013, and recalculating interest expense based upon the unused commitment fee and the amortization of loan origination fees in an amount $0.4 million for the year ended January 1, 2013 and $0.1 million for the quarter ended April 2, 2013.

(b) Reflects the elimination of the management fees and Class C common stock dividend paid to our sponsors for the periods presented.

(c) Reflects the estimated additional costs related to being a publicly traded company.

(d) Reflects adjustments to historical income tax expense to reflect the income tax expense effect of the above adjustments to net income, assuming a statutory tax rate of 40% f each period.

(7) As of December 28, 2010, the consolidated balance sheet included $189.4 million in restricted cash and current liabilities that were temporarily held due to timing of the 2010 Equi Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization.

RISK FACTORS

An investment in our Class A common stock, which we refer to in this prospectus as our "common stock," involves a high degree of risk. You should carefully consider the risks and uncertainties described below before deciding whether to purchase shares of our common stock. In assessing these risks, you should also refer to the other information contained in this prospectus, including our consolidated financial statements and related notes. If any of the risks described below actually occur, our business, financial conditions or results of operations could be materially adversely affected. In any such case, the trading price of our common stock could decline and you could lose all or part of your investment.

Risks Related to Our Business and Industry

Our sales growth rate depends primarily on our ability to open new restaurants and is subject to many unpredictable factors.

One of the key means of achieving our growth strategy will be through opening new restaurants and operating those restaurants on a profitable basis. We expect this to be the case for the foreseeable future. In 2013, we plan to open between 38 and 42 company-owned restaurants and between six and eight franchise restaurants, including 13 company-owned restaurants already opened in 2013 through April 30, 2013. We may not be able to open new restaurants as quickly as planned. In the past, we have experienced delays in opening some restaurants and that could happen again. Delays or failures in opening new restaurants could materially and adversely affect our growth strategy and our expected results. As we operate more restaurants, our rate of expansion relative to the size of our restaurant base will eventually decline.

In addition, one of our biggest challenges is locating and securing an adequate supply of suitable new restaurant sites in our target markets. Competition for those sites is intense, and other restaurant and retail concepts that compete for those sites may have unit economic models that permit them to bid more aggressively for those sites than we can. There is no guarantee that a sufficient number of suitable sites will be available in desirable areas or on terms that are acceptable to us in order to achieve our growth plan. Our ability to open new restaurants also depends on other factors, including:

- negotiating leases with acceptable terms;
- identifying, hiring and training qualified employees in each local market;
- managing construction and development costs of new restaurants, particularly in competitive markets;
- obtaining construction materials and labor at acceptable costs, particularly in urban markets;
- securing required governmental approvals and permits (including construction and other permits) in a timely manner and responding effectively to any changes in local, state or federal laws and regulations that adversely affect our costs or ability to open new restaurants; and
- avoiding the impact of inclement weather, natural disasters and other calamities.

Our progress in opening new restaurants from quarter to quarter may occur at an uneven rate. If we do not open new restaurants in the future according to our current plans, the delay could materially adversely affect our business, financial condition or results of operations.

Our long-term success is highly dependent on our ability to effectively identify and secure appropriate sites for new restaurants.

We intend to develop new restaurants in our existing markets, expand our footprint into adjacent markets and selectively enter into new markets. In order to build new restaurants, we must first identify target markets where we can enter or expand our footprint, taking into account numerous factors,

including the location of our current restaurants, local economic trends, population density, area demographics and geography. Then we must locate and secure appropriate sites, which is one of our biggest challenges. There are numerous factors involved in identifying and securing an appropriate site, including:

- identification and availability of locations with the appropriate size, traffic patterns, local retail and business attractions and infrastructure that will drive high levels of guest traffic and sales per unit;
- competition in new markets, including competition for restaurant sites;
- financial conditions affecting developers and potential landlords, such as the effects of macro-economic conditions and the credit market, which could lead to these parties delaying or canceling development projects (or renovations of existing projects), in turn reducing the number of appropriate locations available;
- developers and potential landlords obtaining licenses or permits for development projects on a timely basis;
- proximity of potential development sites to an existing location;
- anticipated commercial, residential and infrastructure development near our new restaurants; and
- availability of acceptable lease arrangements.

We may not be able to successfully develop critical market presence for our brand in new geographical markets, as we may be unable to find and secure attractive locations, build name recognition or attract new guests. If we are unable to fully implement our development plan, our business, financial condition or results of operations could be materially adversely affected.

Our expansion into new markets may present increased risks.

We plan to open restaurants in markets where we have little or no operating experience. Restaurants we open in new markets may take longer to reach expected sales and profit levels on a consistent basis and may have higher construction, occupancy or operating costs than restaurants we open in existing markets, thereby affecting our overall profitability. New markets may have competitive conditions, consumer tastes and discretionary spending patterns that are more difficult to predict or satisfy than our existing markets. We may need to make greater investments than we originally planned in advertising and promotional activity in new markets to build brand awareness. We may find it more difficult in new markets to hire, motivate and keep qualified employees who share our vision, passion and business culture. We may also incur higher costs from entering new markets, if, for example, we assign area managers to manage comparatively fewer restaurants than we assign in more developed markets. As a result, these new restaurants may be less successful or may achieve target AUVs at a slower rate. If we do not successfully execute our plans to enter new markets, our business, financial condition or results of operations could be materially adversely affected.

New restaurants, once opened, may not be profitable, and the increases in average restaurant sales and comparable restaurant sales that we have experienced in the past may not be indicative of future results.

Our new restaurants typically open with above average volumes, which then decline after the initial sales surge that comes with interest in a restaurant's grand opening. Recent openings have stabilized in sales after approximately 32 to 36 weeks of operation, at which time the restaurant's sales typically begin to grow on a consistent basis. In new markets, the length of time before average sales for new restaurants stabilize is less predictable and can be longer as a result of our limited knowledge of these markets and consumers' limited awareness of our brand. New restaurants may not be profitable and their sales performance may not follow historical patterns. In addition, our average restaurant sales and comparable restaurant sales may not increase at the rates achieved over the past several years. Our ability to operate

new restaurants profitably and increase average restaurant sales and comparable restaurant sales will depend on many factors, some of which are beyond our control, including:

- consumer awareness and understanding of our brand;
- general economic conditions, which can affect restaurant traffic, local labor costs and prices we pay for the food products and other supplies we use;
- changes in consumer preferences and discretionary spending;
- competition, either from our competitors in the restaurant industry or our own restaurants;
- temporary and permanent site characteristics of new restaurants; and
- changes in government regulation.

If our new restaurants do not perform as planned, our business and future prospects could be harmed. In addition, if we are unable to achieve our expected average restaurant sales, our business, financial condition or results of operations could be adversely affected.

Our sales and profit growth could be adversely affected if comparable restaurant sales are less than we expect.

The level of comparable restaurant sales, which represent the change in year-over-year sales for restaurants open for at least 18 full periods, will affect our sales growth and will continue to be a critical factor affecting profit growth because the profit margin on comparable restaurant sales is generally higher than the profit margin on new restaurant sales. Our ability to increase comparable restaurant sales depends in part on our ability to successfully implement our initiatives to build sales. It is possible such initiatives will not be successful, that we will not achieve our target comparable restaurant sales growth or that the change in comparable restaurant sales could be negative, which may cause a decrease in sales and profit growth that would materially adversely affect our business, financial condition or results of operations. See "Management's Discussion and Analysis of Financial Condition—Highlights and Trends."

Our failure to manage our growth effectively could harm our business and operating results.

Our growth plan includes a significant number of new restaurants. Our existing restaurant management systems, financial and management controls and information systems may be inadequate to support our planned expansion. Managing our growth effectively will require us to continue to enhance these systems, procedures and controls and to hire, train and retain managers and team members. We may not respond quickly enough to the changing demands that our expansion will impose on our management, restaurant teams and existing infrastructure which could harm our business, financial condition or results of operations.

We believe our culture—from the restaurant level up through management—is an important contributor to our success. As we grow, however, we may have difficulty maintaining our culture or adapting it sufficiently to meet the needs of our operations. Among other important factors, our culture depends on our ability to attract, retain and motivate employees who share our enthusiasm and dedication to our concept. Our business, financial condition or results of operations could be materially adversely affected if we do not maintain our infrastructure and culture as we grow.

The planned rapid increase in the number of our restaurants may make our future results unpredictable.

In 2013, we expect to open between 38 and 42 company-owned restaurants and between six and eight franchise restaurants, and we plan to continue to increase the number of our restaurants in the next several years. This growth strategy and the substantial investment associated with the development of each new restaurant may cause our operating results to fluctuate and be unpredictable or adversely affect our profits. Our future results depend on various factors, including successful selection of new markets and restaurant

locations, local market acceptance of our restaurants, consumer recognition of the quality of our food and willingness to pay our prices, the quality of our operations and general economic conditions. In addition, as has happened when other restaurant concepts have tried to expand, we may find that our concept has limited appeal in new markets or we may experience a decline in the popularity of our concept in the markets in which we operate. Newly opened restaurants or our future markets and restaurants may not be successful or our system-wide average restaurant sales may not increase at historical rates, which could materially adversely affect our business, financial condition or results of operations.

Opening new restaurants in existing markets may negatively affect sales at our existing restaurants.

The consumer target area of our restaurants varies by location, depending on a number of factors, including population density, other local retail and business attractions, area demographics and geography. As a result, the opening of a new restaurant in or near markets in which we already have restaurants could adversely affect the sales of these existing restaurants. Existing restaurants could also make it more difficult to build our consumer base for a new restaurant in the same market. Our core business strategy does not entail opening new restaurants that we believe will materially affect sales at our existing restaurants, but we may selectively open new restaurants in and around areas of existing restaurants that are operating at or near capacity to effectively serve our guests. Sales cannibalization between our restaurants may become significant in the future as we continue to expand our operations and could affect our sales growth, which could, in turn, materially adversely affect our business, financial condition or results of operations.

Competition from other restaurant companies could adversely affect us.

We face competition from the casual dining, quick-service and fast casual segments of the restaurant industry. These segments are highly competitive with respect to, among other things, taste, price, food quality and presentation, service, location and the ambience and condition of each restaurant. Our competition includes a variety of locally owned restaurants and national and regional chains who offer dine-in, carry-out and delivery services. Many of our competitors have existed longer and have a more established market presence with substantially greater financial, marketing, personnel and other resources than we have. Among our competitors are a number of multi-unit, multi-market fast casual restaurant concepts, some of which are expanding nationally. As we expand, we will face competition from these concepts and new competitors that strive to compete with our market segments. For example, additional competitive pressures come from the deli sections and in-store cafés of grocery store chains, as well as from convenience stores and online meal preparation sites. These competitors may have, among other things, lower operating costs, better locations, better facilities, better management, more effective marketing and more efficient operations.

Several of our competitors compete by offering menu items that are specifically identified as low in carbohydrates, gluten-free or healthier for consumers. In addition, many of our competitors emphasize lower-cost value options or meal packages or have loyalty programs, strategies we do not currently pursue. Any of these competitive factors may materially adversely affect our business, financial condition or results of operations.

Negative publicity relating to one of our restaurants, including our franchised restaurants, could reduce sales at some or all of our other restaurants.

Our success is dependent in part upon our ability to maintain and enhance the value of our brand, consumers' connection to our brand and positive relationships with our franchisees. We may, from time to time, be faced with negative publicity relating to food quality, restaurant facilities, guest complaints or litigation alleging illness or injury, health inspection scores, integrity of our or our suppliers' food processing, employee relationships or other matters, regardless of whether the allegations are valid or whether we are held to be responsible. The negative impact of adverse publicity relating to one restaurant

may extend far beyond the restaurant or franchise involved to affect some or all of our other restaurants. The risk of negative publicity is particularly great with respect to our franchised restaurants because we are limited in the manner in which we can regulate them, especially on a real-time basis. The considerable expansion in the use of social media over recent years can further amplify any negative publicity that could be generated by such incidents. A similar risk exists with respect to unrelated food service businesses, if consumers associate those businesses with our own operations.

Additionally, employee claims against us based on, among other things, wage and hour violations, discrimination, harassment or wrongful termination may also create negative publicity that could adversely affect us and divert our financial and management resources that would otherwise be used to benefit the future performance of our operations. A significant increase in the number of these claims or an increase in the number of successful claims could materially adversely affect our business, financial condition or results of operations. Consumer demand for our products and our brand's value could diminish significantly if any such incidents or other matters create negative publicity or otherwise erode consumer confidence in us or our products, which would likely result in lower sales and could materially adversely affect our business, financial condition or results of operations.

Governmental regulation may adversely affect our ability to open new restaurants or otherwise adversely affect our business, financial condition or results of operations.

We are subject to various federal, state and local regulations. Our restaurants are subject to state and local licensing and regulation by health, alcoholic beverage, sanitation, food and occupational safety and other agencies. We may experience material difficulties or failures in obtaining the necessary licenses, approvals or permits for our restaurants, which could delay planned restaurant openings or affect the operations at our existing restaurants. In addition, stringent and varied requirements of local regulators with respect to zoning, land use and environmental factors could delay or prevent development of new restaurants in particular locations.

We are subject to the U.S. Americans with Disabilities Act and similar state laws that give civil rights protections to individuals with disabilities in the context of employment, public accommodations and other areas, including our restaurants. We may in the future have to modify restaurants, for example, by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. The expenses associated with these modifications could be material.

Our operations are also subject to the U.S. Occupational Safety and Health Act, which governs worker health and safety, the U.S. Fair Labor Standards Act, which governs such matters as minimum wages and overtime, and a variety of similar federal, state and local laws that govern these and other employment law matters. In addition, federal, state and local proposals related to paid sick leave or similar matters could, if implemented, materially adversely affect our business, financial condition or results of operations.

Food safety and foodborne illness concerns could have an adverse effect on our business.

We cannot guarantee that our internal controls and training will be fully effective in preventing all food safety issues at our restaurants, including any occurrences of foodborne illnesses such as salmonella, E. coli and hepatitis A. In addition, there is no guarantee that our franchise locations will maintain the high levels of internal controls and training we require at our company-owned restaurants. Furthermore, we and our franchisees rely on third-party vendors, making it difficult to monitor food safety compliance and increasing the risk that foodborne illness would affect multiple locations rather than a single restaurant. Some foodborne illness incidents could be caused by third-party vendors and transporters outside of our control. New illnesses resistant to our current precautions may develop in the future, or diseases with long incubation periods could arise, that could give rise to claims or allegations on a retroactive basis. One or more instances of foodborne illness in any of our restaurants or markets or

related to food products we sell could negatively affect our restaurant sales nationwide if highly publicized on national media outlets or through social media. This risk exists even if it were later determined that the illness was wrongly attributed to us or one of our restaurants. A number of other restaurant chains have experienced incidents related to foodborne illnesses that have had a material adverse effect on their operations. The occurrence of a similar incident at one or more of our restaurants, or negative publicity or public speculation about an incident, could materially adversely affect our business, financial condition or results of operations.

Compliance with environmental laws may negatively affect our business.

We are subject to federal, state and local laws and regulations concerning waste disposal, pollution, protection of the environment, and the presence, discharge, storage, handling, release and disposal of, and exposure to, hazardous or toxic substances. These environmental laws provide for significant fines and penalties for noncompliance and liabilities for remediation, sometimes without regard to whether the owner or operator of the property knew of, or was responsible for, the release or presence of hazardous toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such hazardous or toxic substances at, on or from our restaurants. Environmental conditions relating to releases of hazardous substances at prior, existing or future restaurant sites could materially adversely affect our business, financial condition or results of operations. Further, environmental laws, and the administration, interpretation and enforcement thereof, are subject to change and may become more stringent in the future, each of which could materially adversely affect our business, financial condition or results of operations.

We rely heavily on certain vendors, suppliers and distributors, which could adversely affect our business.

Our ability to maintain consistent price and quality throughout our restaurants depends in part upon our ability to acquire specified food products and supplies in sufficient quantities from third-party vendors, suppliers and distributors at a reasonable cost. We do not control the businesses of our vendors, suppliers and distributors and our efforts to specify and monitor the standards under which they perform may not be successful. Furthermore, certain food items are perishable, and we have limited control over whether these items will be delivered to us in appropriate condition for use in our restaurants. If any of our vendors or other suppliers are unable to fulfill their obligations to our standards, or if we are unable to find replacement providers in the event of a supply or service disruption, we could encounter supply shortages and incur higher costs to secure adequate supplies, which could materially adversely affect our business, financial condition or results of operations.

In addition, we use various third-party vendors to provide, support and maintain most of our management information systems. We also outsource certain accounting, payroll and human resource functions to business process service providers. The failure of such vendors to fulfill their obligations could disrupt our operations. Additionally, any changes we may make to the services we obtain from our vendors, or new vendors we employ, may disrupt our operations. These disruptions could materially adversely affect our business, financial condition or results of operations.

The effect of changes to healthcare laws in the United States may increase the number of employees who choose to participate in our healthcare plans, which may significantly increase our healthcare costs and negatively impact our financial results.

In 2010, the Patient Protection and Affordable Care Act of 2010 (the "PPCA") was signed into law in the United States to require health care coverage for many uninsured individuals and expand coverage to those already insured. We currently offer and subsidize comprehensive healthcare coverage, primarily for our salaried employees. The healthcare reform law will require us to offer healthcare benefits to all full-time employees (including full-time hourly employees) that meet certain minimum requirements of

coverage and affordability, or face penalties. If we elect to offer such benefits we may incur substantial additional expense. If we fail to offer such benefits, or the benefits we elect to offer do not meet the applicable requirements, we may incur penalties. The healthcare reform law also requires individuals to obtain coverage or face individual penalties, so employees who are currently eligible but elect not to participate in our healthcare plans may find it more advantageous to do so when such individual mandates take effect. It is also possible that by making changes or failing to make changes in the healthcare plans offered by us we will become less competitive in the market for our labor. Finally, implementing the requirements of healthcare reform is likely to impose additional administrative costs. The costs and other effects of these new healthcare requirements cannot be determined with certainty, but they may significantly increase our healthcare coverage costs and could materially adversely affect our, business, financial condition or results of operations.

Unionization activities or labor disputes may disrupt our operations and affect our profitability.

Although none of our employees are currently covered under collective bargaining agreements, our employees may elect to be represented by labor unions in the future. If a significant number of our employees were to become unionized and collective bargaining agreement terms were significantly different from our current compensation arrangements, it could adversely affect our business, financial condition or results of operations. In addition, a labor dispute involving some or all of our employees may harm our reputation, disrupt our operations and reduce our revenues, and resolution of disputes may increase our costs.

As an employer, we may be subject to various employment-related claims, such as individual or class actions or government enforcement actions relating to alleged employment discrimination, employee classification and related withholding, wage-hour, labor standards or healthcare and benefit issues. Such actions, if brought against us and successful in whole or in part, may affect our ability to compete or could materially adversely affect our business, financial condition or results of operations.

Changes in employment laws may adversely affect our business.

Various federal and state labor laws govern the relationship with our employees and affect operating costs. These laws include employee classification as exempt/non-exempt for overtime and other purposes, minimum wage requirements, unemployment tax rates, workers' compensation rates, immigration status and other wage and benefit requirements. Significant additional government-imposed increases in the following areas could materially affect our business, financial condition, operating results or cash flow:

- minimum wages;
- mandatory health benefits;
- vacation accruals;
- paid leaves of absence, including paid sick leave; and
- tax reporting.

In addition, various states in which we operate are considering or have already adopted new immigration laws or enforcement programs, and the U.S. Congress and Department of Homeland Security from time to time consider and may implement changes to federal immigration laws, regulations or enforcement programs as well. Some of these changes may increase our obligations for compliance and oversight, which could subject us to additional costs and make our hiring process more cumbersome, or reduce the availability of potential employees. Although we require all workers to provide us with government-specified documentation evidencing their employment eligibility, some of our employees may, without our knowledge, be unauthorized workers. We currently participate in the "E-Verify" program, an Internet-based, free program run by the United States government to verify employment eligibility, in

states in which participation is required, and we plan to introduce its use throughout our restaurants. However, use of the "E-Verify" program does not guarantee that we will properly identify all applicants who are ineligible for employment. Unauthorized workers are subject to deportation and may subject us to fines or penalties, and if any of our workers are found to be unauthorized we could experience adverse publicity that negatively impacts our brand and may make it more difficult to hire and keep qualified employees. Termination of a significant number of employees who were unauthorized employees may disrupt our operations, cause temporary increases in our labor costs as we train new employees and result in additional adverse publicity. We could also become subject to fines, penalties and other costs related to claims that we did not fully comply with all recordkeeping obligations of federal and state immigration compliance laws. These factors could materially adversely affect our business, financial condition or results of operations.

We rely in part on our franchisees, and if our franchisees cannot develop or finance new restaurants, build them on suitable sites or open them on schedule, our growth and success may be affected.

We rely in part on our franchisees and the manner in which they operate their locations to develop and promote our business. Although we have developed criteria to evaluate and screen prospective franchisees, we cannot be certain that our franchisees will have the business acumen or financial resources necessary to operate successful franchises in their franchise areas and state franchise laws may limit our ability to terminate or modify these franchise arrangements. Moreover, despite our training, support and monitoring, franchisees may not successfully operate restaurants in a manner consistent with our standards and requirements, or may not hire and train qualified managers and other restaurant personnel. The failure of our franchisees to operate their franchises successfully could have a material adverse effect on us, our reputation, our brand and our ability to attract prospective franchisees and could materially adversely affect our business, financial condition or results of operations.

Franchisees may not have access to the financial or management resources that they need to open the restaurants contemplated by their agreements with us, or be able to find suitable sites on which to develop them, or they may elect to cease development for other reasons. Franchisees may not be able to negotiate acceptable lease or purchase terms for the sites, obtain the necessary permits and government approvals or meet construction schedules. Any of these problems could slow our growth and reduce our franchise revenues. Additionally, our franchisees typically depend on financing from banks and other financial institutions, which may not always be available to them, in order to construct and open new restaurants. The lack of adequate financing could adversely affect the number and rate of new restaurant openings by our franchisees and adversely affect our future franchise revenues.

A franchisee bankruptcy could have a substantial negative impact on our ability to collect payments due under such franchisee's franchise arrangements. In a franchisee bankruptcy, the bankruptcy trustee may reject its franchise arrangements pursuant to Section 365 under the United States bankruptcy code, in which case there would be no further royalty payments from such franchisee, and there can be no assurance as to the proceeds, if any, that may ultimately be recovered in a bankruptcy proceeding of such franchisee in connection with a damage claim resulting from such rejection.

Failure to support our expanding franchise system could have a material adverse effect on our business, financial condition or results of operations.

Our growth strategy depends in part on expanding our franchise network, which will require the implementation of enhanced business support systems, management information systems, financial controls and other systems and procedures as well as additional management, franchise support and financial resources. We may not be able to manage our expanding franchise system effectively. Failure to provide our franchisees with adequate support and resources could materially adversely affect both our new and existing franchisees as well as cause disputes between us and our franchisees and potentially lead to material liabilities. Any of the foregoing could materially adversely affect our business, financial condition or results of operations.

We have limited control over our franchisees and our franchisees could take actions that could harm our business.

Franchisees are independent contractors and are not our employees, and we do not exercise control over their day-to-day operations. We provide training and support to franchisees, but the quality of franchised restaurant operations may be diminished by any number of factors beyond our control. Consequently, franchisees may not successfully operate restaurants in a manner consistent with our standards and requirements, or may not hire and train qualified managers and other restaurant personnel. If franchisees do not meet our standards and requirements, our image and reputation, and the image and reputation of other franchisees, may suffer materially and system-wide sales could decline significantly.

Franchisees, as independent business operators, may from time to time disagree with us and our strategies regarding the business or our interpretation of our, and their, rights and obligations under franchise and development agreements. This may lead to disputes with our franchisees in the future. These disputes may divert the attention of our management and our franchisees from operating our restaurants and affect our image and reputation and our ability to attract franchisees in the future, which could materially adversely affect our business, financial condition or results of operations.

If we or our franchisees face labor shortages or increased labor costs, our growth and operating results could be adversely affected.

Labor is a primary component in the cost of operating our restaurants. If we or our franchisees face labor shortages or increased labor costs because of increased competition for employees, higher employee turnover rates, increases in the federal, state or local minimum wage or other employee benefits costs (including costs associated with health insurance coverage), our operating expenses could increase and our growth could be adversely affected. In addition, our success depends in part upon our and our franchisees' ability to attract, motivate and retain a sufficient number of well-qualified restaurant operators and management personnel, as well as a sufficient number of other qualified employees, including guest service and kitchen staff, to keep pace with our expansion schedule. Qualified individuals needed to fill these positions are in short supply in some geographic areas. In addition, restaurants have traditionally experienced relatively high employee turnover rates. Although we have not yet experienced significant problems in recruiting or retaining employees, our and our franchisees' ability to recruit and retain such individuals may delay the planned openings of new restaurants or result in higher employee turnover in existing restaurants, which could have a material adverse effect on our business, financial condition or results of operations.

If we or our franchisees are unable to continue to recruit and retain sufficiently qualified individuals, our business and our growth could be adversely affected. Competition for these employees could require us or our franchisees to pay higher wages, which could result in higher labor costs. In addition increases in the minimum wage would increase our labor costs. Additionally, costs associated with workers' compensation are rising, and these costs may continue to rise in the future. We may be unable to increase our menu prices in order to pass these increased labor costs on to consumers, in which case our margins would be negatively affected, which could materially adversely affect our business, financial condition or results of operations.

We depend on the services of key executives, the loss of which could materially harm our business.

Our senior executives have been instrumental in setting our strategic direction, operating our business, identifying, recruiting and training key personnel, identifying expansion opportunities and arranging necessary financing. Losing the services of any of these individuals could materially adversely affect our business until a suitable replacement is found. We believe that these individuals cannot easily be replaced with executives of equal experience and capabilities. Although we have employment agreements with our Chief Executive Officer and our President and Chief Operating Officer, we cannot prevent them from terminating their employment with us.

Changes in economic conditions could materially affect our ability to maintain or increase sales at our restaurants or open new restaurants.

The restaurant industry depends on consumer discretionary spending. The United States in general or the specific markets in which we operate may suffer from depressed economic activity, recessionary economic cycles, higher fuel or energy costs, low consumer confidence, high levels of unemployment, reduced home values, increases in home foreclosures, investment losses, personal bankruptcies, reduced access to credit or other economic factors that may affect consumers discretionary spending. Economic conditions may remain volatile and may continue to depress consumer confidence and discretionary spending for the near term. Traffic in our restaurants could decline if consumers choose to dine out less frequently or reduce the amount they spend on meals while dining out. Negative economic conditions might cause consumers to make long-term changes to their discretionary spending behavior, including dining out less frequently on a permanent basis. If restaurant sales decrease, our profitability could decline as we spread fixed costs across a lower level of sales. Reductions in staff levels, asset impairment charges and potential restaurant closures could result from prolonged negative restaurant sales, which could materially adversely affect our business, financial condition or results of operations.

Health concerns arising from outbreaks of viruses may have an adverse effect on our business.

The United States and other countries have experienced, or may experience in the future, outbreaks of neurological diseases or other diseases or viruses, such as norovirus, influenza and H1N1. If a virus is transmitted by human contact, our employees or guests could become infected, or could choose, or be advised, to avoid gathering in public places, any one of which could materially adversely affect our business, financial condition or results of operations.

Changes in food and supply costs could adversely affect our results of operations.

Our profitability depends in part on our ability to anticipate and react to changes in food and supply costs. Shortages or interruptions in the availability of certain supplies caused by unanticipated demand, problems in production or distribution, food contamination, inclement weather or other conditions could adversely affect the availability, quality and cost of our ingredients, which could harm our operations. Any increase in the prices of the food products most critical to our menu, such as pasta, beef, chicken, wheat flour, cheese and other dairy products, tofu and vegetables, could adversely affect our operating results. Although we try to manage the impact that these fluctuations have on our operating results, we remain susceptible to increases in food costs as a result of factors beyond our control, such as general economic conditions, seasonal fluctuations, weather conditions, demand, food safety concerns, generalized infectious diseases, product recalls and government regulations. For example, higher diesel prices have in some cases resulted in the imposition of surcharges on the delivery of commodities to our distributors, which they have generally passed on to us to the extent permitted under our arrangements with them.

If any of our distributors or suppliers performs inadequately, or our distribution or supply relationships are disrupted for any reason, our business, financial condition, results of operations or cash flows could be adversely affected. Although we often enter into contracts for the purchase of food products and supplies, we do not have long-term contracts for the purchase of all of such food products and supplies. As a result, we may not be able to anticipate or react to changing food costs by adjusting our purchasing practices or menu prices, which could cause our operating results to deteriorate. If we cannot replace or engage distributors or suppliers who meet our specifications in a short period of time, that could increase our expenses and cause shortages of food and other items at our restaurants, which could cause a restaurant to remove items from its menu. If that were to happen, affected restaurants could experience significant reductions in sales during the shortage or thereafter, if guests change their dining habits as a result. Our focus on a limited menu would make the consequences of a shortage of a key ingredient more severe. In addition, because we provide moderately priced food, we may choose not to, or may be unable

to, pass along commodity price increases to consumers. These potential changes in food and supply costs could materially adversely affect our business, financial condition or results of operations.

Failure to receive frequent deliveries of fresh food ingredients and other supplies could harm our operations.

Our ability to maintain our menu depends in part on our ability to acquire ingredients that meet our specifications from reliable suppliers. We currently import ingredients from many different countries. Shortages or interruptions in the supply of ingredients caused by unanticipated demand, problems in production or distribution, food contamination, inclement weather or other conditions could adversely affect the availability, quality and cost of our ingredients, which could harm our operations. If any of our distributors or suppliers performs inadequately, or our distribution or supply relationships are disrupted for any reason, our business, financial condition or results of operations could be adversely affected. If we cannot replace or engage distributors or suppliers who meet our specifications in a short period of time, that could increase our expenses and cause shortages of food and other items at our restaurants, which could cause a restaurant to remove items from its menu. If that were to happen, affected restaurants could experience significant reductions in sales during the shortage or thereafter, if guests change their dining habits as a result. Our focus on a limited menu would make the consequences of a shortage of a key ingredient more severe. This reduction in sales could materially adversely affect our business, financial condition or results of operations.

New information or attitudes regarding diet and health could result in changes in regulations and consumer consumption habits that could adversely affect our results of operations.

Regulations and consumer eating habits may change as a result of new information or attitudes regarding diet and health. Such changes may include federal, state and local regulations that impact the ingredients and nutritional content of the food and beverages we offer. The success of our restaurant operations is dependent, in part, upon our ability to effectively respond to changes in any consumer health regulations and our ability to adapt our menu offerings to trends in food consumption. If consumer health regulations or consumer eating habits change significantly, we may choose or be required to modify or delete certain menu items, which may adversely affect the attractiveness of our restaurants to new or returning guests. To the extent we are unwilling or unable to respond with appropriate changes to our menu offerings, it could materially affect consumer demand and have an adverse impact on our business, financial condition or results of operations.

Government regulation and consumer eating habits may impact our business as a result of changes in attitudes regarding diet and health or new information regarding the adverse health effects of consuming certain menu offerings. These changes have resulted in, and may continue to result in, laws and regulations requiring us to disclose the nutritional content of our food offerings, and they have resulted, and may continue to result in, laws and regulations affecting permissible ingredients and menu offerings. For example, a number of states, counties and cities have enacted menu labeling laws requiring multi-unit restaurant operators to disclose to consumers certain nutritional information, or have enacted legislation restricting the use of certain types of ingredients in restaurants. These requirements may be different or inconsistent with requirements under the PPACA, which establishes a uniform, federal requirement for certain restaurants to post nutritional information on their menus. Specifically, the PPACA requires chain restaurants with 20 or more locations operating under the same name and offering substantially the same menus to publish the total number of calories of standard menu items on menus and menu boards, along with a statement that puts this calorie information in the context of a total daily calorie intake. These inconsistencies could be challenging for us to comply with in an efficient manner. The PPACA also requires covered restaurants to provide to consumers, upon request, a written summary of detailed nutritional information for each standard menu item, and to provide a statement on menus and menu boards about the availability of this information upon request. An unfavorable report on, or reaction to,

our menu ingredients, the size of our portions or the nutritional content of our menu items could negatively influence the demand for our offerings.

Compliance with current and future laws and regulations regarding the ingredients and nutritional content of our menu items may be costly and time-consuming. Additionally, if consumer health regulations or consumer eating habits change significantly, we may be required to modify or discontinue certain menu items, and we may experience higher costs associated with the implementation of those changes. We cannot predict the impact of the new nutrition labeling requirements under the PPACA until final regulations are promulgated. The risks and costs associated with nutritional disclosures on our menus could also impact our operations, particularly given differences among applicable legal requirements and practices within the restaurant industry with respect to testing and disclosure, ordinary variations in food preparation among our own restaurants, and the need to rely on the accuracy and completeness of nutritional information obtained from third-party suppliers.

We may not be able to effectively respond to changes in consumer health perceptions or our ability to successfully implement the nutrient content disclosure requirements and to adapt our menu offerings to trends in eating habits. The imposition of menu labeling laws could materially adversely affect our business, financial condition or results of operations, as well as our position within the restaurant industry in general.

We expect to need capital in the future, and we may not be able to raise that capital on acceptable terms.

Developing our business will require significant capital in the future. To meet our capital needs, we expect to rely on our cash flow from operations, the proceeds from this offering and other third-party financing. Third-party financing in the future may not, however, be available on terms favorable to us, or at all. Our ability to obtain additional funding will be subject to various factors, including market conditions, our operating performance, lender sentiment and our ability to incur additional debt in compliance with other contractual restrictions such as financial covenants under our credit facility or other debt documents. These factors may make the timing, amount, terms and conditions of additional financings unattractive. Our inability to raise capital could impede our growth and could materially adversely affect our business, financial condition or results of operations.

We are subject to all of the risks associated with leasing space subject to long-term non-cancelable leases.

We do not own any real property. Payments under our operating leases account for a significant portion of our operating expenses and we expect the new restaurants we open in the future will similarly be leased. Our leases generally have an initial term of ten years and generally can be extended only in five-year increments (at increased rates). All of our leases require a fixed annual rent, although some require the payment of additional rent if restaurant sales exceed a negotiated amount. Generally, our leases are "net" leases, which require us to pay all of the cost of insurance, taxes, maintenance and utilities. We generally cannot cancel these leases. Additional sites that we lease are likely to be subject to similar long-term non-cancelable leases. If an existing or future restaurant is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. In addition, as each of our leases expires, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause us to pay increased occupancy costs or to close restaurants in desirable locations. These potential increased occupancy costs and closed restaurants could materially adversely affect our business, financial condition or results of operations.

We may not be able to adequately protect our intellectual property, which could harm the value of our brand and adversely affect our business.

Our intellectual property is material to the conduct of our business. Our ability to implement our business plan successfully depends in part on our ability to further build brand recognition using our trademarks, service marks, trade dress and other proprietary intellectual property, including our name and logos and the unique ambience of our restaurants. While it is our policy to protect and defend vigorously our rights to our intellectual property, we cannot predict whether steps taken by us to protect our intellectual property rights will be adequate to prevent misappropriation of these rights or the use by others of restaurant features based upon, or otherwise similar to, our concept. It may be difficult for us to prevent others from copying elements of our concept and any litigation to enforce our rights will likely be costly and may not be successful. Although we believe that we have sufficient rights to all of our trademarks and service marks, we may face claims of infringement that could interfere with our ability to market our restaurants and promote our brand. Any such litigation may be costly and divert resources from our business. Moreover, if we are unable to successfully defend against such claims, we may be prevented from using our trademarks or service marks in the future and may be liable for damages, which in turn could materially adversely affect our business, financial condition or results of operations.

We may incur costs resulting from breaches of security of confidential consumer information related to our electronic processing of credit and debit card transactions.

The majority of our restaurant sales are by credit or debit cards. Other restaurants and retailers have experienced security breaches in which credit and debit card information has been stolen. We may in the future become subject to claims for purportedly fraudulent transactions arising out of the actual or alleged theft of credit or debit card information, and we may also be subject to lawsuits or other proceedings relating to these types of incidents. Any such claim or proceeding could cause us to incur significant unplanned expenses, which could have an adverse impact on our financial condition and results of operations. Further, adverse publicity resulting from these allegations may have a material adverse effect on us and our restaurants.

We rely heavily on information technology, and any material failure, weakness, interruption or breach of security could prevent us from effectively operating our business.

We rely heavily on information systems, including point-of-sale processing in our restaurants, for management of our supply chain, payment of obligations, collection of cash, credit and debit card transactions and other processes and procedures. Our ability to efficiently and effectively manage our business depends significantly on the reliability and capacity of these systems. The failure of these systems to operate effectively, maintenance problems, upgrading or transitioning to new platforms, or a breach in security of these systems could result in delays in guest service and reduce efficiency in our operations. Remediation of such problems could result in significant, unplanned capital investments.

We could be party to litigation that could adversely affect us by distracting management, increasing our expenses or subjecting us to material money damages and other remedies.

Our guests occasionally file complaints or lawsuits against us alleging we caused an illness or injury they suffered at or after a visit to our restaurants, or that we have problems with food quality or operations. We are also subject to a variety of other claims arising in the ordinary course of our business, including personal injury claims, contract claims and claims alleging violations of federal and state law regarding workplace and employment matters, equal opportunity, discrimination and similar matters, and we could become subject to class action or other lawsuits related to these or different matters in the future. Regardless of whether any claims against us are valid, or whether we are ultimately held liable, claims may be expensive to defend and may divert time and money away from our operations and hurt our performance. A judgment in excess of our insurance coverage for any claims could materially and adversely

affect our financial condition or results of operations. Any adverse publicity resulting from these allegations may also materially and adversely affect our reputation or prospects, which in turn could materially adversely affect our business, financial condition or results of operations.

We are subject to state and local "dram shop" statutes, which may subject us to uninsured liabilities. These statutes generally allow a person injured by an intoxicated person to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. Because a plaintiff may seek punitive damages, which may not be fully covered by insurance, this type of action could have an adverse impact on our financial condition or results of operations. A judgment in such an action significantly in excess of, or not covered by, our insurance coverage could adversely affect our business, financial condition or results of operations. Further, adverse publicity resulting from any such allegations may adversely affect us and our restaurants taken as a whole.

In addition, the restaurant industry has been subject to a growing number of claims based on the nutritional content of food products sold and disclosure and advertising practices. We may also be subject to this type of proceeding in the future and, even if we are not, publicity about these matters (particularly directed at the quick-service or fast casual segments of the industry) may harm our reputation and could materially adversely affect our business, financial condition or results of operations.

Our current insurance may not provide adequate levels of coverage against claims.

There are types of losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Such losses could have a material adverse effect on our business and results of operations. In addition, we self-insure a significant portion of expected losses under our workers' compensation, general liability, employee health and property insurance programs. Unanticipated changes in the actuarial assumptions and management estimates underlying our reserves for these losses could result in materially different amounts of expense under these programs, which could have a material adverse effect on our financial condition, results of operations and liquidity. As a public company, we intend to enhance our existing directors' and officers' insurance. While we expect to obtain such coverage, we may not be able to obtain such coverage at all or at a reasonable cost now or in the future. Failure to obtain and maintain adequate directors' and officers' insurance would likely adversely affect our ability to attract and retain qualified officers and directors.

Failure to obtain and maintain required licenses and permits or to comply with alcoholic beverage or food control regulations could lead to the loss of our liquor and food service licenses and, thereby, harm our business.

The restaurant industry is subject to various federal, state and local government regulations, including those relating to the sale of food and alcoholic beverages. Such regulations are subject to change from time to time. The failure to obtain and maintain these licenses, permits and approvals could adversely affect our operating results. Typically, licenses must be renewed annually and may be revoked, suspended or denied renewal for cause at any time if governmental authorities determine that our conduct violates applicable regulations. Difficulties or failure to maintain or obtain the required licenses and approvals could adversely affect our existing restaurants and delay or result in our decision to cancel the opening of new restaurants, which would adversely affect our business.

Alcoholic beverage control regulations generally require our restaurants to apply to a state authority and, in certain locations, county or municipal authorities for a license that must be renewed annually and may be revoked or suspended for cause at any time. Alcoholic beverage control regulations relate to numerous aspects of daily operations of our restaurants, including minimum age of patrons and employees, hours of operation, advertising, trade practices, wholesale purchasing, other relationships with alcohol manufacturers, wholesalers and distributors, inventory control and handling, storage and dispensing of alcoholic beverages. Any future failure to comply with these regulations and obtain or retain liquor licenses could adversely affect our business, financial condition or results of operations.

Changes to accounting rules or regulations may adversely affect our results of operations.

Changes to existing accounting rules or regulations may impact our future results of operations or cause the perception that we are more highly leveraged. Other new accounting rules or regulations and varying interpretations of existing accounting rules or regulations have occurred and may occur in the future. For instance, accounting regulatory authorities have indicated that they may begin to require lessees to capitalize operating leases in their financial statements in the next few years. If adopted, such change would require us to record significant capital lease obligations on our balance sheet and make other changes to our financial statements. This and other future changes to accounting rules or regulations could materially adversely affect our business, financial condition or results of operations.

We will incur increased costs as a result of being a public company.

As a public company, we expect to incur significant legal, accounting and other expenses that we did not incur as a private company, particularly after we are no longer an "emerging growth company" as defined under the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). In addition, new and changing laws, regulations and standards relating to corporate governance and public disclosure, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations promulgated and to be promulgated thereunder, as well as under the Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"), and the JOBS Act, have created uncertainty for public companies and increased costs and time that boards of directors and management must devote to complying with these rules and regulations. The Sarbanes-Oxley Act and related rules of the U.S. Securities and Exchange Commission, or SEC, and the Nasdaq Stock Market and the New York Stock Exchange regulate corporate governance practices of public companies. We expect compliance with these rules and regulations to increase our legal and financial compliance costs and lead to a diversion of management time and attention from revenue generating activities. For example, we will be required to adopt new internal controls and disclosure controls and procedures. In addition, we will incur additional expenses associated with our SEC reporting requirements.

For as long as we remain an "emerging growth company" as defined in the JOBS Act, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies." These exceptions provide for, but are not limited to, relief from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, less extensive disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements to hold a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved and an extended transition period for complying with new or revised accounting standards. We may take advantage of these reporting exemptions until we are no longer an "emerging growth company." We may remain an "emerging growth company" for up to five years. To the extent we use exemptions from various reporting requirements under the JOBS Act, we may be unable to realize our anticipated cost savings from those exemptions.

Pursuant to the recently enacted JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act for so long as we are an "emerging growth company."

Section 404 of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting, starting with the second annual report that we file with the SEC as a public company, and generally requires in the same report a report by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. However, under the recently enacted JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to

Section 404 of the Sarbanes-Oxley Act until we are no longer an "emerging growth company." We could be an "emerging growth company" for up to five years.

In addition, Section 107 of the JOBS Act also provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. An "emerging growth company" can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to "opt out" of such extended transition period and, as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

Risks Related to Ownership of Our Class A Common Stock

In this prospectus, we refer to our Class A common stock as "common stock," unless the context otherwise requires.

There is no existing market for our common stock and we do not know if one will develop. Even if a market does develop, the stock prices in the market may not exceed the offering price.

Prior to this offering, there has not been a public market for our common stock or any of our equity interests. We cannot predict the extent to which investor interest in our company will lead to the development of an active trading market on the Nasdaq Stock Market or the New York Stock Exchange, or how liquid that market may become. An active public market for our common stock may not develop or be sustained after the offering. If an active trading market does not develop or is not sustained, you may have difficulty selling any shares that you buy.

The initial public offering price for the common stock will be determined by negotiations among us and the representatives of the underwriters and may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell shares of our common stock at prices equal to or greater than the price you pay in this offering.

Our quarterly operating results may fluctuate significantly and could fall below the expectations of securities analysts and investors due to seasonality and other factors, some of which are beyond our control, resulting in a decline in our stock price.

Our quarterly operating results may fluctuate significantly because of several factors, including:

- the timing of new restaurant openings and related expense;
- restaurant operating costs for our newly-opened restaurants, which are often materially greater during the first several months of operation than thereafter;
- labor availability and costs for hourly and management personnel;
- profitability of our restaurants, especially in new markets;
- changes in interest rates;
- increases and decreases in AUVs and comparable restaurant sales;
- impairment of long-lived assets and any loss on restaurant closures;
- macroeconomic conditions, both nationally and locally;
- negative publicity relating to the consumption of seafood or other products we serve;

- changes in consumer preferences and competitive conditions;
- expansion to new markets;
- increases in infrastructure costs; and
- fluctuations in commodity prices.

Seasonal factors and the timing of holidays also cause our revenue to fluctuate from quarter to quarter. Our revenue per restaurant is typically lower in the first and fourth quarters due to reduced winter and holiday traffic and higher in the second and third quarters. As a result of these factors, our quarterly and annual operating results and comparable restaurant sales may fluctuate significantly. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year and comparable restaurant sales for any particular future period may decrease. In the future, operating results may fall below the expectations of securities analysts and investors. In that event, the price of our common stock would likely decrease.

The price of our common stock may be volatile and you may lose all or part of your investment.

The market price of our common stock could fluctuate significantly, and you may not be able to resell your shares at or above the offering price. Those fluctuations could be based on various factors in addition to those otherwise described in this prospectus, including those described under "—Risks Related to Our Business and Industry" and the following:

- our operating performance and the performance of our competitors or restaurant companies in general;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- changes in earnings estimates or recommendations by research analysts who follow us or other companies in our industry;
- global, national or local economic, legal and regulatory factors unrelated to our performance;
- the number of shares to be publicly traded after this offering;
- future sales of our common stock by our officers, directors and significant stockholders;
- the arrival or departure of key personnel; and
- other developments affecting us, our industry or our competitors.

In addition, in recent years the stock market has experienced significant price and volume fluctuations. These fluctuations may be unrelated to the operating performance of particular companies. These broad market fluctuations may cause declines in the market price of our common stock. The price of our common stock could fluctuate based upon factors that have little or nothing to do with our business, financial condition or results of operations, and those fluctuations could materially reduce our common stock price.

Future sales of our common stock, or the perception that such sales may occur, could depress our common stock price.

Sales of a substantial number of shares of our common stock in the public market, or the perception that such sales may occur, following this offering could depress the market price of our common stock. Our sponsors, executive officers and directors and certain other equity holders have agreed with the underwriters not to offer, sell, dispose of or hedge any shares of common stock or securities convertible into or exchangeable for shares of common stock, subject to specified limited exceptions and extensions

described elsewhere in this prospectus, during the period ending 180 days (subject to extension) after the date of the final prospectus, except with the prior written consent on behalf of the underwriters. Our amended and restated certificate of incorporation will authorize us to issue up to shares of common stock, of which shares will be outstanding and shares will be issuable upon the exercise of outstanding stock options. Of the outstanding shares, shares will be freely tradable after the expiration date of the lock-up agreements, excluding any acquired by persons who may be deemed to be our affiliates. Shares of our common stock held by our affiliates will continue to be subject to the volume and other restrictions of Rule 144 under the U.S. Securities Act of 1933, or the Securities Act. The underwriters may, in their sole discretion and at any time without notice, release all or any portion of the shares subject to the lock-up. See "Underwriting."

In addition, immediately following this offering, we intend to file a registration statement registering under the Securities Act the shares of common stock reserved for issuance under our 2010 Stock Incentive Plan and our Employee Stock Purchase Plan. See the information under the heading "Shares Eligible for Future Sale" for a more detailed description of the shares that will be available for future sales upon completion of this offering.

If you purchase shares of our common stock sold in this offering, you will incur immediate and substantial dilution.

If you purchase shares of our common stock in this offering, you will incur immediate and substantial dilution in the amount of $ per share because the initial public offering price of $ is substantially higher than the pro forma net tangible book value per share of our outstanding common stock. This dilution is due in large part to the fact that our earlier investors paid substantially less than the initial public offering price when they purchased their shares. In addition, you may also experience additional dilution upon future equity issuances or the exercise of stock options to purchase common stock granted to our employees, and directors under our stock option and equity incentive plans. See "Dilution."

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of our company, the trading price for our common stock would be negatively impacted. If we obtain securities or industry analyst coverage and if one or more of the analysts who cover us downgrades our common stock or publishes inaccurate or unfavorable research about our business, our stock price would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our common stock could decrease, which could cause our stock prices and trading volume to decline.

Our principal stockholders and their affiliates own a substantial portion of our outstanding equity, and their interests may not always coincide with the interests of the other holders.

As of April 2, 2013, Catterton, certain of its affiliates and Argentia beneficially owned in the aggregate shares representing approximately 86% of our outstanding voting power, assuming no conversion of Class B common stock into common stock. Persons associated with Catterton, Argentia and PSPIB currently serve and, following the offering, will continue to serve on our board of directors. Contemporaneous with the closing of this offering, Argentia may convert a portion of its shares of Class B common stock into common stock (the "Argentia Conversion") such that following such conversion, Argentia will beneficially own, in the aggregate, shares representing approximately % of the common stock. After this offering, Catterton and certain of its affiliates will beneficially own, in the aggregate, shares representing approximately % of our outstanding equity interests and approximately % of our outstanding voting power, after giving effect to the Argentia Conversion. If the underwriters exercise

their over-allotment option in full, after this offering, Catterton and certain of its affiliates will beneficially own, in the aggregate, shares representing approximately % of our outstanding equity interests and approximately % of our outstanding voting power, after giving effect to the Argentia Conversion. After this offering, Argentia will beneficially own, in the aggregate, shares representing approximately % of our outstanding equity interests and approximately % of our outstanding voting power, after giving effect to the Argentia Conversion. If the underwriters exercise their over-allotment option in full, after this offering, Argentia will beneficially own, in the aggregate, shares representing approximately % of our outstanding equity interests and approximately % of our outstanding voting power, after giving effect to the Argentia Conversion. As a result, Catterton, certain of its affiliates and Argentia could potentially have significant influence over all matters presented to our stockholders for approval, including election and removal of our directors and change in control transactions. The interests of Catterton, certain of its affiliates and Argentia may not always coincide with the interests of the other holders of our common stock.

We do not intend to pay dividends for the foreseeable future.

We have never declared or paid any cash dividends on our common stock, except for the Class C common stock dividend paid to Argentia, the holder of the one outstanding share of our Class C common stock. In connection with this offering, no dividend on the one outstanding share of our Class C common stock will be paid. For the foreseeable future, we intend to retain any earnings to finance the development and expansion of our business, and we do not anticipate paying any cash dividends on our common stock. See "Dividend Policy" and "Certain Relationships and Related Transactions."

Provisions in our charter documents and Delaware law may delay or prevent our acquisition by a third party.

Our amended and restated certificate of incorporation and bylaws, and Delaware law, contain several provisions that may make it more difficult for a third party to acquire control of us without the approval of our board of directors. For example, we will have a classified board of directors with three-year staggered terms, which could delay the ability of stockholders to change membership of a majority of our board of directors. These provisions may make it more difficult or expensive for a third party to acquire a majority of our outstanding equity interests. These provisions also may delay, prevent or deter a merger, acquisition, tender offer, proxy contest or other transaction that might otherwise result in our stockholders receiving a premium over the market price for their common stock. See "Description of Capital Stock."

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties. The forward-looking statements are contained principally in "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "estimate," "predict," "potential," "plan" or the negative of these terms, and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements include, but are not limited to, statements about:

- our ability to successfully maintain increases in our comparable restaurant sales and AUVs;
- our ability to successfully execute our growth strategy and open new restaurants that are profitable;
- our projected growth in the number of our restaurants;
- current economic conditions and other economic factors;
- our ability to compete with many other restaurants;
- our reliance on vendors, suppliers and distributors;
- concerns regarding food safety and foodborne illness;
- changes in consumer preferences;
- minimum wage increases and mandated employee benefits that could cause a significant increase in our labor costs;
- failure to secure guests' confidential or credit card information or other private data relating to our employees or our company; and
- the impact of governmental laws and regulations.

These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements.

We discuss many of these risks in this prospectus in greater detail under the heading "Risk Factors." Also, these forward-looking statements represent our estimates and assumptions only as of the date of this prospectus. Unless required by United States federal securities laws, we do not intend to update any of these forward-looking statements to reflect circumstances or events that occur after the statement is made.

The market data and certain other statistical information used throughout this prospectus are based on independent industry publications, governmental publications, reports by market research firms or other independent sources. Some data are also based on our good faith estimates. Although we believe these third-party sources are reliable, we have not independently verified the information attributed to these third-party sources and cannot guarantee its accuracy and completeness. Similarly, our estimates have not been verified by any independent source.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

USE OF PROCEEDS

We estimate that the net proceeds we receive from this offering will be approximately $ million based on the assumed initial public offering price of $ per share, which is the midpoint of the range included on the cover page of this prospectus after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters' option to purchase additional shares in this offering from us is exercised, our estimated net proceeds will be approximately $ million after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. A $1.00 increase or decrease in the assumed initial public offering price of $ per share would increase or decrease the net proceeds we receive from this offering by approximately $ million, assuming the number of shares offered by us as set forth on the cover page of this prospectus remains the same and after deducting the estimated underwriter discounts and commissions and estimated offering expenses payable by us.

We intend to use approximately $ million of the net proceeds we receive from this offering to repay borrowings under our credit facility, which has a maturity date of August 1, 2017 and had an outstanding balance of approximately $100.3 million as of April 2, 2013. As of April 2, 2013, the balance outstanding under our senior term loan was $73.5 million, which bore interest from 3.6% to 3.8% per year and the balance under our revolving line of credit was $26.8 million, which bore interest from 3.8% to 5.5% per year. We intend to use any remaining proceeds for working capital and other general corporate purposes. Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated are lenders under our credit facility, and therefore, will receive a portion of the net proceeds of this offering.

DIVIDEND POLICY

No dividends have been declared or paid on our shares of equity interests, except for the Class C common stock dividend paid to the holder of the one outstanding share of our Class C common stock. The one outstanding share of Class C common stock will be redeemed at the closing of this offering. We do not anticipate paying any cash dividends on shares of our Class A common stock, or any of our equity interests, in the foreseeable future. We currently intend to retain any earnings to finance the development and expansion of our business. Any future determination to pay dividends will be at the discretion of our board of directors and will be dependent upon then-existing conditions, including our earnings, capital requirements, results of operations, financial condition, business prospects and other factors that our board of directors considers relevant. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Certain Relationships and Related Transactions" for additional information regarding our financial condition.

CAPITALIZATION

The following table sets forth our capitalization as of April 2, 2013:

- on an actual basis,
- on a pro forma basis, giving effect to the reclassification of the common stock subject to put options of $3.6 million as of April 2, 2013 to additional paid-in capital and retained earnings, due to the termination of the put rights upon this offering, and
- on an as adjusted basis, giving effect to the following transactions as if they occurred on April 2, 2013:
    - (i) a reverse stock split of 1-for- of our shares of Class A common stock, which we refer to in this prospectus as our "common stock," and our shares of Class B common stock, effective immediately prior to the completion of this offering and (ii) the redemption of the one share of our outstanding Class C common stock that will occur upon the closing of this offering;
    - the effectiveness of our amended and restated certificate of incorporation and amended and restated bylaws included as exhibits to the registration statement of which this prospectus forms a part, which we will adopt prior to the completion of this offering;
    - excludes (i) 5,104,673 shares of common stock issuable on a pre-reverse split basis upon the exercise of stock options outstanding as of April 2, 2013 and (ii) shares of our common stock reserved for future grants under our stock option and stock incentive plans;
    - no exercise of the warrant to purchase up to 150,000 shares on a pre-reverse split basis of our Class B common stock held by Fahrenheit 212, LLC, and no change to the 10,905,789 shares of Class B common stock outstanding as of April 2, 2013 other than the reverse stock split described above; and
    - (i) no exercise by the underwriters of their option to purchase up to additional shares from us and (ii) an initial public offering price of $ per share, the midpoint of the price range set forth on the cover of this prospectus.

You should read the following table in conjunction with the sections entitled "Use of Proceeds," "Selected Consolidated Financial and Other Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included in this prospectus.

	As of April 2, 2013		
	Actual	Pro-Forma	As Adjusted
	(in thousands, except share and per share data)		
Cash and cash equivalents	$ 978	$ 978	
Debt, including current portion:			
Credit facility[1]	100,259	100,259	
Total long-term debt	100,259	100,259	
Temporary equity			
Common stock subject to put options	3,601	—	—
Stockholders' Equity:			
Preferred stock, $0.01 par value per share (5,000,000 and shares authorized, zero and zero shares issued and outstanding, actual and as adjusted)	—	—	—
Class A common stock, $0.01 par value per share (47,000,000 and shares authorized, 29,369,746 and shares issued and outstanding, actual and as adjusted)	294	294	
Class B common stock, $0.01 par value per share; (12,000,000 and shares authorized, 10,905,789 and shares issued and outstanding, actual and as adjusted)[2]	109	109	
Class C common stock, $0.01 par value per share (one and zero shares authorized, one and zero shares issued and outstanding, actual and as adjusted)	—	—	—
Additional paid-in capital	7,803	10,375	—
Accumulated other comprehensive loss, net of tax	—	—	
Retained earnings	3,538	4,567	—
Total stockholders' equity	11,744	15,345	—
Total capitalization	$ 116,582	$ 116,582	

(1) We intend to use approximately $ million of the net proceeds from this offering to repay a portion of the borrowings under our credit facility. See "Use of Proceeds."

(2) The rights of the holders of our Class A common stock and our Class B common stock are identical in all respects, except that our Class B common stock does not vote on the election or removal of directors unless converted on a share-for-share basis into Class A common stock.

DILUTION

Currently we have, and upon completion of this offering we will have, two classes of equity interests issued and outstanding: Class A common stock, which is being sold in this offering and to which we refer in this prospectus as "common stock," and Class B common stock. Dilution is the amount by which the initial public offering price paid by purchasers of shares of our equity interests exceeds the net tangible book value per share of our equity interests immediately following the completion of the offering. Net tangible book value represents the amount of our total tangible assets reduced by our total liabilities. Net tangible book value per share represents our net tangible book value divided by the number of shares of our equity interests outstanding. As of April 2, 2013, prior to giving effect to the offering, our net tangible book value was $11.5 million and our net tangible book value per share was $0.29.

After giving effect to the issuance and sale of the shares of common stock offered in this offering and the application of the proceeds of the offering received by us, as described in "Use of Proceeds," based upon an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover of this prospectus, our net tangible book value as of April 2, 2013 would have been approximately $ million, or $ per share of equity interest. This represents an immediate increase in net tangible book value to our existing stockholders of $ per share and an immediate dilution to new investors in this offering of $ per share. The following table illustrates this per share dilution net tangible book value to new investors after giving effect to this offering:

Assumed initial public offering price per share		$
Net tangible book value per share as of April 2, 2013	$ 0.29	
Increase in net tangible book value per share attributable to new investors	$	
Adjusted net tangible book value per share after this offering		$
Dilution per share to new investors		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) our net tangible book value by $ million, the net tangible book value per share after this offering by $ and the dilution per share to new investors by $, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
New investors					
Total		100.0%	$	100.0%	

The foregoing table does not reflect options outstanding under our stock option plans or stock options to be granted after the offering. As of April 2, 2013, there were 5,104,673 options outstanding with a weighted average exercise price of $5.24 per share on a pre-reverse split basis.

SELECTED CONSOLIDATED FINANCIAL DATA

The following table summarizes the consolidated historical financial and operating data for the periods indicated. The statements of income data for the fiscal years ended January 1, 2013, January 3, 2012 and December 28, 2010 and the balance sheet data as of January 1, 2013 and January 3, 2012 have been derived from our audited consolidated financial statements included elsewhere in this prospectus, and the statements of income data from the fiscal years ended December 29, 2009 and December 30, 2008 and the balance sheet data as of December 28, 2010, December 29, 2009 and December 30, 2008 have been derived from our audited consolidated financial statements not included in this prospectus. The statements of income data for the quarters ended April 2, 2013 and April 3, 2012 and the balance sheet data as of April 2, 2013 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. The balance sheet data as of April 3, 2012 have been derived from our unaudited consolidated financial statements not included in this prospectus. The financial data presented includes all normal and recurring adjustments that we consider necessary for a fair presentation of the financial position and results of operations for such periods.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read in conjunction with "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited consolidated financial statements and the related notes included elsewhere in this prospectus.

We operate on a 52 or 53 week fiscal year ending on the Tuesday closest to December 31. Fiscal year 2011, which ended on January 3, 2012, contained 53 weeks, and all other fiscal years presented below contained 52 weeks. We refer to our fiscal years as 2012, 2011, 2010, 2009 and 2008. Our fiscal quarters each contain thirteen weeks, with the exception of the fourth quarter of a 53 week fiscal year, which contains fourteen weeks.

	Fiscal Year Ended					Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	December 29, 2009	December 30, 2008	April 2, 2013 (unaudited)	April 3, 2012 (unaudited)
			(in thousands, except share and per share data)				
Statements of Income Data:							
Revenue:							
Restaurant revenue	$ 297,264	$ 253,467	$ 218,560	$ 190,175	$ 168,534	$ 80,518	$ 69,198
Franchising royalties and fees	3,146	2,599	2,272	2,293	1,908	762	690
Total revenue	300,410	256,066	220,832	192,468	170,442	81,280	69,888
Costs and Expenses:							
Restaurant Operating Costs (exclusive of depreciation and amortization shown separately below):							
Cost of sales	78,997	66,419	56,869	51,487	45,707	21,301	18,230
Labor	89,435	75,472	64,942	56,581	49,775	24,830	20,753
Occupancy	29,323	25,208	21,650	18,652	15,707	8,359	6,936
Other restaurant operating costs	39,241	34,652	29,784	26,074	23,518	11,060	9,553
General and administrative[(1)]	26,220	23,842	24,921	19,259	18,740	7,235	6,442
Depreciation and amortization	16,719	14,501	13,932	13,315	11,283	4,801	3,732
Pre-opening	3,145	2,327	2,088	1,780	2,401	921	581
Asset disposals, closure costs and restaurant impairments	1,278	1,629	2,815	1,070	1,273	201	180
Total costs and expenses	284,358	244,050	217,001	188,218	168,404	78,708	66,407
Income from operations	16,052	12,016	3,831	4,250	2,038	2,572	3,481
Debt extinguishment expense	2,646	275	—	—	—	—	—
Interest expense	5,028	6,132	1,819	1,840	1,342	1,053	1,284
Income before income taxes	8,378	5,609	2,012	2,410	696	1,519	2,197
Provision (benefit) for income taxes	3,215	1,780	(366)	1,343	553	595	906
Net income	$ 5,163	$ 3,829	$ 2,378	$ 1,067	$ 143	$ 924	$ 1,291
Earnings per Class A and Class B common share, combined:							
Basic	$ 0.13	$ 0.10	$ 0.06	$ 0.03	*	$ 0.02	$ 0.03
Diluted	$ 0.13	$ 0.10	$ 0.05	$ 0.03	*	$ 0.02	$ 0.03
Weighted average Class A and Class B common shares outstanding, combined:							
Basic	40,275,536	40,273,306	42,263,534	42,219,853	42,032,607	40,275,536	40,275,536
Diluted	40,321,564	40,273,306	43,720,951	42,281,276	42,334,386	41,026,517	40,278,762

	Fiscal Year Ended					Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	December 29, 2009	December 30, 2008	April 2, 2013 (unaudited)	April 3, 2012 (unaudited)
	(in thousands, except share and per share data)						
Selected Operating Data:							
Company-owned restaurants at end of period	276	239	212	186	166	284	245
Franchise-owned restaurants at end of period	51	45	43	43	37	51	45
Company-owned:							
Average unit volumes[2]	$ 1,178	$ 1,147	$ 1,126	$ 1,098	$ 1,125	$ 1,180	$ 1,161
Comparable restaurant sales[3]	5.2%	4.2%	3.2%	0.4%	5.6%	2.2%	6.8%
Restaurant contribution[4]	$ 60,268	$ 51,716	$ 45,315	$ 37,381	$ 33,827	$ 14,968	$ 13,726
as a percentage of restaurant revenue	20.3%	20.4%	20.7%	19.7%	20.1%	18.6%	19.8%
EBITDA[5]	$ 30,125	$ 26,242	$ 17,763	$ 17,565	$ 13,321	$ 7,373	$ 7,213
Adjusted EBITDA[5]	$ 36,283	$ 30,488	$ 26,472	$ 20,375	$ 16,681	$ 8,187	$ 7,952
as a percentage of revenue	12.1%	11.9%	12.0%	10.6%	9.8%	10.1%	11.4%

	As of						
	January 1, 2013	January 3, 2012	December 28, 2010	December 29, 2009	December 30, 2008	April 2, 2013	April 3, 2012
				(in thousands)			
Balance Sheet Data[6]:							
Total current assets	$ 16,154	$ 12,879	$ 214,498	$ 8,727	$ 11,174	$ 17,367	$ 12,246
Total assets	156,995	126,325	311,148	95,764	88,579	166,054	131,177
Total current liabilities	23,760	20,557	213,664	17,342	16,128	24,860	21,026
Total long-term debt	93,731	77,523	77,030	33,838	34,488	99,509	80,153
Total liabilities	142,987	118,802	309,070	67,214	64,931	150,709	122,196
Temporary equity	3,601	2,572	2,572	—	—	3,601	2,572
Total stockholders' equity	10,407	4,951	(494)	28,550	23,648	11,744	6,409

* Not meaningful.

(1) 2010 included $3.7 million of non-cash stock-based compensation expense and $0.3 million of expense for our portion of payroll taxes related to the 2010 Equity Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization. 2012 and 2011 each included $1.0 million of management fee expense and the first quarter of 2013 and 2012 each included $250,000 of management fee expense, in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of the one outstanding share of our Class C common stock. The one share of Class C common stock will be redeemed upon the closing of this offering.

(2) AUVs consist of average annualized sales of all company-owned restaurants over the trailing 12 periods in a typical operating year.

(3) Comparable restaurant sales represent year-over-year sales for restaurants open for at least 18 full periods.

(4) Restaurant contribution represents restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs.

(5) EBITDA and adjusted EBITDA are supplemental measures of operating performance that do not represent and should not be considered as alternatives to net income or cash flow from operations, as determined by US GAAP, and our calculation thereof may not be comparable to that reported by other companies. These measures are presented because we believe that investors' understanding of our performance is enhanced by including these non-GAAP financial measures as a reasonable basis for evaluating our ongoing results of operations.

EBITDA is calculated as net income before interest expense, provision (benefit) for income taxes and depreciation and amortization. Adjusted EBITDA further adjusts EBITDA to reflect the additions and eliminations described in the table below.

EBITDA and adjusted EBITDA are presented because: (i) we believe they are useful measures for investors to assess the operating performance of our business without the effect of non-cash charges such as depreciation and amortization expenses and asset disposals, closure costs and restaurant impairments and (ii) we use adjusted EBITDA internally as a benchmark for certain of our cash incentive plans and to evaluate our operating performance or compare our performance to that of our competitors. The use of adjusted EBITDA as a performance measure permits a comparative assessment of our operating performance relative to our performance based on our US GAAP results, while isolating the effects of some items that vary from period to period without any correlation to core operating performance or that vary widely among similar companies. Companies within our industry exhibit significant variations with respect to capital structures and cost of capital (which affect interest expense and income tax rates) and differences in book depreciation of property, plant and equipment (which affect relative depreciation expense), including significant differences in the depreciable lives of similar assets among various companies. Our management believes that adjusted EBITDA facilitates company-to-company comparisons within our industry by eliminating some of these foregoing variations. Adjusted EBITDA as presented may not be comparable to other similarly-titled measures of other companies, and our presentation of adjusted EBITDA should not be construed as an inference that our future results will be unaffected by excluded or unusual items.

Because of these limitations, EBITDA and adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with US GAAP. We compensated for these limitations by relying primarily on our US GAAP results and using EBITDA and adjusted EBITDA only supplementally. Our management recognizes that EBITDA and adjusted EBITDA have limitations as analytical financial measures, including the following:

- EBITDA and adjusted EBITDA does not reflect our capital expenditures or future requirements for capital expenditures;
- EBITDA and adjusted EBITDA do not reflect interest expense, or the cash requirements necessary to service interest or principal payments, associated with our indebtedness;

- EBITDA and adjusted EBITDA do not reflect depreciation and amortization, which are non-cash charges, although the assets being depreciated and amortized will likely have to be replaced in the future, and do not reflect cash requirements for such replacements;
- Adjusted EBITDA does not reflect the cost of stock-based compensation; and
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs.

A reconciliation of net income to EBITDA and adjusted EBITDA is provided below:

	Fiscal Year Ended					Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	December 29, 2009	December 30, 2008	April 2, 2013	April 3, 2012
				(in thousands)			
Net income	$ 5,163	$ 3,829	$ 2,378	$ 1,067	$ 143	$ 924	$ 1,291
Depreciation and amortization	16,719	14,501	13,932	13,315	11,283	4,801	3,732
Interest expense	5,028	6,132	1,819	1,840	1,342	1,053	1,284
Provision for income taxes	3,215	1,780	(366)	1,343	553	595	906
EBITDA	$ 30,125	$ 26,242	$ 17,763	$ 17,565	$ 13,321	$ 7,373	$ 7,213
Debt extinguishment expense	2,646	275	—	—	—		
Asset disposals, closure costs and restaurant impairment	1,278	1,629	2,815	1,070	1,273	201	180
Management fees[(a)]	1,000	1,014	—	—	—	250	250
Stock-based compensation expense[(b)]	1,234	1,328	5,894	1,740	2,087	363	309
Adjusted EBITDA	$ 36,283	$ 30,488	$ 26,472	$ 20,375	$ 16,681	$ 8,187	$ 7,952

(a) 2012 and 2011 each included $1.0 million of management fee expense and the first quarter of 2013 and 2012 each included $250,000 of management fee expense, in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of the one outstanding share of our Class C common stock.

(b) 2010 included $3.7 million of non-cash stock-based compensation expense and $0.3 million of expense for our portion of payroll taxes related to the 2010 Equity Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization.

(6) As of December 28, 2010 the consolidated balance sheet included $189.4 million in restricted cash and current liabilities that were temporarily held due to timing of the 2010 Equity Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with "Selected Consolidated Financial Data" and our consolidated financial statements and related notes appearing elsewhere in this prospectus. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors including, but not limited to, those discussed in "Special Note Regarding Forward-Looking Statements," "Risk Factors" and elsewhere in this prospectus.

We operate on a 52 or 53 week fiscal year ending on the Tuesday closest to December 31. Fiscal years 2012 and 2010, which ended on January 1, 2013 and December 28, 2010, respectively, each contained 52 weeks. Fiscal year 2011, which ended on January 3, 2012, contained 53 weeks. We refer to our fiscal years as 2012, 2011 and 2010. Our fiscal quarters each contained 13 operating weeks, with the exception of the fourth quarter of 2011, which had 14 operating weeks.

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Highlights and Trends

Restaurant Development. New restaurants have contributed substantially to our revenue growth, and in 2012 we opened 39 new company-owned restaurants and six franchise restaurants. We also had one restaurant relocation and one closure, resulting in a net increase of 43 restaurants. Our growth rate of 15.1% in 2012 continued a track record of over 10% annual restaurant growth for each of the past 10 years. In 2013 we anticipate opening between 38 and 42 company-owned restaurants and between six and eight franchise restaurants, including the 13 company-owned restaurants we have opened as of April 30, 2013.

Comparable Restaurant Sales. Comparable restaurant sales increased by 5.4% system wide in 2012, which was comprised primarily of traffic growth and a 1.3% menu price increase. The restaurant industry is impacted significantly by trends in consumer spending, and due to the uncertain economic environment, combined with our own difficult year-over-year comparisons, we may not experience such robust comparable restaurant sales growth in 2013.

Your World Kitchen. In 2012, we began using "Your World Kitchen" to describe the breadth of our offering and our guests' dining experience. We believe this description captures the breadth of our menu and defines our guests' experience. Restaurants that tested this interior signage saw an increase in AUVs and we recently completed installation in all of our company-owned restaurants.

Key Measures We Use to Evaluate Our Performance

To evaluate the performance of our business, we utilize a variety of financial and performance measures. These key measures include revenue, AUVs, comparable restaurant sales, restaurant contribution, EBITDA and adjusted EBITDA.

Revenue

Restaurant revenue represents sales of food and beverages in company-owned restaurants. Several factors affect our restaurant revenue in any period, including the number of restaurants in operation and per restaurant sales.

Franchise royalties and fees represent royalty income and initial franchise fees. While we expect that the majority of our revenue and net income growth will be driven by company-owned restaurants, our franchise restaurants remain an important part of our financial success.

Average Unit Volumes

AUVs consist of the average annualized sales of all company-owned restaurants for the trailing 12 periods over a certain time frame. AUVs are calculated by dividing restaurant revenue by the number of operating days within each time period and multiplying by 361, which is equal to the number of operating days we have in a typical year. This measurement allows management to assess changes in consumer traffic and per person spending patterns at our restaurants.

Comparable Restaurant Sales

Comparable restaurant sales refer to year-over-year sales comparisons for the comparable restaurant base. We define the comparable restaurant base to include restaurants open for at least 18 full periods. As of 2012, 2011 and 2010, there were 216, 192 and 174 restaurants, respectively, in our comparable restaurant base. This measure highlights performance of existing restaurants, as the impact of new restaurant openings is excluded. Comparable restaurant sales growth is generated by increases in traffic, which we calculate as the number of entrees sold, or changes in per person spend, calculated as sales divided by traffic. Per person spend can be influenced by changes in menu prices and the mix and number of items sold per person.

While we believe most of our increases in restaurant revenue will come from opening new restaurants, we will continue to focus on ways to increase comparable restaurant sales. For additional information about how we intend to do that, see the discussion at "Business—Improving Our Performance."

Measuring our comparable restaurant sales allows us to evaluate the performance of our existing restaurant base. Various factors impact comparable restaurant sales, including:

- consumer recognition of our brand and our ability to respond to changing consumer preferences;
- overall economic trends, particularly those related to consumer spending;
- our ability to operate restaurants effectively and efficiently to meet consumer expectations;
- pricing;
- per person spend and average check amount;
- marketing and promotional efforts;
- local competition;
- trade area dynamics;
- introduction of new and seasonal menu items and LTOs; and
- opening of new restaurants in the vicinity of existing locations.

As a result of the 53-week fiscal year 2011, our fiscal year 2012 began one week later than our fiscal year 2011. Consistent with common industry practice, we present comparable restaurant sales on a calendar-adjusted basis that aligns current year sales weeks with comparable periods in the prior year, regardless of whether they belong to the same fiscal period or not. Since opening new company-owned and franchise restaurants is an important part of our growth strategy, and we anticipate new restaurants will be a significant component of our revenue growth, comparable restaurant sales are only one measure of how we evaluate our performance.

Restaurant Contribution

Restaurant contribution is defined as restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs. We expect restaurant contribution to increase in proportion to the number of new restaurants we open and our comparable restaurant sales

growth. Fluctuations in restaurant contribution margin can also be attributed to those factors discussed above for the components of restaurant operating costs.

EBITDA and Adjusted EBITDA

We define EBITDA as net income before interest expense, provision (benefit) for income taxes and depreciation and amortization. We define adjusted EBITDA as net income before interest expense, debt extinguishment expense, provision (benefit) for income taxes, asset disposals, closure costs and restaurant impairments, depreciation and amortization, stock-based compensation and management fees.

EBITDA and Adjusted EBITDA provides clear pictures of our operating results by eliminating certain non-cash expenses that are not reflective of the underlying business performance. We use these metrics to facilitate a comparison of our operating performance on a consistent basis from period to period and to analyze the factors and trends affecting our business.

The following table presents a reconciliation of net income to EBITDA and adjusted EBITDA:

	Fiscal Year Ended					Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	December 29, 2009	December 30, 2008	April 2, 2013 (unaudited)	April 3, 2012 (unaudited)
				(in thousands)			
Net income	$ 5,163	$ 3,829	$ 2,378	$ 1,067	$ 143	$ 924	$ 1,291
Depreciation and amortization	16,719	14,501	13,932	13,315	11,283	4,801	3,732
Interest expense	5,028	6,132	1,819	1,840	1,342	1,053	1,284
Provision (benefit) for income taxes	3,215	1,780	(366)	1,343	553	595	906
EBITDA	$ 30,125	$ 26,242	$ 17,763	$ 17,565	$ 13,321	$ 7,373	$ 7,213
Debt extinguishment expense	2,646	275	—	—	—	—	—
Asset disposals, closure costs and restaurant impairment	1,278	1,629	2,815	1,070	1,273	201	180
Management fees[(a)]	1,000	1,014	—	—	—	250	250
Stock-based compensation expense	1,234	1,328	5,894	1,740	2,087	363	309
Adjusted EBITDA	$ 36,283	$ 30,488	$ 26,472	$ 20,375	$ 16,681	$ 8,187	$ 7,952

(a) 2012 and 2011 each included $1.0 million of management fee expense and the first quarter of 2013 and 2012 each included $250,000 of management fee expense in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of the one outstanding share of our Class C common stock.

(b) 2010 included $3.7 million of non-cash stock-based compensation expense and $0.3 million of expense for our portion of payroll taxes related to the 2010 Equity Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization.

Key Financial Definitions

Cost of Sales

Cost of sales includes the direct costs associated with the food, beverage and packaging of our menu items. Cost of sales also includes any costs related to discounted menu items. Cost of sales is a substantial expense and can be expected to grow proportionally as our restaurant revenue grows. Fluctuations in cost of sales are caused primarily by volatility in the cost of commodity food items and related contracts for such items. Other important factors causing fluctuations in cost of sales include seasonality, discounting activity and restaurant level management of food waste.

Labor Costs

Labor costs include wages, payroll taxes, workers' compensation expense, benefits and bonuses paid to our management teams. Like other expense items, we expect labor costs to grow proportionally as our restaurant revenue grows. Factors that influence fluctuations in our labor costs include minimum wage and payroll tax legislation, the frequency and severity of workers' compensation claims, health care costs and the performance of our restaurants.

Occupancy Costs

Occupancy costs include rent, common area maintenance and real estate tax expense related to our restaurants and is expected to grow proportionally as we open new restaurants.

Other Restaurant Operating Costs

Other restaurant operating costs include the costs of utilities, restaurant-level marketing, credit card processing fees, restaurant supplies, repairs and maintenance and other restaurant operating costs. Like other costs, it is expected to grow proportionally as restaurant revenue grows.

General and Administrative Expense

General and administrative expense is composed of payroll, other compensation, travel, marketing, accounting fees, legal fees and other expenses related to the infrastructure required to support our restaurants. General and administrative expense also includes the non-cash stock compensation expense related to our employee stock incentive plan. General and administrative expense can be expected to grow as we grow, including incremental legal, accounting, insurance and other expenses incurred as a public company.

Depreciation and Amortization

Our principal depreciation and amortization charges relate to depreciation of fixed assets, including leasehold improvements and equipment, from restaurant construction and ongoing maintenance.

Pre-Opening Costs

Pre-opening costs relate to the costs incurred prior to the opening of a restaurant. These include management labor costs, staff labor costs during training, food and supplies utilized during training, marketing costs and other related pre-opening costs. Pre-opening costs also include rent recorded between date of possession and opening date for our restaurants.

Asset Disposals, Closure Costs and Restaurant Impairments

Asset disposals, closure costs and restaurant impairments include the loss on disposal of assets related to retirements and replacement of leasehold improvements or equipment, non-cash restaurant closure and impairment charges.

Debt Extinguishment

In July 2012, we amended our credit facility to extend the maturity date and to reduce interest rates on borrowings. As a result of this amendment, a portion of the existing and new fees were treated as debt extinguishment. In 2011, we wrote off debt issuance costs related to our credit facility.

Interest Expense

Interest expense consists primarily of interest on our outstanding indebtedness. Debt issuance costs are amortized at cost over the life of the related debt.

Provision for Income Taxes

Provision for income taxes consists of federal, state and local taxes on our income.

Restaurant Openings, Closures and Relocations

The following table shows restaurants opened, closed or relocated in the years indicated.

	Fiscal Year Ended			Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013	April 3, 2012
Company-Owned Restaurant Activity					
Beginning of period	239	212	186	276	239
Openings	39	28	28	9	6
Closures and relocations[(1)]	(2)	(1)	(2)	(1)	—
Restaurants at end of period	276	239	212	284	245
Franchise Restaurant Activity					
Beginning of period	45	43	43	51	45
Openings	6	2	—	—	—
Closures and relocations[(1)]	—	—	—	—	—
Restaurants at end of period	51	45	43	51	45
Total restaurants	327	284	255	335	290

(1) We account for relocated restaurants under both restaurant openings and closures and relocations. During both 2012 and 2010 we closed one restaurant and relocated another restaurant. In fiscal 2011 and the first quarter of 2013, we closed one restaurant at the end of its lease term.

Results of Operations

The following table summarizes key components of our results of operations for the periods indicated as a percentage of our total revenue, except for the components of restaurant operating costs, which are expressed as a percentage of restaurant revenue. Fiscal years 2012 and 2010 contained 52 operating weeks and fiscal year 2011 contained 53 operating weeks. Each fiscal quarter contained 13 weeks.

	Fiscal Year Ended			Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013	April 3, 2012
Revenue:					
Restaurant revenue	99.0%	99.0%	99.0%	99.1%	99.0%
Franchising royalties and fees	1.0	1.0	1.0	0.9	1.0
Total revenue	100.0	100.0	100.0	100.0	100.0
Costs and Expenses:					
Restaurant Operating Costs (exclusive of depreciation and amortization shown separately below):(1)					
Cost of sales	26.6	26.2	26.0	26.5	26.3
Labor	30.1	29.8	29.7	30.8	30.0
Occupancy	9.9	9.9	9.9	10.4	10.0
Other restaurant operating costs	13.2	13.7	13.6	13.7	13.8
General and administrative(2)	8.7	9.3	11.3	8.9	9.2
Depreciation and amortization	5.6	5.7	6.3	5.9	5.3
Pre-opening	1.0	0.9	0.9	1.1	0.8
Asset disposals, closure costs and restaurant impairments	0.4	0.6	1.3	0.2	0.3
Total costs and expenses	94.7	95.3	98.3	96.8	95.0
Income from operations	5.3	4.7	1.7	3.2	5.0
Debt extinguishment expense	0.9	0.1	—	—	—
Interest expense	1.7	2.4	0.8	1.3	1.8
Income before income taxes	2.8	2.2	0.9	1.9	3.1
Provision (benefit) for income taxes	1.1	0.7	(0.2)	0.7	1.3
Net income	1.7%	1.5%	1.1%	1.1%	1.8%

(1) As a percentage of restaurant revenue.

(2) 2010 included $3.7 million of non-cash stock-based compensation expense and $0.3 million of our portion of payroll taxes related to the 2010 Equity Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization. 2012 and 2011 each included $1.0 million of management fee expense and the first quarter of 2013 and 2012 included $250,000 of management fee expense, in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of the one outstanding share of our Class C common stock.

Fiscal Quarter Ended April 2, 2013, compared to Fiscal Quarter Ended April 3, 2012

Our fiscal quarters each contain thirteen weeks with the exception of the fourth quarter of a 53 week fiscal year, which contains fourteen weeks. The table below presents our unaudited operating results for the first quarter of 2013 and 2012, and the related quarter-over-quarter changes:

	Fiscal Quarter Ended		Increase/ (Decrease)	
	April 2, 2013	April 3, 2012	$	%
	(in thousands, except percentages)			
Statements of Income Data:				
Revenue:				
Restaurant revenue	$ 80,518	$ 69,198	$ 11,320	16.4%
Franchising royalties and fees	762	690	72	10.4
Total revenue	81,280	69,888	11,392	16.3
Costs and expenses:				
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	21,301	18,230	3,071	16.8
Labor	24,830	20,753	4,077	19.6
Occupancy	8,359	6,936	1,423	20.5
Other restaurant operating costs	11,060	9,553	1,507	15.8
General and administrative	7,235	6,442	793	12.3
Depreciation and amortization	4,801	3,732	1,069	28.6
Pre-opening	921	581	340	58.5
Asset disposals, closure costs and restaurant impairments	201	180	21	11.7
Total costs and expenses	78,708	66,407	12,301	18.5
Income from operations	2,572	3,481	(909)	(26.1)
Interest expense	1,053	1,284	(231)	(18.0)
Income before income taxes	1,519	2,197	(678)	(30.9)
Provision for income taxes	595	906	(311)	(34.3)
Net income	$ 924	$ 1,291	$ (367)	(28.4)%

Revenue

Restaurant revenue increased by $11.3 million in the first quarter of 2013 compared to the same period of 2012. Restaurants not in the comparable restaurant base accounted for $9.9 million of this increase, with the balance attributed to growth in comparable restaurant sales. Comparable restaurant sales increased by $1.4 million, or 2.2% in the first quarter of 2013 compared to the same period in 2012, composed primarily of increases in traffic at our comparable base restaurants.

Franchise royalties and fees increased by $72,000 due to additional restaurant sales from the six franchise restaurants opened in 2012.

Cost of Sales

Cost of sales increased by $3.1 million in the first quarter of 2013 compared to the same period of 2012, due primarily to the increase in restaurant revenue in the first quarter of 2013. As a percentage of restaurant revenue, cost of sales increased to 26.5% in the first quarter of 2013 from 26.3% in first quarter of 2012. The increase in cost of sales was the result of food cost inflation, partially offset by a minimal increase in menu pricing.

Labor Costs

Labor costs increased by $4.1 million in the first quarter of 2013 compared to the same period of 2012, due primarily to the increase in restaurant revenue in the first quarter of 2013. As a percentage of restaurant revenue, labor costs increased to 30.8% in the first quarter of 2013 from 30.0% in the first quarter of 2012. The increase in labor cost percentage was driven by increased health insurance expense and workers compensation expense, offset partially by increases in AUVs.

Occupancy Costs

Occupancy costs increased by $1.4 million in the first quarter of 2013 compared to the first quarter of 2012, due primarily to 39 net restaurants opened since the first quarter of 2012. Occupancy costs as a percentage of restaurant revenue increased to 10.4% in the first quarter of 2013, compared to 10.0% in the first quarter of 2012. The increase was due to new restaurant occupancy costs relative to comparable base restaurants and the loss of sales due to a holiday shift in the first quarter of 2013.

Other Restaurant Operating Costs

Other restaurant operating costs increased by $1.5 million in the first quarter of 2013 compared to the first quarter of 2012, due primarily to increased restaurant revenue in the first quarter of 2013. As a percentage of restaurant revenue, other restaurant operating costs declined to 13.7% in the first quarter of 2013 from 13.8% in the first quarter of 2012. The decline as a percentage of restaurant revenue was the result of leverage on increased AUVs on partially fixed costs.

General and Administrative Expense

General and administrative expense increased by $0.8 million in the first quarter of 2013 compared to the first quarter of 2012, due primarily to costs associated with supporting an increased number of restaurants. As a percentage of revenue, general administrative expense decreased to 8.9% in the first quarter of 2013 from 9.2% in the first quarter of 2012 due to increasing revenue without proportionate increases in general and administrative costs or administrative personnel. General and administrative expense includes $0.4 million and $0.3 million of stock-based compensation expense in the first quarter of 2013 and 2012, respectively and $0.3 million of management fees in the first quarter of both 2013 and 2012.

In conjunction with the closing of this offering, we will recognize approximately $1.5 million of non-cash stock-based compensation expense related to accelerated vesting of the majority of our unvested outstanding stock options.

Depreciation and Amortization

Depreciation and amortization increased by $1.1 million in the first quarter of 2013 compared to the first quarter of 2012, due primarily to the increase in the number of restaurants. As a percentage of revenue, depreciation and amortization increased to 5.9% in the first quarter of 2013, compared to 5.3% in the first quarter of 2012 due to depreciation on new restaurants and initiatives, partially offset by leverage on increased AUVs.

Pre-Opening Costs

Pre-opening costs increased by $0.3 million in the first quarter of 2013 compared to the first quarter of 2012, due to an increase in the number of restaurants opened in the quarter as well as increased pre-opening costs for restaurants scheduled to open in the subsequent quarter when compared to 2012. As a percentage of revenue, pre-opening costs increased to 1.1% in the first quarter of 2013 compared to 0.8% in the first quarter of 2012 due to the timing of restaurant openings.

Asset Disposals, Closure Costs, and Restaurant Impairments

Asset disposals, closure costs, and restaurant impairments increased by $21,000 in the first quarter of 2013 compared to the first quarter of 2012 due primarily to disposal of assets related to standard asset replacements and initiatives.

Interest Expense

Interest expense decreased by $0.2 million in the first quarter of 2013 compared to the same period of 2012. The decrease was driven by more favorable borrowing rates in the first quarter of 2013 compared to the first quarter of 2012, offset by higher average borrowings.

Provision for Income Taxes

Provision for income taxes decreased by $0.3 million in the first quarter of 2013 compared to the first quarter of 2012 primarily due to a decrease in pre-tax net income in the first quarter of 2013 from the comparable quarter of 2012.

Fiscal Year Ended January 1, 2013 compared to Fiscal Year Ended January 3, 2012

Fiscal year 2012 contained 52 operating weeks and fiscal year 2011 contained 53 operating weeks. The table below presents our operating results for 2012 and 2011, and the related year-over-year changes:

	Fiscal Year Ended		Increase / (Decrease)	
	January 1, 2013	January 3, 2012	$	%
	(in thousands, except percentages)			
Statements of Income Data:				
Revenue:				
Restaurant revenue	$ 297,264	$ 253,467	$ 43,797	17.3%
Franchising royalties and fees	3,146	2,599	547	21.0
Total revenue	300,410	256,066	44,344	17.3
Costs and Expenses:				
Restaurant Operating Costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	78,997	66,419	12,578	18.9
Labor	89,435	75,472	13,963	18.5
Occupancy	29,323	25,208	4,115	16.3
Other restaurant operating costs	39,241	34,652	4,589	13.2
General and administrative[(1)]	26,220	23,842	2,378	10.0
Depreciation and amortization	16,719	14,501	2,218	15.3
Pre-opening	3,145	2,327	818	35.2
Asset disposals, closure costs and restaurant impairments	1,278	1,629	(351)	(21.5)
Total costs and expenses	284,358	244,050	40,308	16.5
Income from operations	16,052	12,016	4,036	33.6
Debt extinguishment expense	2,646	275	2,371	*
Interest expense	5,028	6,132	(1,104)	(18.0)
Income before income taxes	8,378	5,609	2,769	49.4
Provision for income taxes	3,215	1,780	1,435	80.6
Net income	$ 5,163	$ 3,829	$ 1,334	34.8%

* Not meaningful.

(1) 2012 and 2011 each included $1.0 million of management fee expense in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of the one outstanding share of our Class C common stock.

Revenue

Restaurant revenue increased by $43.8 million in 2012 compared to 2011. Restaurants not in the comparable restaurant base accounted for $30.8 million of this increase, with the balance attributed to growth in comparable restaurant sales. Comparable restaurant sales increased by $13.0 million or 5.2% in 2012, composed primarily of increases in traffic at our comparable base restaurants.

Franchise royalties and fees increased by $0.5 million due to six new restaurant openings and increased comparable restaurant sales of 6.2% during 2012.

The impact of 2011 having an additional operating week was approximately $4.8 million in total revenue.

Cost of Sales

Cost of sales increased by $12.6 million in 2012 compared to 2011, due primarily to the increase in restaurant revenue in 2012. As a percentage of restaurant revenue, cost of sales increased to 26.6% in 2012 from 26.2% in 2011. This increase was primarily the result of food cost inflation, partially offset by a minimal increase in menu pricing.

Labor Costs

Labor costs increased by $14.0 million in 2012 compared to 2011, due primarily to the increase in restaurant revenue in 2012. As a percentage of restaurant revenue, labor costs increased to 30.1% in 2012 from 29.8% in 2011. The increase in labor cost percentage was driven by increased workers' compensation expense and payroll tax rates, offset partially by increases in AUVs.

Occupancy Costs

Occupancy costs increased by $4.1 million in 2012 compared to 2011, due primarily to new restaurants opened in each of these years. As a percentage of restaurant revenue, occupancy costs remained constant year-over-year at 9.9%. Increases in common area maintenance, real estate tax and new restaurant occupancy costs relative to comparable base restaurants were offset by leverage from increased AUVs.

Other Restaurant Operating Costs

Other restaurant operating costs increased by $4.6 million in 2012 compared to 2011, due primarily to the increase in restaurant revenue in 2012. As a percentage of restaurant revenue, other restaurant operating costs declined to 13.2% in 2012 from 13.7% in 2011. The decrease in other restaurant operating cost percentage was the result of leverage of increased AUVs on partially fixed costs, as well as lower than typical utility costs due to a mild winter in early 2012.

General and Administrative Expense

General and administrative expense increased by $2.4 million in 2012 compared to 2011, due primarily to costs associated with supporting an increased number of restaurants. As a percentage of revenue, general and administrative expense decreased to 8.7% in 2012 from 9.3% in 2011 due to increasing revenue without proportionate increases in general and administrative expense or administrative personnel. General and administrative expense includes $1.2 million and $1.3 million of stock-based compensation expense in 2012 and 2011, respectively, and $1.0 million of management fees in both 2012 and 2011.

Depreciation and Amortization

Depreciation and amortization increased by $2.2 million in 2012 compared to 2011, due primarily to an increased number of restaurants. As a percentage of revenue, depreciation and amortization decreased to 5.6% in 2012 from 5.7% in 2011, due to leverage of increased AUVs.

Pre-Opening Costs

Pre-opening costs increased by $0.8 million in 2012 compared to 2011, due to 39 restaurant openings in 2012, compared to 28 in 2011. As a percentage of revenue, pre-opening costs increased to 1.0% in 2012 compared to 0.9% in 2011 due to the increased rate of restaurant unit growth.

Asset Disposals, Closure Costs and Restaurant Impairments

Asset disposals, closure costs and restaurant impairments decreased by $0.4 million in 2012 compared to 2011 due primarily to the impairment of one restaurant in 2011, resulting in $0.7 million of expense. The decrease was offset by the lease termination and other related closing costs of one restaurant closed in 2012.

Debt Extinguishment

Debt extinguishment expense was $2.6 million in 2012, as a result of an amendment to our credit facility to extend the maturity date to July 2017 and reduced interest rates on borrowings. A portion of the existing and new fees were treated as debt extinguishment, which resulted in a non-cash write-off of $2.3 million. In 2011, we wrote off $0.3 million of debt issuance costs related to our credit facility.

Interest Expense

Interest expense decreased by $1.1 million in 2012 compared to 2011. The decrease was primarily due to the favorable borrowing rates resulting from the 2012 amendment to our credit facility, partially offset by increased borrowings to fund our capital expenditures.

Provision for Income Taxes

Provision for income taxes increased by $1.4 million in 2012 compared to 2011, due to the increase in pre-tax net income in 2012 and an increase to our effective income tax rate.

Fiscal Year Ended January 3, 2012 compared to Fiscal Year Ended December 28, 2010

Fiscal year 2011 contained 53 operating weeks and fiscal year 2010 contained 52 operating weeks. The table below presents our operating results for 2011 and 2010, and the related year-over-year changes:

	Fiscal Year Ended		Increase / (Decrease)	
	January 3, 2012	December 28, 2010	$	%
	(in thousands, except percentages)			
Statements of Income Data:				
Revenue:				
Restaurant revenue	$ 253,467	$ 218,560	$ 34,907	16.0%
Franchising royalties and fees	2,599	2,272	327	14.4
Total revenue	256,066	220,832	35,234	16.0
Costs and Expenses:				
Restaurant Operating Costs (exclusive of depreciation and amortization shown separately below):				
Cost of sales	66,419	56,869	9,550	16.8
Labor	75,472	64,942	10,530	16.2
Occupancy	25,208	21,650	3,558	16.4
Other restaurant operating costs	34,652	29,784	4,868	16.3
General and administrative[(1)]	23,842	24,921	(1,079)	(4.3)
Depreciation and amortization	14,501	13,932	569	4.1
Pre-opening	2,327	2,088	239	11.4
Asset disposals, closure costs and restaurant impairments	1,629	2,815	(1,186)	(42.1)
Total costs and expenses	244,050	217,001	27,049	12.5%
Income from operations	12,016	3,831	8,185	*
Debt extinguishment expense	275	—	275	*
Interest expense	6,132	1,819	4,313	*
Income before income taxes	5,609	2,012	3,597	*
Provision (benefit) for income taxes	1,780	(366)	2,146	*
Net income	$ 3,829	$ 2,378	$ 1,451	61.0%

* Not meaningful.

(1) 2010 included $3.7 million of non-cash stock-based compensation expense and $0.3 million of expense for our portion of payroll taxes related to the 2010 Equity Recapitalization. See Note 2 of our consolidated financial statements, Equity Recapitalization. 2012 and 2011 each included $1.0 million of management fee expense in accordance with our management services agreement and through the Class C common stock dividend paid to the holder of the one outstanding share of our Class C common stock.

Revenue

Restaurant revenue increased by $34.9 million in 2011 compared to 2010. Restaurants not in the comparable restaurant base accounted for $25.8 million of this increase, with the balance attributed to growth in comparable restaurant sales. Comparable restaurant sales increased by $9.1 million, or 4.2% in 2011, composed primarily of increases in traffic at our comparable base restaurants. The impact of fiscal 2011 having an additional operating week was approximately $4.8 million in total revenue.

Franchise royalties and fees increased by $0.3 million due to two new restaurant openings and a 7.6% increase in comparable restaurant sales.

Cost of Sales

Cost of sales increased by $9.6 million in 2011 compared to 2010, due primarily to the increase in restaurant revenue in 2011. As a percentage of restaurant revenue, cost of sales increased to 26.2% in 2011 from 26.0% in 2010. This increase was primarily the result of food cost inflation, partially offset by a minimal increase in menu pricing.

Labor Costs

Labor costs increased by $10.5 million in 2011 compared to 2010, due primarily to the increase in restaurant revenue in 2011. As a percentage of restaurant revenue, labor costs increased to 29.8% in 2011 from 29.7% in 2010. The increase in labor cost percentage of restaurant revenue was driven by increased workers' compensation expense and payroll tax rates, offset partially by increased AUVs.

Occupancy Costs

Occupancy costs increased by $3.6 million in 2011 compared to 2010, due primarily to new restaurants opened in each year. As a percentage of restaurant revenue, occupancy costs remained constant year-over-year at 9.9%. Increases from common area maintenance, real estate tax and new restaurant occupancy costs relative to comparable base restaurants were offset by leverage from increased AUVs.

Other Restaurant Operating Costs

Other restaurant operating costs increased by $4.9 million in 2011 compared to 2010, due primarily to increased restaurant revenue. As a percentage of restaurant revenue, other restaurant operating costs increased to 13.7% in 2011 from 13.6% in 2010, due primarily to increased credit card processing fees partially offset by increased AUVs.

General and Administrative Expense

General and administrative expense decreased by $1.1 million in 2011 compared to 2010. The decrease is due primarily to $3.7 million in non-cash stock-based compensation charges which occurred in 2010 and did not repeat in 2011, offset by $1.0 million in management fee expense in 2011 which did not exist in 2010. Excluding these items, general and administrative expense increased by $1.6 million in 2011 compared to 2010, due primarily to costs associated with supporting an increased number of restaurants. As a percentage of revenue, general and administrative expense decreased to 9.3% in 2011 from 11.3% in 2010, primarily due to the decrease in stock-based compensation and increasing revenue without proportionate increases in general and administrative expense or administrative personnel.

Depreciation and Amortization

Depreciation and amortization expense increased by $0.6 million in 2011 compared to 2010, due primarily to the increase in number of restaurants. As a percentage of revenue, depreciation and amortization decreased to 5.7% in 2011 from 6.3% in 2010, primarily due to leverage of increased AUVs and certain assets being fully depreciated.

Pre-Opening Costs

Pre-opening costs increased by $0.2 million in 2011 compared to 2010. This increase was due to the recording of pre-opening rent in the fourth quarter of 2011 for those restaurants that opened in the first quarter of 2012. As a percentage of revenue, pre-opening costs were constant year-over-year at 0.9%.

Asset Disposals, Closure Costs and Restaurant Impairments

Asset disposals, closure costs and restaurant impairments decreased by $1.2 million in 2011 compared to 2010 due primarily to the impairment of three restaurants in 2010, compared to the impairment of one restaurant in 2011.

Debt Extinguishment Expense

We wrote off $0.3 million of debt extinguishment expense related to our credit facility.

Interest Expense

Interest expense increased by $4.3 million in 2011 compared to 2010. The increase was due to higher interest rates and higher average debt outstanding in 2011 compared to 2010. In February of 2011, we refinanced our credit facility, resulting in increased borrowing capacity and higher interest rates. We also received bridge financing in the 2010 Equity Recapitalization, resulting in non-cash paid-in-kind interest ("PIK") charges in 2011 of $0.9 million.

Provision for Income Taxes

Provision for income taxes increased by $2.1 million in 2011 compared to 2010 primarily due to the impact of the 2010 Equity Recapitalization on our income tax provision in 2010.

Quarterly Financial Data

The following table presents select historical quarterly consolidated statements of operations data and other operations data through April 2, 2013. This quarterly information has been prepared using our unaudited consolidated financial statements and includes all adjustments consisting only of normal recurring adjustments necessary for a fair presentation of the results of the interim periods.

	Quarter Ended							
	April 2, 2013	Jan. 1, 2013	Oct. 2, 2012	July 3, 2012	April 3, 2012	Jan. 3, 2012	Sept. 27, 2011	June 28, 2011
	(in thousands)							
Total revenue	$ 81,280	$ 77,929	$ 77,099	$ 75,494	$ 69,888	$ 70,491	$ 64,530	$ 62,992
Net income	924	1,559	133	2,180	1,291	(66)	1,995	1,720
Selected Operating Data:								
Company-owned restaurants at end of period	284	276	261	253	245	239	219	216
Franchise-owned restaurants at end of period	51	51	48	46	45	45	44	43
Company-owned:								
Average unit volumes[1]	1,180	1,178	1,175	1,170	1,161	1,147	1,137	1,130
Comparable restaurant sales[2]	2.2%	4.2%	3.4%	6.8%	6.8%	5.4%	5.2%	2.0%
Restaurant contribution as a percentage of restaurant revenue[3]	18.6%	20.3%	20.0%	20.9%	19.8%	19.9%	21.2%	21.6%

(1) AUVs consist of average annualized sales of all company-owned restaurants over the trailing 12 periods in a typical operating year.

(2) Comparable restaurant sales represent year-over-year sales for restaurants open for at least 18 full periods.

(3) Restaurant contribution represents restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs.

Seasonal factors cause our revenue to fluctuate from quarter to quarter. Our revenue per restaurant is typically lower in the first and fourth quarters due to reduced winter and holiday traffic and higher in the second and third quarters. As a result of these factors, our quarterly and annual operating results and comparable restaurant sales may fluctuate significantly.

Liquidity and Capital Resources

Potential Impacts of Market Conditions on Capital Resources

We have continued to experience positive trends in consumer traffic and increases in comparable restaurant sales, operating cash flows and restaurant contribution margin. However, the restaurant industry continues to be challenged and uncertainty exists as to the sustainability of these favorable trends. We have continued to implement various cost savings initiatives, including savings in our food costs through waste reduction and efficiency initiatives in our supply chain and labor costs. We have developed new menu items to appeal to consumers and used marketing campaigns to promote these items.

We believe that expected cash flow from operations, proceeds from this offering and planned borrowing capacity are adequate to fund debt service requirements, operating lease obligations, capital expenditures and working capital obligations for the next 12 periods. However, our ability to continue to meet these requirements and obligations will depend on, among other things, our ability to achieve anticipated levels of revenue and cash flow and our ability to manage costs and working capital successfully.

Summary of Cash Flows

Our primary sources of liquidity and cash flows are operating cash flows and borrowings on our revolving line of credit. We use this cash to fund capital expenditures for new restaurant openings, reinvest in our existing restaurants, invest in infrastructure and information technology and maintain working capital. Our working capital position benefits from the fact that we generally collect cash from sales to guests the same day, or in the case of credit or debit card transactions, within several days of the related sale, and we typically have at least 30 days to pay our vendors.

Cash flows from operating, investing and financing activities are shown in the following table:

	Fiscal Year Ended			Fiscal Quarter Ended	
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013	April 3, 2012
		(in thousands)			
Net cash provided by operating activities	$ 32,069	$ 27,922	$ 24,605	$ 7,961	$ 6,099
Net cash used in investing activities	(47,384)	(30,047)	(26,933)	(13,342)	(8,742)
Net cash provided by (used in) financing activities	15,373	(10,654)	15,215	5,778	2,582
Cash and cash equivalents at the end of period[(1)]	$ 581	$ 523	$ 13,302	$ 978	$ 462

(1) Cash and cash equivalents for the year ended December 28, 2010 reflected cash received and unpaid related to the 2010 Equity Recapitalization.

Operating Activities

In the first quarter of 2013, net cash provided by operating activities increased by $1.9 million from the first quarter of 2012. Cash generated by increased restaurant revenue accounted for the majority of this change.

Net cash provided by operating activities increased in 2012 from 2011 primarily due to an increase in cash generated from restaurant operations as a result of comparable restaurant sales increases, a decrease in cash paid for interest, which was $4.4 million in 2012 compared to $5.2 million in 2011 and also higher non-cash costs, such as depreciation and amortization, provision for income taxes and write-off of debt issuance costs.

In 2011, net cash provided by operating activities also increased from 2010, primarily due to an increase in cash generated from restaurant operations as a result of comparable restaurant sales increases and normal increases in operating assets and liabilities, offset by an increase in cash paid for interest, which was $5.2 million in 2011 and $1.6 million in 2010.

Investing Activities

Cash used to fund new restaurant capital expenditures for nine new restaurant openings and the roll out of "Your World Kitchen" merchandising drove the increase in net cash used in investing activities in the first quarter of 2013.

Net cash used in investing activities was related almost entirely to new restaurant capital expenditures in 2012, 2011 and 2010, for the opening of 39, 28 and 28 restaurants, respectively. In addition to our standard refresh and remodel investments in 2012, we also invested additional funds in our existing restaurant base as we rolled out our "Your World Kitchen" merchandising.

We estimate that our capital expenditures for 2013 will total between approximately $42 million and $47 million primarily related to the planned opening of between 38 and 42 company-owned restaurants.

Financing Activities

In the first quarter of 2013, net cash provided by financing activities was $5.8 million due to increased borrowings on our credit facility to fund capital expenditures.

Net cash provided by financing activities was $15.4 million in 2012, driven by increased borrowings on our credit facility to fund capital expenditures. In February 2011, we refinanced our credit facility to increase our borrowing capacity to $120.0 million, and in August 2012, we amended the credit facility to provide more favorable borrowing rates and extend borrowing capacity through July 2017.

During 2011, net cash used in financing activities was $10.7 million due to cash payments made related to the 2010 Equity Recapitalization. In connection with our February 2011 refinancing, we repaid $46.0 million of bridge financing and PIK interest on borrowings from new investors in the 2010 transaction, as well as $4.2 million in refinancing fees. Additionally, $6.6 million of employee and employer payroll taxes related to the 2010 Equity Recapitalization were remitted in the first quarter of 2011.

During 2010, net cash provided by financing activities was $15.2 million due primarily to the timing of our equity recapitalization. We received a bridge loan of $45.0 million, offset by a net payment of transaction proceeds and expenses of approximately $28.1 million.

Credit Facility

In February 2011, we refinanced our credit facility to increase its borrowing capacity to $120.0 million, consisting of a $75.0 million senior term loan and a $45.0 million revolving line of credit. The revolving line of credit includes a swing line loan of $5.0 million used to fund everyday working capital requirements. In August 2012, we amended the credit facility to provide more favorable borrowing rates and extend borrowing capacity through July 2017. We had $94.5 million outstanding and $23.1 million available for borrowing under the credit facility as of January 1, 2013.

Borrowings under the credit facility bear interest, at our option, at either (i) LIBOR plus 2.00 to 4.25%, based on the lease-adjusted leverage ratio or (ii) the highest of the following rates plus 1.00 to

3.25%: (a) the federal funds rate plus 0.50%; (b) the Bank of America prime rate or (c) the one month LIBOR plus 1.00%. Prior to the August 2012 amendment, borrowings under the credit facility bore interest, at our option, at either (i) LIBOR plus 4.00 to 5.00%, based on the lease-adjusted leverage ratio or (ii) at the highest of the following rates plus 3.00 to 4.00%: (a) the federal funds rate plus 0.50%; (b) the Bank of America prime rate or (c) the one month LIBOR plus 1.00%. The August 2012 amendment eliminated a 1.25% LIBOR floor on all borrowings. The facility includes a commitment fee of 0.50% per year on any unused portion of the facility. The term loan commitment requires quarterly principal payments of $187,500 through December 2015. We also maintain outstanding letters of credit to secure obligations under our workers' compensation program and certain lease obligations. The letters of credit and quarterly principal payments reduce the amount of future borrowings available under the agreement and aggregated $1.7 million and $750,000, respectively, as of January 1, 2013.

Availability of borrowings under the revolving line of credit is conditioned on our compliance with specified covenants, including a maximum lease-adjusted leverage ratio, a maximum leverage ratio and a minimum consolidated fixed charge coverage ratio. We are subject to a number of other customary covenants, including limitations on additional borrowings, acquisitions, dividend payments and lease commitments. As of April 2, 2013, we were in compliance with all of our debt covenants.

Our credit facility is secured by a pledge of stock of substantially all of our subsidiaries and a lien on substantially all of the personal property assets of us and our subsidiaries.

We intend to use approximately $ million of the net proceeds from this offering to repay borrowings under our credit facility. See "Use of Proceeds."

As required by our credit facility, we entered into two variable-to-fixed interest rate swap agreements covering a portion of its borrowings under the senior term loan in February 2011, see Note 5 of our consolidated financial statements, Derivative Instruments.

Bridge Financing

In conjunction with the February 2011 debt refinancing, we repaid $45.0 million of bridge financing, as well as $977,000 of 12% PIK interest. Noncash PIK interest of $947,000 and $30,000 was accrued and reported as other noncash in the consolidated statements of cash flows in 2011 and 2010, respectively.

Contractual Obligations

Our contractual obligations at April 2, 2013 were as follows:

		Payments Due by Period			
	Total	1 Year	2 - 3 Years	4 - 5 Years	After 5 Years
		(in thousands)			
Lease obligations[1]	219,851	30,827	59,912	51,670	77,442
Purchase commitments[2]	6,899	4,121	2,779	—	—
Credit Facility[3]	2,063	750	1,313	—	—
Long-term debt[3]	97,446	—	—	97,446	—
	326,259	35,698	64,004	149,116	77,442

(1) We are obligated under non-cancelable leases for our restaurants, administrative offices and equipment. Some restaurant leases provide for contingent rental payments based on sales thresholds, which are excluded from this table.

(2) We enter into various purchase obligations in the ordinary course of business. Those that are binding primarily relate to volume commitments for beverage products.

(3) We are required to make quarterly principal payments on our credit facility of $187,500 through December 2015. We have reflected full payment of long-term debt at maturity of our credit facility in 2017. We intend to use a portion of the net proceeds we receive from this offering to repay borrowings under our credit facility. See "Use of Proceeds."

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements or obligations.

Quantitative and Qualitative Disclosure about Market Risk

Interest Rate Risk

We are exposed to market risk from changes in interest rates on debt and changes in commodity prices. Our exposure to interest rate fluctuations is limited to our outstanding bank debt, which bears interest at variable rates. As of January 1, 2013, there was $94.5 million in outstanding borrowings under our credit facility. A plus or minus 1.0% in the effective interest rate applied on these loans would have resulted in a pre-tax interest expense fluctuation of $0.9 million on an annualized basis.

We manage our interest rate risk through normal operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments.

As required by our credit facility and to mitigate exposure to fluctuations in interest rates we entered into two variable-to-fixed interest rate swap agreements covering a portion of the borrowings under our credit facility. The new interest rate swaps were effective April 4, 2011 and mature on April 4, 2013. The swaps were designated as cash flow hedges at inception and were expected to be highly effective in achieving offsetting cash flows attributable to the hedged risk during their respective term. In conjunction with the August 2012 amendment to our credit facility, we ceased the application of hedge accounting on both interest swaps. Fluctuations in market value now flow through interest expense rather than the balance sheet. We are required to make payments based on a fixed rate of 1.59% calculated on a notional amount of $20.0 million and 3.06% calculated on a notional amount of $17.5 million. The fair value of the $20.0 million swap was zero at designation, while the fair value of the $17.5 million swap was a liability of $466,000 at designation, which is reflective of the fair value of the previously terminated swap. In exchange, we receive interest on $20.0 million of notional at a variable rate based on the greater of 1.25% or one-month LIBOR and will receive interest on a notional amount of $17.5 million a variable rate based on the greater of 1.25% or one-month LIBOR. See Note 5 of our consolidated financial statements, Derivative Instruments.

In 2008, we entered into two variable-to-fixed interest rate swap agreements which were subsequently terminated in 2011. A swap with a notional amount of $15.0 million matured at the end of the swap agreement in February 2011. A second interest rate swap on a notional amount of $14.0 million was terminated by us in March 2011. The fair value of the interest rate swap on the date of termination was $466,000 and is being settled through payments on a new interest rate swap with an effective date of April 4, 2011 and a notional amount of $17.5 million. The deferred loss accumulated in other comprehensive income as of the date of termination was amortized over the life of the terminated swap through November 2012, the original term of the terminated swap.

Commodity Price Risk

We purchase certain products that are affected by commodity prices and are, therefore, subject to price volatility caused by weather, market conditions and other factors which are not considered predictable or within our control. Although these products are subject to changes in commodity prices, certain purchasing contracts or pricing arrangements contain risk management techniques designed to minimize price volatility. The purchasing contracts and pricing arrangements we use may result in unconditional purchase obligations, which are not reflected in our consolidated balance sheets. Typically, we use these types of purchasing techniques to control costs as an alternative to directly managing financial instruments to hedge commodity prices. In many cases, we believe we will be able to address material commodity cost increases by adjusting our menu pricing or changing our product delivery strategy.

However, increases in commodity prices, without adjustments to our menu prices, could increase restaurant operating costs as a percentage of company-owned restaurant revenue.

Inflation

The primary inflationary factors affecting our operations are food, labor costs, energy costs and materials used in the construction of new restaurants. Increases in the minimum wage directly affect our labor costs. Many of our leases require us to pay taxes, maintenance, repairs, insurance and utilities, all of which are generally subject to inflationary increases. Finally, the cost of constructing our restaurants is subject to inflationary increases in the costs of labor and material. Over the past five years, inflation has not significantly affected our operating results.

Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of January 1, 2013. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

We have not engaged an independent registered accounting firm to perform an audit of our internal control over financial reporting as of any balance sheet date or for any period reported in our financial statements. Presently, we are not an accelerated filer, as such term is defined by Rule 12b-2 of the Exchange Act and therefore, our management is not presently required to perform an annual assessment of the effectiveness of our internal control over financial reporting. This requirement will first apply to our Annual Report on Form 10-K for the year ending December 30, 2014. Our independent public registered accounting firm will first be required to attest to the effectiveness of our internal control over financial reporting for our Annual Report on Form 10-K for the first year we are no longer an "emerging growth company."

Stock-Based Compensation Expense

We account for stock-based compensation arrangements with our employees and non-employee directors using fair value measurement guidance for all share-based payments, including stock options and awards. All of our option awards are exercisable for common stock. For option awards, expense is recognized over the requisite service period in an amount equal to the fair value of the stock-based awards on the date of grant, determined using the Black-Scholes option-pricing model. Warrants are valued with reference to the fair value of the common stock as of the measurement date. The fair value is then recognized as stock-based compensation expense on a straight-line basis over the requisite service period.

We estimate the fair market value of each option granted using the Black-Scholes option-pricing method, in addition to the estimated value of our equity interests at each reporting date. The Black-Scholes model requires various judgmental assumptions including fair value of the underlying stock, anticipated volatility and expected option life. We calculate expected volatility based on our historical

volatility and future plans, as well as reported data for selected reasonably similar publicly traded companies within the restaurant industry for which the historical information is available. When selecting the public companies within the restaurant industry, we select companies with comparable characteristics to us, including enterprise value, financial leverage, business model, stage of growth and financial risk. The expected life of options granted is management's best estimate using recent and expected transactions.

The assumed dividend yield is based on our expectation that we will not pay dividends in the foreseeable future, which is consistent with our history of not paying dividends. The risk-free interest rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of the grant. In addition, we are required to estimate the expected forfeiture rate and only recognize expense for those options that we expect to vest. We estimate the forfeiture rate based on our historical experience. To the extent our actual forfeiture rate is different from our estimated rate, our stock-based compensation expense is accordingly adjusted using the following weighted-average assumptions, in addition to the estimated value of our common stock for the periods presented in the table below.

	Fiscal Year		
	2012	2011	2010
Risk-free interest	0.4%	1.1%	1.9%
Expected life (years)	3.4	3.7	4.5
Expected dividend yield	—	—	—
Volatility	32.7%	26.2%	29.5%
Weighted-average Black-Scholes fair value per share at date of grant	$ 1.64	$ 1.09	$ 0.99

In 2012, 2011 and 2010, non-cash stock-based compensation expense of $1.2 million, $1.3 million and $5.6 million, respectively, is included in general and administrative expense. Stock-based compensation of $81,000, $75,000 and $83,000 is included in capitalized internal costs in 2012, 2011 and 2010, respectively. We recognized $3.7 million of non-cash stock-based compensation expense in 2010 related to the acceleration of unvested options in accordance with the terms of a merger with a newly organized Delaware subsidiary owned by affiliates of Catterton and PSPIB. In the merger, options covering a total of 8,560,466 shares of Class A common stock were settled for the right to receive cash consideration of $5.00 per share, net of exercise price and income taxes withheld, or equity interests in the surviving entity of equivalent value. The merger provided for acceleration of unvested options immediately prior to the transaction. Accordingly, options to purchase 4,148,571 shares were accelerated.

Determination of the Fair Value of Common Stock

The following table sets forth all stock option grants since December 30, 2009 through the date of this prospectus:

Grant Date	Number of Options Granted[1]	Exercise Price[1]	Common Stock Fair Value Per Share at Grant Date[1]
February 23, 2010	26,547	$ 3.35	$ 3.35
March 22, 2010	1,206,296	3.35	3.35
May 11, 2010	24,208	3.68	3.68
August 10, 2010	19,785	4.50	4.50
December 27, 2010	4,195,600	5.00	5.00
January 21, 2011	300,000	5.00	5.00
June 21, 2011	45,000	5.00	5.00
September 7, 2011	146,000	5.00	5.00
April 10, 2012	27,500	5.50	5.50
May 14, 2012	264,000	5.50	5.50
September 20, 2012	15,000	6.00	6.00
December 6, 2012	588,600	7.00	7.00

(1) Exercise price and common stock fair value per share at grant date data prior to December 27, 2010 are reflected as converted.

These estimates of the fair value of our common stock were made based on information from the following valuation dates:

Valuation Date[1]	Fair Value per Share[2]
February 23, 2010	$ 3.35
May 11, 2010	3.68
August 10, 2010	4.50
December 27, 2010	5.00
March 6, 2012	5.50
July 11, 2012	6.00
September 20, 2012	6.00
December 6, 2012	7.00
April 10, 2013	7.20

(1) Each valuation date shown, other than December 27, 2010, was the date of action by our Board of Directors reflecting its valuation of our common stock as of such date.

(2) Fair value of our common stock grants prior to December 27, 2010 are reflected as converted.

Since our common stock is not publicly traded, we considered numerous objective and subjective factors in valuing our common stock at each valuation date in accordance with the guidance in the American Institute of Certified Public Accountants Practice Aid *Valuation of Privately-Held-Company Equity Securities Issued as Compensation* ("Practice Aid"). These objective and subjective factors included, but were not limited to:

- recent arm's-length sales of our common stock in privately negotiated transactions;
- our financial performance and financial position;
- our future financial projections;

- valuations of comparable public companies; and

- the likelihood of achieving a liquidity event for shares of our common stock at a specific time, such as an initial public offering of our common stock or sale of our company, given prevailing market conditions.

Our management estimated our enterprise value as of the various valuation dates using the market approach, which is an acceptable valuation method in accordance with the Practice Aid. The market approach uses the comparable company methodology based on comparable public companies' equity pricing. Each valuation also reflects a marketability discount, resulting from the illiquidity of our common stock at the time the options were granted. The marketability discount applied in these valuations ranged from a low of 8% to a high of 25%, and the discount applied at each point in time was reflective of the Company's assessment of an appropriate discount to be applied, given the anticipated likelihood of a liquidity event. The discount rate applied was generally reduced as the Company began considering a potential initial public offering of its common stock.

We determined the fair value of our common stock as of February 23, 2010 to be $3.35 per share and as of May 11, 2010 to be $3.68 per share. We considered objective and subjective factors including a valuation performed by our audit committee in which the fair value of our common stock was determined using a market approach. The market approach considered multiples of financial metrics, consisting of revenue and EBITDA, based on trading prices of a peer group of companies that are publicly traded. These multiples were then applied to our financial metrics to derive an indication of value. The resulting fair value obtained by applying the market approach was then discounted for the lack of marketability of the common stock because we are a private company.

On August 10, 2010, we determined the fair value of our common stock to be $4.50 per share. We considered objective and subjective factors including a valuation performed by our audit committee in which the fair value of our common stock was determined using a market approach, as used in the February 23, 2010 and May 11, 2010 valuations. The audit committee also took into account an expression of interest we had received from Catterton to acquire a controlling interest in us. The Practice Aid indicates that a third-party transaction between a willing buyer and a willing seller is the best indication of fair value of an enterprise.

On December 27, 2010, we completed the 2010 Equity Recapitalization through a merger, in which shares of our common stock were converted into the right to receive cash consideration of $5.00 or equity of equivalent value in the surviving entity. On the grant date that was contemporaneous with the completion of the 2010 Equity Recapitalization, options were granted at the per share purchase price of $5.00. At each grant date thereafter until the valuation we performed on March 6, 2012, we considered objective and subjective factors and determined that the $5.00 value remained a reasonable approximation of fair value. Among the objective and subjective factors considered were our historic financial performance, our projected financial performance, trading prices of comparable publicly traded firms and macro-economic conditions.

For the grants made between April 10, 2012 and the date of this prospectus, we considered objective and subjective factors, including valuations by our audit committee in which the fair market value of our stock was determined using a market approach. The market approach considered multiples of financial metrics, consisting of revenue and EBITDA, based on trading prices of a peer group of companies that are publicly traded. These multiples were then applied to our financial metrics to derive an indication of value. The resulting fair value obtained by applying the market approach was then discounted for the lack of marketability of the common stock because we were a private company.

Based on the initial public offering price of $, the midpoint of the range on the cover of this prospectus, the intrinsic value of the options outstanding at , 2013, was approximately

$ million, of which approximately $ million related to the options that were vested and approximately $ million related to the options that were not vested.

Critical Accounting Policies and Estimates

Our consolidated financial statements and accompanying notes are prepared in accordance with US GAAP. Preparing consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. These estimates and assumptions are affected by the application of our accounting policies. Our significant accounting policies are described in Note 1 to our consolidated financial statements. Critical accounting estimates are those that require application of management's most difficult, subjective or complex judgments, often as a result of matters that are inherently uncertain and may change in subsequent periods. While we apply our judgment based on assumptions believed to be reasonable under the circumstances, actual results could vary from these assumptions. It is possible that materially different amounts would be reported using different assumptions. We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our financial statements:

Revenue Recognition

We record revenue from the operation of company-owned restaurants when sales occur. In the case of gift card sales, we record revenue when: (i) the gift card is redeemed by the guest and (ii) we determine the likelihood of the gift card being redeemed by the guest is remote (gift card breakage). We record royalties from franchise restaurant sales based on a percentage of restaurant revenues in the period the related franchised restaurants' revenues are earned. Area development fees and franchise fees are recognized as income when all material services or conditions relating to the sale of the franchise have been substantially performed or satisfied by us. Both franchise fees and area development fees are generally recognized as income upon the opening of a franchise restaurant or upon termination of the agreement(s).

Property and Equipment

We state the value of our property and equipment, including primarily leasehold improvements and restaurant equipment, furniture and fixtures at cost, minus accumulated depreciation and amortization. We calculate depreciation using the straight-line method of accounting over the estimated useful lives of the related assets. We amortize our leasehold improvements using the straight-line method of accounting over the shorter of the lease term (including reasonably assured renewal periods) or the estimated useful lives of the related assets. We expense repairs and maintenance as incurred, but capitalize major improvements and betterments. We make judgments and estimates related to the expected useful lives of these assets that are affected by factors such as changes in economic conditions and changes in operating performance. If we change those assumptions in the future, we may be required to record impairment charges for these assets.

Rent

We record rent expense for our leases, which generally have escalating rentals over the term of the lease, on a straight-line basis over the lease term. The lease term includes renewal options that are reasonably assured. Rent expense begins when we have the right to control the use of the property, which is typically before rent payments are due under the lease. We record the difference between the rent expense and rent paid as deferred rent in the consolidated balance sheet. Rent expense for the period prior to the restaurant opening is reported as pre-opening rent expense in the consolidated statements of income. Tenant incentives used to fund leasehold improvements are recorded in deferred rent and amortized as reductions of rent expense over the term of the lease.

Certain of our operating leases contain clauses that provide additional contingent rent based on a percentage of sales greater than certain specified target amounts. We recognize contingent rent expense when the achievement of specified targets is considered probable.

Recent Accounting Pronouncements

JOBS Act

We qualify as an "emerging growth company" pursuant to the provisions of the JOBS Act. For as long as we are an "emerging growth company," we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies," including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements of holding advisory "say-on-pay" votes on executive compensation, shareholder advisory votes on golden parachute compensation and the extended transition period for complying with the new or revised accounting standards.

In addition, Section 107 of the JOBS Act also provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. An "emerging growth company" can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to "opt out" of such extended transition period and, as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

BUSINESS

NOODLES & COMPANY
A World of Flavors Under One Roof

Noodles & Company is a high growth, fast casual restaurant concept offering lunch and dinner within a fast growing segment of the restaurant industry. Our Company was founded by Aaron Kennedy when we opened our first location in Denver, Colorado in 1995, offering noodle and pasta dishes, staples of many cuisines, with the goal of delivering fresh ingredients and flavors from around the world under one roof—from Pad Thai to Mac & Cheese. Today, our globally inspired menu includes a wide variety of high quality, cooked-to-order dishes, including noodles and pasta, soups, salads and sandwiches, which are served on china by our friendly team members. We believe we offer our guests a compelling value proposition with per person spend of approximately $8.00 for the twelve months ended April 2, 2013. We have 339 restaurants, comprised of 288 company-owned and 51 franchised locations, across 25 states and the District of Columbia, as of April 30, 2013. Our revenue and income from operations have grown from $170 million and $2 million in 2008 to $300 million and $16 million in 2012, representing CAGRs of 15.2% and 67.5%.

YOUR WORLD KITCHEN
Our Differentiated Offering

Your World Kitchen captures the breadth of our differentiated offering and defines our guests' experience. Our company was founded on the core principle that food can be served quickly and conveniently in an inviting environment without sacrificing quality, freshness or flavor.

"Your" . . . On trend with our world today, where customization is commonplace, we put control into our guests' hands. Each dish is cooked-to-order and can be customized to each guest's personal tastes. Guests can add a protein, such as grilled chicken or organic tofu, or swap out a vegetable in their entrées. "Your" also represents the control our guests have over their dining experience, whether they want a meal to go, a quick sit-down lunch or a leisurely dinner with friends or family.

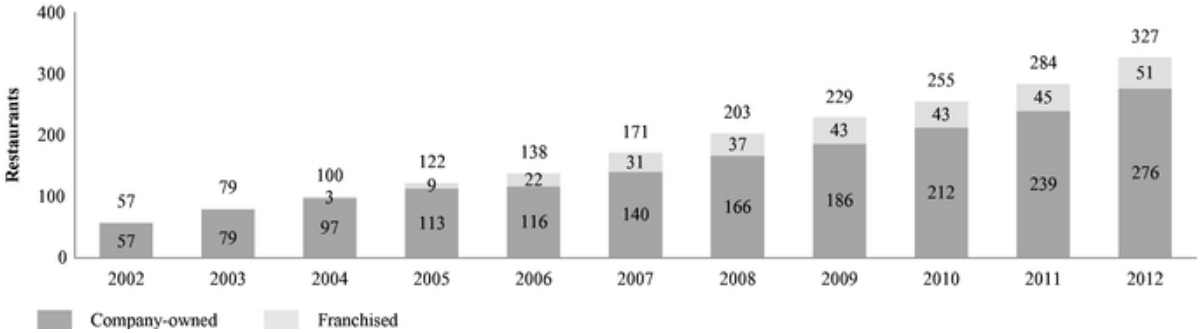
"World" . . . We offer globally inspired flavors with more than 25 Asian, Mediterranean and American dishes together in a single menu. We believe we will continue to benefit from trends in consumer preferences, wider availability of international cuisines and increasingly adventurous consumer tastes. At many restaurants, people are limited to a particular ethnic cuisine or type of dish, such as a sandwich, burrito or burger. At Noodles & Company, we aim to eliminate the "veto vote" by satisfying the preferences of a wide range of guests, whether a mother with kids, a group of coworkers, an individual or a large party.

"Kitchen" . . . Open kitchens are the focal point of our restaurants. Our guests can see the freshness of our ingredients and watch their food being cooked. "Kitchen" says "cooking" and emphasizes that we cook each dish to order.

LEADING RESTAURANT GROWTH AND PERFORMANCE

From 2004 to 2012, we increased the number of our total restaurants from 100 to 327, representing a CAGR of 16.0%. If we continue to grow at our current rate, we believe we can grow to 2,500 restaurants across the United States over the next 15-20 years.

Total Restaurants at End of Fiscal Year



We have experienced steady growth in comparable restaurant sales (at restaurants open for at least 18 full periods) in 28 of the last 29 quarters, due primarily to an increase in guest traffic. System-wide comparable restaurant sales growth for 2010, 2011 and 2012 was 3.7%, 4.8% and 5.4%, respectively. Our company-owned restaurant AUVs grew from $1,098,000 at the beginning of 2010 to $1,178,000 at the end of 2012. In 2012, our company-owned restaurant contribution margin was 20.3% for all restaurants and 22.3% for restaurants in the comparable base, placing us in the top-tier of the restaurant industry, according to Technomic.

Our new restaurant investment model calls for a total cash investment of approximately $725,000, net of tenant allowances. Our current target cash-on-cash return on investment for a new company-owned restaurant is 30% in its third full-year of operations. Company-owned restaurants that were open a full three years by January 1, 2013, achieved an average cash-on-cash return on investment of 34.8% in their third full year of operations.

OUR INDUSTRY

We Think of Ourselves as a "Category of One"

We operate in the fast casual segment of the restaurant industry. According to Technomic, in 2011 the 150 largest fast casual concepts grew sales by 8.4% to $21.5 billion, compared with 3.5% for the 500 overall largest restaurant chains in the United States.

We believe we are the only national fast casual restaurant concept offering a menu with a wide variety of noodle and pasta dishes, soups, salads and sandwiches inspired by global flavors. We believe our combination of attributes—global flavors and variety and fast service—allows us to compete against multiple segments throughout the restaurant industry. Accordingly, we have a larger addressable market for lunch and dinner. We believe we provide a better overall experience than our casual dining competitors by quickly delivering fresh food with friendly service at a price point we believe is attractive to our guests. You do not have to jostle your gear or carry trays of food to or from your table. Grab a drink, have a seat and we will deliver your food to your table—all without the need to tip.

Our Strengths

We believe the following strengths set us apart from our competitors:

Variety Makes Togetherness Possible

We have purposefully chosen a range of healthy to indulgent dishes to satisfy carnivores and vegetarians. Our menu encourages guests to customize their meals to meet their tastes and nutritional preferences with our selection of 14 fresh vegetables and six proteins—beef, pork, chicken, meatballs, shrimp and organic tofu. We believe our variety ensures that even the pickiest of eaters can find something to crave, which eliminates the "veto vote" and encourages people with different tastes to enjoy a meal together.

All of our dishes are cooked-to-order with fresh, high quality ingredients sourced from carefully selected suppliers. Our commitment to the freshness of our ingredients is further demonstrated by our use of seasonal ingredients and healthy add-in options, such as organic tofu, and by the daily check we require our employees to perform with respect to freshness of the ingredients. Our culinary team strives to develop new dishes and LTOs that incorporate seasonal ingredients to bring flavorful and nutritious dishes to our guests. For example, our Spinach & Fresh Fruit Salad rotates between fresh strawberries in the summer and Fuji apples in the winter. We recently introduced our award-winning slow-braised, naturally raised pork, serving it on our BBQ Mac & Cheese, our BBQ Pork Sandwich or as an add-on to any of our other dishes. This focus on freshness, combined with our commitment to classic cooking methods, results in the high quality of the food we serve.

Value That Is Greater Than Our Competitive Price Point

Our value proposition, the quality of our food and the warmth of our restaurants create an overall guest experience that we believe is second-to-none. Our 2012 per person spend of $7.80 is competitive not only within the fast casual segment, but also within the quick-service segment. We believe the speed of our service and the quality of our food contribute to a value proposition that enables us to take market share from casual dining restaurants. We deliver value by combining a family-friendly dining environment with the opportunity to enjoy many dishes containing gourmet ingredients like truffle oil and baby portobella mushrooms in our Truffle Mac & Cheese, at a price point of less than $8.00.

Everything Is a Little Nicer Here

We design each location individually, which we believe creates an inviting restaurant environment. The ambience is warm and welcoming, with muted lighting and colors, comfortable seating and our own custom music mix, which is intended to make our guests feel relaxed and at home. We also enhance the experience by featuring new Coca-Cola Freestyle machines in all our restaurants, offering our guests over 100 drink choices to complement their meal—again putting control in the guests' hands, so that they can match their drink to their meal.

We believe we deliver an exceptional overall dining experience. We think that our guests should expect not only great food from our restaurants, but also warm hospitality and attentive service. Whether you are a mother with kids or a businessperson with a BlackBerry, you simply order your food, grab a drink and take a seat. We cook each dish to order in approximately five minutes and bring the food right to your table. Our guests may enjoy a relaxed meal or just eat and run.

Consistent with our culture of enhanced guest service, we seek to hire individuals who will deliver prompt, attentive service by engaging guests the moment they enter our restaurants. Our training philosophy empowers both our restaurant managers and team members to add a personal touch when serving our guests, such as coming out from behind the counter to explain our menu and guide guests to the right dish. Our restaurant managers are critical to our success, as we believe that their entrepreneurial

spirit and outreach efforts generate the warmth of our environment and build our brand in our communities. We call our cashiers "Noodle Ambassadors" to highlight their role in helping our guests explore our global menu.

After our guests order at the counter, their food is served on china by our friendly team members. To further enhance our guests' dining experience, we check on them throughout their meal. We offer them drink refills, a glass of wine or dessert, so they do not have to leave their seats. No trash cans are visible to our guests in our restaurants: following the meal, our team quickly clears the table.

Desirable and Loyal Consumer Base

Based on customer data and surveys, we estimate that approximately 40% of our guests visit our restaurants at least once each month. Our guests skew slightly younger and more affluent than the general population, and according to a recent Gallup survey, this demographic spends more on dining than others. We believe the variety of our food and our ability to accomodate a guest's desire to eat quickly or to enjoy a longer meal enable us to draw sales almost equally between lunch and dinner. Our broad appeal and guest loyalty have led to industry and media recognition:

- *Nation's Restaurant News*, MenuMasters Award, 2013, Golden Chain Winner, 2010, awarded on the basis of the impact of menu items on the restaurant industry.
- *The International Foodservice Manufacturers Association*, COEX Innovator Award, 2013, awarded annually to a national chain shaping the restaurant industry through innovation.
- *DigitalCoco*, Top 10 "Most Loved" food and beverage brands in social media, 2012, awarded on the basis of positive comments made by guests on social media.
- *Restaurant Social Media Index*, Top Social Media Brands and Top Social Consumer Sentiment, 2012, awarded on the basis of comments made by guests on social media.
- *Parents Magazine*, Parents Top 10 Family-Friendly Restaurant Chains, 2011 and 2009, awarded on the basis of the healthfulness and quality of ingredients of menu items.
- *Health Magazine*, America's Top 10 Healthiest Fast Food Restaurants, 2009, America's Healthiest Restaurants, 2008, awarded on the basis of healthfulness of dishes and use of organic produce, among other factors.

Consistent Restaurant Economics and a Flexible Footprint

Our restaurant model generates strong cash flow, consistent restaurant-level financial results and a high return on investment. Our restaurants have been successful in diverse geographic regions, with a broad range of population densities and real estate settings. We believe we are an attractive tenant to the owners and developers of a wide variety of real estate development types, which allows us to be highly selective in our evaluation of potential new sites. Our disciplined approach to site selection is grounded in an analytical data-driven model with strict criteria including population density, demographics and traffic generators. We take pride in selecting sites where we can design and construct a comfortable, warm environment for our guests.

Experienced Leadership

Our strategic vision and culture have been developed and nurtured by our senior management team under the stewardship of our Chairman and Chief Executive Officer, Kevin Reddy, and our President and Chief Operating Officer, Keith Kinsey. Kevin and Keith joined Noodles in 2005 after working at McDonald's and, more recently, Chipotle. At Chipotle, they were instrumental in growing the concept from a small number of restaurants to more than 400 across the country between 2000 and 2005 with the financial backing of McDonald's. They delivered a similar growth trajectory when they joined Noodles

eight years ago, increasing the restaurant base from 100 to 327 between 2005 and 2012, a CAGR of 16.0%. Kevin and Keith have assembled a talented senior management team with restaurant experience across a broad range of disciplines, including menu innovation, marketing, restaurant operations, real estate, finance and accounting, supply chain management and information technology. We believe our management team is integral to our success and has positioned us well for long-term growth.

Steady, Reliable Financial Performance

Our globally inspired flavors and differentiated dining experience have resonated with our guests and have resulted in our track record of building profitable restaurants. Since 2008, our revenue and income from operations have grown at CAGRs of 15.2% and 67.5%, respectively. We achieved our sales growth through a combination of new restaurant openings and comparable restaurant sales increases. Our approach has resulted in stable gross margins despite minimal price increases and allows us to stay true to our principle of quality food at a price we believe is attractive to our guests. By design, our selection of dishes is comprised of a diverse collection of ingredients, mitigating exposure to commodity price inflation.

A Clear Path Forward

We believe we have significant growth potential because of our brand positioning, strong unit economics, financial results and broad guest appeal. We believe there are significant opportunities to expand our business, strengthen our competitive position and enhance our brand through the continued implementation of the following strategies:

Continuing to Grow Our Restaurant Base

We have more than doubled our restaurant base in the last six years to 339 locations in 25 states and the District of Columbia, as of April 30, 2013, including 13 company-owned restaurants opened in 2013. In 2012, we opened 39 company-owned restaurants and six franchise restaurants. In 2013, we plan to open between 38 and 42 company-owned restaurants and between six and eight franchise restaurants. We believe we are at an early stage of nationwide expansion, and that we can grow to 2,500 restaurants over the next 15-20 years across the United States based on our scalable infrastructure, broad appeal and flexible and portable real estate model. Our restaurants are typically 2,600 to 2,700 square feet and are located in end-cap, inline or free-standing locations across a variety of urban and suburban markets. Our near-term growth strategy will involve opening units in mature markets and expanding into new markets.

Although we expect the majority of our expansion to continue to be from company-owned restaurants, we are strategically expanding our base of franchise restaurants. Our franchise program is a low cost and high return model that allows us to expand our footprint and build brand awareness in markets that we do not plan to enter in the short to medium term. As of April 30, 2013, we have 51 franchise units in 10 states operated by eight franchisees. We look for experienced, well-capitalized franchise partners who are able to leverage their existing infrastructure and local knowledge in a manner that benefits both our franchisees and ourselves. For example, in 2012, we entered into development agreements with large area developers in Boston, Long Island and New Jersey, which could lead to the opening of over 100 restaurants over the next 11 years in those markets. Each of these franchisees has prior experience operating other fast casual concepts in its market and will complement our growth in adjacent, non-competing geographies. As of April 30, 2013, a total of 12 area developers have signed development agreements providing for the opening of 177 additional restaurants in their respective territories.

Improving Our Performance

Our system-wide comparable restaurant sales growth for 2012 was 5.4%. We plan to build on our growth performance by increasing brand awareness, guest frequency, new guest visits, per person spend and sales outside our restaurants. The following is our plan to achieve these goals:

- *Heighten brand awareness.* We believe that our food is our best currency and that once people try it they become loyal and repeat guests; however, before guests can try our food, they need to know about us. We differentiate Noodles & Company through an innovative, community-based marketing strategy at the corporate and restaurant level to build brand awareness and guest loyalty. We engage media outlets in our communities to execute locally tailored marketing programs. Our restaurant managers engage in local relationship marketing where they approach nearby businesses, groups and individuals for appreciation days, tastings and hero lunches to introduce our neighbors to our food. We also communicate directly to the 600,000 members in our Noodlegram club, which provides the latest Company news and special offers. We also use our other social media outlets to promote brand awareness and were named among the Top 10 "Most Loved" food and restaurant brands in social media in a survey conducted by DigitalCoco.

- *Increase existing guest frequency.* We recently refreshed the interior signage in all of our restaurants to encourage menu exploration, which we believe will increase guest frequency. Our new Welcome Wall menu board, placed at the entrance of each of our company-owned restaurants, shows pictures of our dishes in an easily understandable layout so guests can fully grasp our world of flavors without feeling overwhelmed. We believe this merchandising enables our guests to peruse our offerings without feeling the pressure of holding up a line of hungry people. This new merchandising has already resulted in meaningful improvements to AUVs in the restaurants where it has been implemented, and we expect similar results in the rest of our restaurant base. We encourage guests to explore their tastes and make adventurous selections of items that are either new to the menu or new to them by promising to serve them their favorite dish at no charge if they do not enjoy their adventurous selection.

- *Increase new guest visits.* We would like to be top-of-mind for guests whenever they need to eat, drink or simply find a place where they feel welcome. Although we serve our food quickly, we would like guests to view our restaurants as places to dine and enjoy the company of friends and family. To further drive guest visits at dinner, we have recently enhanced our beer and wine offerings and expanded our appetizer selection.

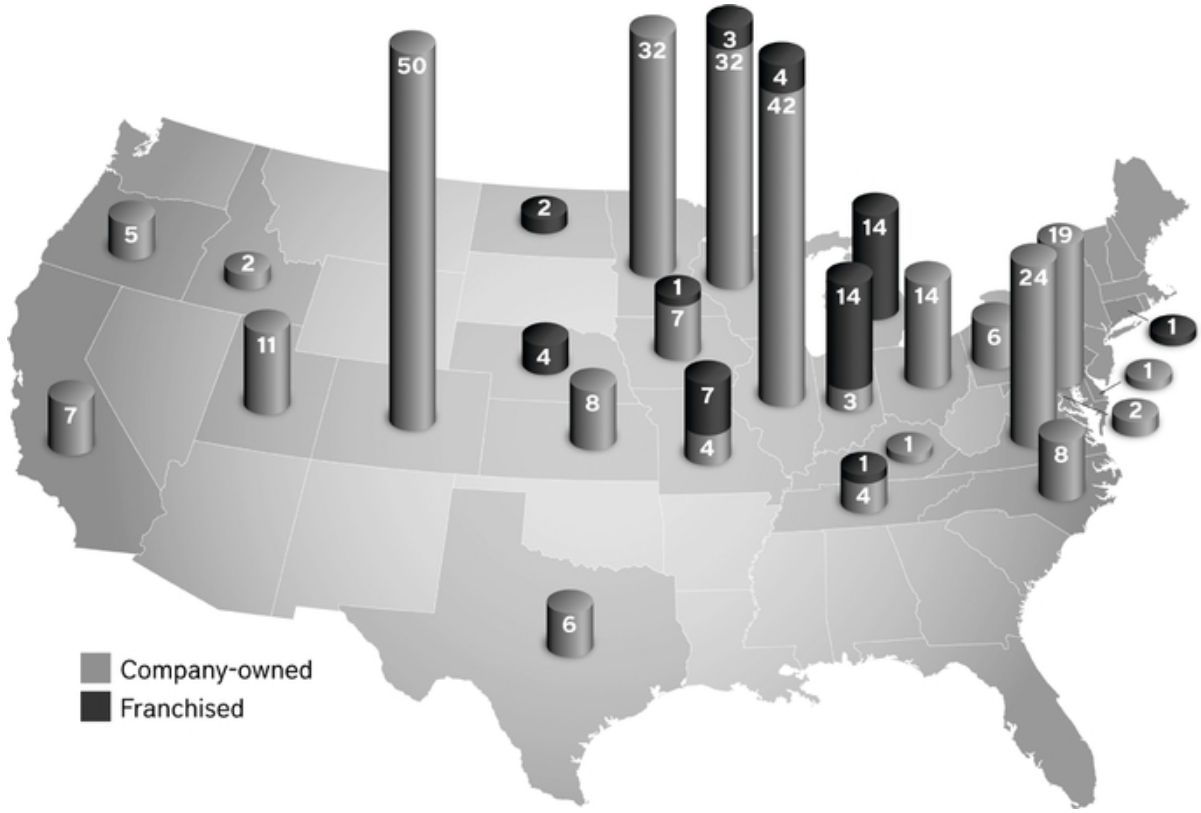
- *Improve our per person spend.* While we have generally implemented modest price increases to offset rising costs, we also strive to increase the per person spend by offering additional items, including our expanded beverage selection and appetizers. Our menu development team periodically creates innovative LTOs, which sometimes become permanent menu items, such as our Spinach & Fresh Fruit Salad. In October 2012, we successfully introduced slow-braised naturally raised pork included on our BBQ Mac & Cheese, Peppery Pork Sandwich and as an add on protein. This strategy allows us to offer our guests greater variety and entices them to "opt-up" to a premium menu offering.

- *Grow sales outside of our restaurants.* We are taking steps to sell more food outside of our restaurants by marketing our larger Square Bowls to families and local businesses. We believe the convenience and price point of our Square Bowls will drive take-out and catering sales. In addition, we believe our commitment to speed of service and freshly prepared food provides us with an opportunity to expand catering sales.

Properties

As of April 30, 2013, we and our franchisees operated 339 restaurants in 25 states and the District of Columbia. Our restaurants are typically 2,600 to 2,700 square feet and are located in a variety of suburban, urban and small markets. We lease the property for our central support office and all of the properties on which we operate restaurants.

The map and chart below show the locations of our company-owned and franchised restaurants as of April 30, 2013.



State	Company-owned	Franchise	Total
California	7	—	7
Colorado	50	—	50
Connecticut	—	1	1
Delaware	1	—	1
District of Columbia	2	—	2
Idaho	2	—	2
Illinois	42	4	46
Indiana	3	14	17
Iowa	7	1	8
Kansas	8	—	8
Kentucky	1	—	1
Maryland	19	—	19
Michigan	—	14	14
Minnesota	32	—	32
Missouri	4	7	11
Nebraska	—	4	4
North Carolina	8	—	8
North Dakota	—	2	2
Ohio	14	—	14
Oregon	5	—	5
Pennsylvania	6	—	6
Tennessee	4	1	5
Texas	6	—	6
Utah	11	—	11
Virginia	24	—	24
Wisconsin	32	3	35
	288	**51**	**339**

We are obligated under non-cancelable leases for our restaurants and our central support office. Our restaurant leases generally have initial terms of 10 years with two or more five-year extensions. Our restaurant leases generally have renewal options and generally require us to pay a proportionate share of real estate taxes, insurance, common area maintenance charges and other operating costs. Some restaurant leases provide for contingent rental payments based on sales thresholds, although we generally do not expect to pay significant contingent rent on these properties based on the thresholds in those leases.

In 2012, we opened 39 company-owned restaurants and six franchise restaurants. In 2013, we plan to open between 38 and 42 company-owned restaurants and between six and eight franchise restaurants, which includes the 13 company-owned restaurants we have opened through April 30, 2013. The following table shows the growth in our network of company-owned and franchise restaurants for 2012, 2011 and 2010:

	Fiscal Year Ended			Fiscal Quarter Ended
	January 1, 2013	January 3, 2012	December 28, 2010	April 2, 2013
Company-Owned Restaurant Activity				
Beginning of period	239	212	186	276
Openings	39	28	28	9
Closures and relocations[(1)]	(2)	(1)	(2)	(1)
Restaurants at end of period	276	239	212	284
Franchise Restaurant Activity				
Beginning of period	45	43	43	51
Openings	6	2	—	—
Closures and relocations[(1)]	—	—	—	—
Restaurants at end of period	51	45	43	51
Total restaurants	327	284	255	335

(1) We account for relocated restaurants under both openings and closures and relocations. During both 2012 and 2010 we closed one restaurant and relocated another restaurant. In fiscal 2011 and the first quarter of 2013, we closed one restaurant at the end of its lease term.

Site Development and Expansion

We consider our site selection and development process critical to our long-term success. We use a combination of our own development team and outside real estate consultants to locate, evaluate and negotiate new sites using various criteria. Each member of our in-house real estate team has at least 15 years of experience with one or more high growth restaurant or retail concepts, such as Chipotle, Panera, Potbelly, Sonic, EB Games and Luxottica. In addition, because we offer a mix of dishes and a dining experience that differs from many other restaurant concepts, we believe our restaurants are highly sought after by real estate owners and developers. We often are made aware of opportunities early in their development process, allowing us to secure optimal locations.

In making site selection decisions, we also use several analytical tools designed to uncover the key site, demographic, business, retail, competitive and traffic characteristics that drive successful locations. These tools have been customized to leverage existing real estate information to project sales of a potential location and to assist in the development of local marketing plans.

Our ability to succeed in several different kinds of trade areas and real estate types has allowed us flexibility in our market development strategy. While we typically target end cap or freestanding locations, we also have seen success in inline locations. Moreover, we perform well in various market sizes, from

smaller markets to suburbs to central business districts. This flexibility also allows us to manage risk in our development portfolio by balancing higher cost locations—typically seen in urban areas—with those that are lower cost—typically seen in smaller markets.

Once a location has been approved by our executive level selection committee, we begin a design process to match the characteristics and feel of the location to the trade area. For example, in a trade area with a high percentage of families we will utilize additional booth seating in the dining room, and in an urban location we will typically alter our kitchen design to enhance throughput for the busy lunch hours.

Restaurant Management and Operations

Friendly People. We believe our genuine, nice people separate us from our competitors. We value the individuality of our team members, which we believe results in a management, operations and training philosophy distinct from that of our competitors. We make an effort to hire team members who share a passion for food, have a competitive spirit and will operate our restaurants in a way that is consistent with our high standards. We seek to hire individuals who will deliver prompt, attentive service by engaging guests the moment they enter our restaurants. We empower our team members to enrich the experience of our guests and directly address any concerns that may arise in a manner that contributes to the success of our business.

Restaurant Management and Employees. Each restaurant typically has a restaurant manager, an assistant manager and as many as 15 to 25 team members. We cross-train our employees in an effort to create a depth of competency in our critical restaurant functions. Consistent with our emphasis on guest interaction, we encourage our restaurant managers and team members to welcome and interact with guests throughout the day. To lead our restaurant management teams, we have area managers (each of whom is responsible for between five and 12 restaurants), as well as market directors (each of whom is responsible for between 50 and 80 restaurants).

Training and Career Development. We believe that our training efforts create a culture of continuous learning and professional growth that allows our team members to continue their career development with us. Within each restaurant, two to four team members are designated to lead the training efforts and ensure a consistent approach to team member development. We produce training materials that encourage individual contributions and participation on the part of our team members, rather than providing rote, step-by-step scripts or rigid and extensively detailed policy manuals.

Food Preparation and Quality. Our teams use classic professional cooking methods, including hand-chopping, par boiling and sautéing many of our vegetables, in full kitchens resembling those of full service restaurants. All team members, including our restaurant managers, spend their first several days working solely with food and learning these techniques, and we spend a significant amount of time ensuring that each team member learns how to prepare and cook our food properly. Despite our more labor-intensive method of food preparation, we believe that we produce food with an efficiency that enables us to compete effectively.

We have over 200 company-owned restaurants with exhibition-style kitchens. This design demonstrates our commitment to cooking fresh food in an accessible manner. We provide each guest with individual attention and make every effort to respond to guest suggestions and concerns in a personal and hospitable way.

We have designed our food safety and quality assurance programs to maintain high standards for our food and food preparation procedures. Our quality assurance manager oversees comprehensive restaurant and supplier audits based upon the potential food safety risk of each food. We also consider food safety and quality assurance when selecting our distributors and suppliers. Our suppliers are inspected by federal, state and local regulators or other reputable, qualified inspection services, which helps ensure their compliance with all federal food safety and quality guidelines. We regularly inspect our suppliers to ensure

that the ingredients we buy conform to our quality standards and that the prices we pay are competitive. We also rely on our own recipes, specifications and protocols to ensure that our food is consistently the best quality possible when served, including a physical examination of ingredients when they arrive at our restaurants. We train our employees to pay detailed attention to food quality at every stage of the food preparation cycle and have developed a daily checklist that our employees use to assess the freshness and quality of food supplies. Finally, we encourage our guests to provide feedback regarding our food quality so that we can identify and resolve problems or concerns as quickly as possible.

Restaurant Marketing

Our marketing efforts seek to increase sales through a variety of channels and initiatives. Community-based restaurant marketing, as well as online, social and other media tools, highlights our competitive strengths, including our varied and healthy menu offerings and the value we offer our guests.

- *Local Relationship Marketing.* We differentiate our business through an innovative, community-based approach to building brand awareness and guest loyalty. We use a wide range of local marketing initiatives to increase the frequency of and occasions for visits, and to encourage people to get know us better, try our food and bring their friends. We empower our local restaurant managers to selectively organize events to bring new guests into our restaurants. For example, our team members will invite a guest to bring a group of his or her friends for a "hero lunch," an exclusive menu tasting at their local Noodles location.

- *Our Menu Offerings.* We focus some of our marketing efforts on new menu offerings to broaden our appeal to our guests. We offer LTOs and seasonal items such as our Garden Pesto Sauté featuring ingredients and flavors to maintain guest interest, which we promote through a variety of formats, including market-wide public relations events, direct mailings, social media marketing, radio promotions, tastings, billboard and bus board advertising and targeted print advertising. In addition to increasing brand awareness, these promotions also encourage prompt consumer action, resulting in more immediate increases in guest traffic.

- *Creating New Meal Occasions.* We also focus on ways Noodles & Company can serve guests at different times and in new places. For example, guests who want to feed a large group can enjoy our Square Bowls, which are family-style take-out offerings of our noodles, pastas and salads that generally feed up to four people. We market this new offering in a variety of ways, including in-restaurant posters, as well as Noodlegrams, Facebook posts and other communications outside our restaurants.

- *Making Noodles & Company Easier to Use.* Some of our marketing efforts focus on making our restaurants easier to use. We seek to deliver superior guest service at every opportunity, generating consumer awareness of menu offerings with in-restaurant communications by providing displays of our menu offerings and beer and wine selection visible upon entry, chalkboards featuring new menu offerings and fresh ingredients and table top cards that highlight healthy food offerings. By providing multiple points of access to our wide variety of menu offerings, we seek to optimize our guests' in-restaurant experience in order to increase the frequency of our guests' visits. Our efforts also make use of tools like online ordering.

- *Online, Social and Other Media Tools.* We rely on our website, *www.noodles.com*, to promote our business and increase brand awareness. The information on or available through our website is not, and should not be considered, a part of this prospectus. Our guests are encouraged to sign up to receive email Noodlegrams updating them on new menu offerings, LTOs and promotional opportunities. As of April 2, 2013, more than 600,000 of our guests have signed up to receive Noodlegrams. We also communicate with our guests using social media, such as our Facebook page, our YouTube channel and our Twitter feed. Our media tools also include placements in local, regional and national print media.

Suppliers

Maintaining a high degree of quality in our restaurants depends in part on our ability to acquire fresh ingredients and other necessary supplies that meet our specifications from reliable suppliers. We carefully select suppliers based on quality and their understanding of our brand, and we seek to develop mutually beneficial long-term relationships with them. We work closely with our suppliers and use a mix of forward, fixed and formula pricing protocols. We have tried to increase, in some cases, the number of suppliers for our ingredients, which we believe can help mitigate pricing volatility, and we monitor industry news, trade issues, weather, crises and other world events that may affect supply prices.

Seasonality

Seasonal factors and the timing of holidays cause our revenue to fluctuate from quarter to quarter. Our revenue per restaurant is typically lower in the first and fourth quarters due to reduced winter and holiday traffic and higher in the second and third quarters.

Franchising

We had eight franchise area developers who operated 51 franchise restaurants in 10 states as of April 30, 2013. A total of 12 area developers have signed area development agreements providing for the opening of 177 additional restaurants in their respective territories. We expect to continue to offer development rights in markets where we do not intend to build company-owned restaurants. We may offer such rights to larger developers who commit to open 10 or more units, or to smaller developers who may commit to open significantly fewer restaurants. We do not currently intend to offer single-unit franchises. We believe the strength and attractiveness of our brand and unit growth opportunities in attractive undeveloped markets will attract experienced and well-capitalized area developers.

Intellectual Property and Trademarks

We own a number of trademarks and service marks registered or pending with the U.S. Patent and Trademark Office ("PTO"). We have registered the following marks with the PTO: Noodles & Company, the Noodles & Company logo, Your World Kitchen, Square Bowl, Noodlegram, Crave Card and Wisconsin Mac & Cheese. We also have certain trademarks registered or pending in certain foreign countries. In addition, we have registered the Internet domain name *www.noodles.com*. The information on, or that can be accessed through, our website is not part of this prospectus.

We believe that our trademarks, service marks and other intellectual property rights have significant value and are important to the marketing of our brand, and it is our policy to protect and defend vigorously our rights to such intellectual property. However, we cannot predict whether steps taken to protect such rights will be adequate. See "Risk Factors—Risks Related to Our Business and Industry—We may not be able to adequately protect our intellectual property, which could harm the value of our brand and adversely affect our business."

Governmental Regulation and Environmental Matters

We are subject to extensive and varied federal, state and local government regulation, including regulations relating to public and occupational health and safety, sanitation and fire prevention. We operate each of our restaurants in accordance with standards and procedures designed to comply with applicable codes and regulations. However, an inability to obtain or retain health department or other licenses would adversely affect our operations. Although we have not experienced, and do not anticipate, any significant difficulties, delays or failures in obtaining required licenses, permits or approvals, any such problem could delay or prevent the opening of, or adversely impact the viability of, a particular restaurant or group of restaurants.

In addition, in order to develop and construct restaurants, we need to comply with applicable zoning, land use and environmental regulations. Federal and state environmental regulations have not had a material effect on our operations to date, but more stringent and varied requirements of local governmental bodies with respect to zoning, land use and environmental factors could delay or even prevent construction and increase development costs for new restaurants. We are also required to comply with the accessibility standards mandated by the U.S. Americans with Disabilities Act, which generally prohibits discrimination in accommodation or employment based on disability. We may in the future have to modify restaurants, for example by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. While these expenses could be material, our current expectation is that any such actions will not require us to expend substantial funds.

A small amount of our revenues is attributable to the sale of alcoholic beverages. Alcoholic beverage control regulations require each of our restaurants to apply to a state authority and, in certain locations, county or municipal authorities for a license that must be renewed annually and may be revoked or suspended for cause at any time. Alcoholic beverage control regulations relate to numerous aspects of daily operations of our restaurants, including minimum age of patrons and employees, hours of operation, advertising, trade practices, wholesale purchasing, other relationships with alcohol manufacturers, wholesalers and distributors, inventory control and handling, storage and dispensing of alcoholic beverages. We are also subject in certain states to "dram shop" statutes, which generally provide a person injured by an intoxicated person the right to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. We carry liquor liability coverage as part of our existing comprehensive general liability insurance. A small number of our restaurants do not have liquor licenses, typically because of the cost of a liquor license in jurisdictions having liquor license quotas.

In addition, we are subject to the U.S. Fair Labor Standards Act, the U.S. Immigration Reform and Control Act of 1986, the Occupational Safety and Health Act and various other federal and state laws governing similar matters including minimum wages, overtime, workplace safety and other working conditions. We are also subject to various laws and regulations relating to our current and any future franchise operations. See "Risk Factors—Risks Related to Our Business and Industry—Governmental regulation may adversely affect our ability to open new restaurants or otherwise adversely affect our business, financial condition or results of operations."

We are subject to federal, state and local environmental laws and regulations concerning waste disposal, pollution, protection of the environment, and the presence, discharge, storage, handling, release and disposal of, or exposure to, hazardous or toxic substances ("environmental laws"). These environmental laws can provide for significant fines and penalties for non-compliance and liabilities for remediation, sometimes without regard to whether the owner or operator of the property knew of, or was responsible for, the release or presence of the hazardous or toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such substances. We are not aware of any environmental laws that will materially affect our earnings or competitive position, or result in material capital expenditures relating to our restaurants. However, we cannot predict what environmental laws will be enacted in the future, how existing or future environmental laws will be administered, interpreted or enforced, or the amount of future expenditures that we may need to make to comply with, or to satisfy claims relating to, environmental laws. It is possible that we will become subject to environmental liabilities at our properties, and any such liabilities could materially affect our business, financial condition or results of operations. See "Risk Factors—Risks Related to Our Business and Industry—Compliance with environmental laws may negatively affect our business."

Management Information Systems

All of our restaurants use computerized management information systems, which we believe are scalable to support our future growth plans. We use point-of-sale computers designed specifically for the

restaurant industry. The system provides a touch screen interface, a graphical order confirmation display and integrated, high-speed credit card and gift card processing. The point-of-sale system is used to collect daily transaction data, which generates information about daily sales, product mix and average check that we actively analyze. All products sold and prices at our company-owned restaurants are programmed into the system from our central support office.

Our in-restaurant back office computer system is designed to assist in the management of our restaurants and provide labor and food cost management tools. These tools provide corporate and restaurant operations management quick access to detailed business data and reduces restaurant managers' administrative time. The system provides our restaurant managers the ability to submit orders electronically with our distribution network. The system also supplies sales, bank deposit and variance data to our accounting department on a daily basis. We use this data to generate daily sales information and weekly consolidated reports regarding sales and other key measures, as well as preliminary weekly detailed profit and loss statements for each location with final reports following the end of each period.

Franchisees use similar point of sale systems and are required to report sales on a daily basis through an on-line reporting network and submit their restaurant-level financial statements on a quarterly or annual basis.

Employees

As of April 2, 2013, we had approximately 7,000 employees, including 700 salaried employees and 6,300 hourly employees. None of our employees are unionized or covered by a collective bargaining agreement, and we consider our current employee relations to be good.

Legal Proceedings

We are currently involved in various claims and legal actions that arise in the ordinary course of business. We do not believe that the ultimate resolution of these actions will have a material adverse effect on our financial position, results of operations, liquidity or capital resources. However, a significant increase in the number of these claims or an increase in amounts owing under successful claims could materially and adversely affect our business, financial condition and results of operations.

MANAGEMENT

Directors and Executive Officers

The following table sets forth certain information regarding our board of directors and executive officers.

Name	Age[1]	Position
Kevin Reddy	55	Chairman and Chief Executive Officer
Keith Kinsey	58	President, Chief Operating Officer and Director
Dave Boennighausen	35	Chief Financial Officer
Dan Fogarty	51	Executive Vice President of Marketing
Phil Petrilli	43	Executive Vice President of Operations
Paul Strasen	56	Executive Vice President, General Counsel and Secretary
Kathy Lockhart	48	Vice President and Controller
Scott Dahnke	47	Director
Stuart Frenkiel	33	Director
James Pittman	49	Director
James Rand	70	Director
Andrew Taub	44	Director

(1) As of March 15, 2013

Kevin Reddy has served as our Chief Executive Officer since April 2006. He became a member of our board of directors in May 2006, and Chairman of the Board in May 2008. Mr. Reddy was our President and Chief Operating Officer from April 2005 to April 2006, continuing to serve as our President until July 2012. Prior to joining us, he was the Chief Operating Officer, Chief Operations Officer and Restaurant Support Officer for Chipotle Mexican Grill. Mr. Reddy began his professional career with McDonald's Corporation in 1983 as a regional controller and progressed into positions of escalating responsibility. Mr. Reddy has received a number of awards in connection with his role as our Chief Executive Officer, including being named "Entrepreneur of the Year" by Restaurant Business Magazine in 2009 and, most recently, a 2012 "All-Star CEO" by Restaurant Finance Monitor. He currently serves on the executive advisory board to the Daniels School of Business at the University of Denver. He received a BS in Accounting from Duquesne University. He brings to our Board of Directors leadership skills, strategic guidance and operational vision from prior experience in our industry.

Keith Kinsey has served as our President since July 2012 and our Chief Operating Officer since November 2007. Mr. Kinsey also served as our Chief Financial Officer from July 2005 to July 2012. He became a member of our board of directors in November 2008. Prior to joining us, he was the Pacific Regional Director for Chipotle Mexican Grill. Prior to that time, he held various management roles at McDonald's Corporation, PepsiCo Restaurant Group and Checkers Drive-In Restaurants. He received a BS in Accounting from the University of Illinois, and is a Certified Public Accountant. He brings to our Board of Directors leadership skills, strategic guidance and operational vision from prior experience in our industry.

Dave Boennighausen has served as our Chief Financial Officer since July 2012. Mr. Boennighausen has been with the Company since 2004, and served as our Vice President of Finance from October 2007 to March 2011, and as our Executive Vice President of Finance from April 2011 to February 2012. He began his career with May Department Stores. He received a BS in Finance and Marketing from Truman State University and holds an MBA from the Stanford Graduate School of Business.

Dan Fogarty has served as our Executive Vice President of Marketing since October 2010. Prior to joining us, Mr. Fogarty has been with the Company since 2009, serving as Vice President of Marketing from June 2009 to October 2010. Mr. Fogarty was Vice President of Marketing for The Pump Energy Food

from May 2008 until May 2009. Prior to that time, he worked at Potbelly Sandwich Works and Chipotle Mexican Grill. Mr. Fogarty began his career working for a number of advertising agencies and had his own brand consulting firm for five years. He received a BA in Journalism and Advertising from the University of Kansas.

Phil Petrilli has served as our Executive Vice President of Operations since May 2012. Prior to joining us, he worked for Chipotle Mexican Grill in multiple operations positions from June 1999 to May 2012, most recently as Regional Director—Northeast Region from 2008 to 2012, where he led a region of 268 restaurants. He received a degree in Industrial Psychology from the University of Illinois-Chicago.

Paul Strasen has served as our Executive Vice President, Secretary and General Counsel since January 2008. Prior to joining our company, Mr. Strasen was the Vice President, General Counsel and Secretary of Houlihan's Restaurants, Inc. and served as the General Counsel of Einstein/Noah Bagel Corp. He began his career at Bell Boyd & Lloyd, now part of K & L Gates. Mr. Strasen received a BA in Humanities and Political Science from Valparaiso University and received a JD from The University of Chicago Law School.

Kathy Lockhart has served as our Vice President and Controller since August 2006. Prior to joining us, Ms. Lockhart served as the Vice President and Controller of several public and private restaurant and retail companies, including Einstein/Noah Bagel Corp, Boston Market, VICORP (parent company of Village Inn and Bakers Square restaurants) and Ultimate Electronics. She received a BA in Business Administration and Political Science from Western State College, and is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants.

Scott Dahnke has been a member of our board of directors since September 2011. Mr. Dahnke has been a Managing Partner of Catterton for the last decade, and has a broad range of business experience in private equity, consulting, management and finance. Prior to joining Catterton, he was a Managing Director at Deutsche Bank Capital Partners and at AEA Investors, where he led AEA's consumer products investing efforts. Previously, Mr. Dahnke was the Chief Executive Officer of infoUSA, a leading publicly traded provider of business and consumer marketing products and services. Prior to joining infoUSA, Mr. Dahnke served clients on an array of strategic and operational issues as a Partner at McKinsey & Company. His early career also includes experience in the Merger Department of Goldman, Sachs & Co. and with General Motors. Mr. Dahnke received a BS, magna cum laude, in Mechanical Engineering from the University of Notre Dame. He also received academic honors while earning an MBA from the Harvard Business School. Mr. Dahnke brings expertise in the retail and consumer industry from previous business experience.

Stuart Frenkiel has been a member of our board of directors since December 2010. Mr. Frenkiel has been a Senior Director at PSPIB since March 2010, and serves on the board of directors of Ferrara Candy Company and the board of managers of QCE Finance LLC (Quiznos). From August 2008 to March 2010, he was an Associate Director in the mergers and acquisitions group of UBS Investment Bank. Prior to that, Mr. Frenkiel worked in the Office of Strategic Management at BMO Financial Group and held several finance roles at General Electric Company. Mr. Frenkiel received a Bachelor of Commerce degree from McGill University, holds an MBA from the Kellogg School of Management at Northwestern University, which he received in June 2008, and is a CFA charterholder. He brings to our Board of Directors a long-standing familiarity with our business, including industry and operational experience.

James Pittman has been a member of our board of directors since December 2010. Mr. Pittman is a Managing Director at PSPIB. From February 2005 until December 2012, he was Vice President Private Equity at PSPIB (the owner of Argentia) in Quebec, Canada. In this capacity, he has co-led the strategy and investment of the international private equity portfolio. From 2002 to 2005, he served as Executive Vice President and CFO of Provincial Aerospace. Mr. Pittman is also a director of Telesat Holdings, Inc., Herbal Magic Inc., Haymarket Financial, Centaur Guernsey L.P. Inc. and the Institutional Limited

Partners Association, where he also served as the Vice Chairman. He brings to our Board of Directors a long-standing familiarity with our business, including industry and operational experience.

James Rand has been a member of our board of directors since May 2008. Mr. Rand has served as an independent executive consultant in the retail and restaurant industries since his retirement as Senior Vice President of Worldwide Development at McDonald's Corporation in 2005. Mr. Rand began his career at McDonald's Corporation in 1973, where he gained experience in marketing research, marketing and real estate development, including leading the team that launched the Extra Value Meal strategy. Mr. Rand is also a director of Homemade Pizza Company and Chicago Apartment Finders, Inc. He received a BA in Mathematics from Saint Mary's College. He provides our Board of Directors with seasoned business judgment and valuable insights relevant to our industry.

Andrew Taub has been a member of our board of directors since December 2010. Mr. Taub is a Partner at Catterton. He joined Catterton in 1996 and has previously served as a Vice President and Principal prior to becoming a Partner in the firm. Mr. Taub has helped capitalize and grow over a dozen consumer companies including restaurants, retail, food and beverage and marketing services. Prior to joining Catterton, he spent three years as Vice President of Nantucket Holding Company, a merchant bank specializing in the acquisition and management of troubled companies, as well as the consolidation of fragmented industries. Previously he worked in Mergers and Acquisitions at Dean Witter Reynolds and Coopers & Lybrand. Mr. Taub received a BA from the University of Michigan and an MBA from Columbia Business School. Mr. Taub brings expertise in the retail and consumer industry from previous business experience.

Corporate Governance and Board Structure

Our board of directors currently consists of seven members.

In accordance with the amended and restated certificate of incorporation and the amended and restated bylaws that will become effective upon consummation of the offering, our board of directors will be divided into three classes with staggered three-year terms. At each annual general meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. The authorized number of directors may be changed by resolution of the board of directors. Vacancies on the board of directors can be filled by resolution of the board of directors. Kevin Reddy serves as the chairman of our board of directors. We believe that of our directors are independent as required by the rules of the Nasdaq Stock Market or the New York Stock Exchange: , and .

and are the Class I directors and their terms will expire in 2014. and are the Class II directors and their terms will expire in 2015. , and are the Class III directors and their terms will expire in 2016. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control.

Corporate Governance

We expect that our board of directors will fully implement our corporate governance initiatives at or prior to the closing of this offering. We believe these initiatives comply with the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC adopted thereunder. In addition, we believe our corporate governance initiatives comply with the rules of the Nasdaq Stock Market and the New York Stock Exchange. After this offering, our board of directors will continue to evaluate, and improve upon as appropriate, our corporate governance principles and policies.

We expect our board of directors to adopt a code of business conduct, effective upon consummation of the offering, that applies to each of our directors, officers and employees. The code addresses various topics, including:

- compliance with laws, rules and regulations;
- conflicts of interest;
- insider trading;
- corporate opportunities;
- competition and fair dealing;
- fair employment practices;
- record keeping;
- confidentiality;
- protection and proper use of company assets; and
- payments to government personnel.

Board Committees

We have established an audit committee and a compensation committee (the "compensation committee") and will establish a nominating and corporate governance committee. We believe that the composition of these committees will meet the criteria for independence under, and the functioning of these committees will comply with the requirements of, the Sarbanes-Oxley Act, the rules of the Nasdaq Stock Market, the New York Stock Exchange and SEC rules and regulations that will become applicable to us upon closing of the offering. We intend to comply with the requirements of the Nasdaq Stock Market and the New York Stock Exchange with respect to committee composition of independent directors as they become applicable to us. Each committee has the composition and responsibilities described below.

Audit Committee

The audit committee provides assistance to the board of directors in fulfilling its oversight responsibilities regarding the integrity of financial statements, our compliance with applicable legal and regulatory requirements, the integrity of our financial reporting processes including its systems of internal accounting and financial controls, the performance of our internal audit function and independent auditor and our financial policy matters by approving the services performed by our independent accountants and reviewing their reports regarding our accounting practices and systems of internal accounting controls. The audit committee also oversees the audit efforts of our independent accountants and takes those actions as it deems necessary to satisfy itself that the accountants are independent of management.

Compensation Committee

The compensation committee oversees our overall compensation structure, policies and programs, and assesses whether our compensation structure establishes appropriate incentives for officers and employees. The compensation committee reviews and approves corporate goals and objectives relevant to compensation of our chief executive officer and other executive officers, evaluates the performance of these officers in light of those goals and objectives, sets the compensation of these officers based on such evaluations and reviews and recommends to the board of directors any employment-related agreements, any proposed severance arrangements or change in control or similar agreements with these officers. The compensation committee also grants stock options and other awards under our stock plans. The

compensation committee will review and evaluate, at least annually, the performance of the compensation committee and its members and the adequacy of the charter of the compensation committee.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee will be responsible for developing and recommending to the board of directors criteria for identifying and evaluating candidates for directorships and making recommendations to the board of directors regarding candidates for election or reelection to the board of directors at each annual stockholders' meeting. In addition, the nominating and corporate governance committee will be responsible for overseeing our corporate governance guidelines and reporting and making recommendations to the board of directors concerning corporate governance matters. The nominating and corporate governance committee will be also responsible for making recommendations to the board of directors concerning the structure, composition and function of the board of directors and its committees.

Compensation Committee Interlocks

None of the members of our compensation committee is or has at any time during the past year been an officer or employee of ours. None of our executive officers currently serves or in the past year has served as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board or compensation committee.

Director Compensation

We did not provide any compensation to our non-employee directors in 2012. Directors who are also employees, such as Mr. Reddy and Mr. Kinsey, do not and will not receive any compensation for their services as directors. In addition, directors appointed by Catterton and Argentia have not received any compensation for their services as directors and will not in the future.

Directors have been and will continue to be reimbursed for travel, food, lodging and other expenses directly related to their activities as directors. Directors are also entitled to the protection provided by their indemnification agreements and the indemnification provisions in our current certificate of incorporation and bylaws, as well as the certificate of incorporation and bylaws that will become effective immediately upon the completion of this offering.

EXECUTIVE COMPENSATION

Our named executive officers, or NEOs, for 2012, which consist of our principal executive officer and the next two most highly-compensated executives, are:

- Kevin Reddy, our Chairman and Chief Executive Officer;
- Keith Kinsey, our President and Chief Operating Officer; and
- Dan Fogarty, our Executive Vice President of Marketing.

2012 Summary Compensation Table

The following table summarizes the compensation awarded to, earned by or paid to our NEOs for 2011 and 2012:

Name and Principal Position	Year	Salary	Bonus[1]	Option Awards[2]	All other Compensation	Total
Kevin Reddy	2012	$ 546,154	$ 550,000	$ —	$ 13,905	$ 1,110,059
Chairman and Chief Executive Officer	2011	547,017	575,000	—	15,250	1,137,267
Keith Kinsey	2012	422,308	322,500	20,898	7,439	773,145
President and Chief Operating Officer	2011	400,963	350,000	—	7,519	758,482
Dan Fogarty	2012	238,077	91,584	166,523	18,988	515,172
Executive Vice President of Marketing	2011	234,038	85,000	—	10,769	329,807

(1) Amounts shown in this column represent cash bonus awards granted to our named executive officers for performance during 2012 and 2011. For each year, we maintained bonus plans that provided each NEO with the opportunity to earn a bonus based on achievement of adjusted EBITDA goals for the applicable year. The target bonuses were 100% of base salary for Mr. Reddy, 75% of base salary for Mr. Kinsey and 30% of base salary for Mr. Fogarty for 2012 and 2011. For both years, our actual performance equaled or exceeded target levels. The compensation committee reserves the right to exercise discretion to increase or decrease bonuses and did, in fact, pay higher bonuses for certain NEOs than the applicable plan formula provided for 2012 and 2011.

(2) Amounts represent the aggregate grant date fair value of stock options awarded in 2012 and 2011, calculated in accordance with FASB Accounting Standards Codification Topic 718. A description of the methodologies and assumptions we use to value options awards and the manner in which we recognize the related expense are described in Note 10 to our consolidated financial statements, Stock-Based Compensation. These amounts may not correspond to the actual value eventually realized by each NEO because the value depends on the market value of our common stock at the time the option is exercised.

Outstanding Equity Awards at January 1, 2013

The following table sets forth information regarding outstanding equity awards at the end of 2012 for each of the named executive officers.

Name	Number of securities underlying unexercised options exercisable	Number of securities underlying unexercised options unexercisable	Option exercise price	Option expiration date
Kevin Reddy	799,000	799,000(1)	$ 5.00	12/27/2020
Keith Kinsey	510,000	510,000(1)	$ 5.00	12/27/2020
	—	30,000(2)	$ 5.50	5/14/2022
Dan Fogarty	127,500	127,500(1)	$ 5.00	12/27/2020
	—	75,000(3)	$ 7.00	12/6/2022

(1) One-half of such options vest and become exercisable on each of December 27, 2013 and December 27, 2014. The unvested options will fully vest and be exercisable upon the closing of this offering.

(2) The options vest in 25% increments on each of May 14, 2013, 2014, 2015 and 2016. The unvested options will fully vest and be exercisable upon the closing of this offering.

(3) These options vest on December 6, 2015.

Potential Payments and Acceleration of Equity upon Termination or Termination in Connection with a Change in Control

Employment and Severance Agreements

We are a party to employment agreements with each of the Messrs. Reddy and Kinsey (the "Employment Agreements"). Each of the Employment Agreements has a three-year term that commences on the date of our initial public offering and continues for three years unless earlier terminated. The Employment Agreements automatically extend at the end of the initial term and annually thereafter in each case, for a one year term, unless either party provides at least ninety days' prior written notice of nonextension.

Each Employment Agreement provides for the payment of base salary and bonus, as well as customary employee benefits. Under each of the Employment Agreements, if the executive's employment is terminated by the Company without "cause" or by the executive with "good reason," (as such terms are defined in the applicable Employment Agreement) the executive is entitled to receive compensation equal to 18 months of the executive's then-current base salary, payable in equal installments over 18 months, a pro rata bonus for the year of termination and reimbursement of "COBRA" premiums for up to 18 months for the executive and his dependents. The severance payments are conditioned upon the executive entering into a mutual release of claims with us.

Each of the Employment Agreements also restricts the executive from engaging in a competitive business during his employment and for 18 months thereafter, or soliciting employees at or above the level of vice president or above during his employment and for 12 months thereafter. For this purpose, "competitive business" is defined as any business engaged in the fast casual restaurant business in North America that derives 20% or more of its revenues from the sale of noodle or pasta dishes.

In addition, we are a party to a Severance Agreement with Mr. Fogarty dated January 24, 2011 (the "Severance Agreement"). Pursuant to the Severance Agreement, Mr. Fogarty is an "at-will" employee. If the Company terminates Mr. Fogarty's employment without "cause," (as such term is defined in the Severance Agreement) Mr. Fogarty is entitled to receive compensation equal to nine months of his then-current base salary, payable in equal installments over nine months, a pro rata bonus for the year of termination and reimbursement of "COBRA" premiums for up to nine months for Mr. Fogarty and his

dependents. The severance payments are conditioned upon Mr. Fogarty entering into a mutual release of claims with us. The Severance Agreement also includes similar noncompetition and nonsolicitation covenants as the Employment Agreements, except that the duration of the covenants apply to Mr. Fogarty during his employment and for nine months thereafter.

Payments Upon Termination or Change in Control

None of our NEOs is entitled to receive payments or other benefits upon termination of employment or a change in control, except as provided in the Employment Agreements and Severance Agreement described above, and the equity acceleration pursuant to the Equity Plans described below.

Employee Benefit Plans

The principal features of our equity incentive plans and our 401(k) plan are summarized below. These summaries are qualified in their entirety by reference to the actual text of the plans, which, other than the 401(k) plan, are filed as exhibits to the registration statement of which this prospectus is a part.

Stock Incentive Plan

The following is a summary of the material terms of our Noodles & Company Amended and Restated 2010 Stock Incentive Plan (the "Stock Incentive Plan"). The Stock Incentive Plan was initially adopted in December 2010 and was amended and restated on , 2013.

General. The Stock Incentive Plan authorizes the grant of nonqualified stock options, incentive stock options, stock appreciation rights ("SARs"), restricted stock, restricted stock units ("RSUs") and incentive bonuses to employees, officers, non-employee directors and other service providers. The number of shares of common stock available for issuance upon the consummation of this offering pursuant to all awards granted under the Stock Incentive Plan shall not exceed . The number of shares issued or reserved pursuant to the Stock Incentive Plan (or pursuant to outstanding awards) is subject to adjustment as a result of mergers, consolidations, reorganizations, stock splits, stock dividends and other changes in our common stock. Shares subject to awards that have been terminated, expired unexercised, forfeited or settled in cash do not count as shares issued under the Stock Incentive Plan. In addition, (i) shares subject to awards that have been retained or withheld by us in payment or satisfaction of the exercise price, purchase price or tax withholding obligation of an award and (ii) shares subject to awards that otherwise do not result in the issuance of shares in connection with payment or settlement thereof do not count as shares issued under the Stock Incentive Plan. Further, shares that have been delivered to us in payment or satisfaction of the exercise price, purchase price or tax withholding obligation of an award will be available for awards under the Stock Incentive Plan.

Administration. The Stock Incentive Plan is administered by the Compensation Committee of the board or another committee designated by the board, or in the absence of any such committee, the board itself. The administrator of the plan has the discretion to determine the individuals to whom awards may be granted under the Stock Incentive Plan, the manner in which such awards will vest and the other conditions applicable to awards in accordance with the terms in the Stock Incentive Plan. Options, SARs, restricted stock, RSUs and incentive bonuses may be granted to participants in such numbers and at such times during the term of the Stock Incentive Plan as the administrator of the plan shall determine. The administrator is authorized to interpret the Stock Incentive Plan, to establish, amend and rescind any rules and regulations relating to the Stock Incentive Plan and to make any other determinations that it deems necessary or desirable for the administration of the Stock Incentive Plan. All decisions, determinations and interpretations by the administrator of the plan, and any rules and regulations under the Stock Incentive Plan and the terms and conditions of or operation of any award, are final and binding on all participants, beneficiaries, heirs, assigns or other persons holding or claiming rights under the Stock Incentive Plan or any award.

Options. The administrator will determine the exercise price and other terms for each option and whether the options are nonqualified stock options or incentive stock options. Incentive stock options may be granted only to employees and are subject to certain other restrictions provided that such exercise price shall not be less than the fair market value of the underlying stock on the date of the grant. To the extent an option intended to be an incentive stock option does not so qualify, it will be treated as a nonqualified option. A participant may exercise an option by written notice and payment of the exercise price in common stock, 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 deliverable upon exercise.

Stock Appreciation Rights. The administrator may grant SARs independent of or in connection with an option. The exercise price per share of a SAR will be an amount determined by the administrator, and the administrator will determine the other terms applicable to SARs. Generally, each SAR will entitle a participant upon exercise to an amount equal to: the excess of the fair market value on the exercise date of one share of common stock over the exercise price, times the number of shares of common stock covered by the SAR. Payment shall be made in common stock or in cash, or partly in common stock and partly in cash, all as shall be determined by the administrator.

Restricted Stock and Restricted Stock Units. The administrator may award restricted common stock and RSUs. Restricted stock awards consist of shares of stock that are transferred to the participant subject to restrictions that may result in forfeiture if specified conditions are not satisfied. RSUs result in the transfer of shares of common stock or cash to the participant only after specified conditions are satisfied. The administrator will determine the restrictions and conditions applicable to each award of restricted stock or RSUs, which may include performance vesting conditions.

Incentive Bonuses. An incentive bonus is an opportunity for a participant to earn a future payment tied to the level of achievement with respect to one or more performance criteria established for a performance period set by the administrator. The terms of any incentive bonus will be set forth in an award agreement that will include provisions regarding (i) the target and maximum amount payable to the participant, (ii) the performance criteria and level of achievement versus these criteria that shall determine the amount of such payment, (iii) the term of the performance period as to which performance shall be measured for determining the amount of any payment, (iv) the timing of any payment earned by virtue of performance, (v) restrictions on the alienation or transfer of the incentive bonus prior to actual payment, (vi) forfeiture provisions and (vii) such further terms and conditions as determined by the compensation committee. Payment of the amount due under an incentive bonus may be made in cash or in common stock, as determined by the administrator.

Performance Criteria. Vesting of awards granted under the Stock Incentive Plan may be subject to the satisfaction of one or more performance goals established by the administrator. The performance goals may vary from participant to participant, group to group and period to period.

Adjustments. In the event of any reorganizations, recapitalizations, stock splits, reverse stock splits, stock dividends, extraordinary dividends or distributions or similar events, the administrator will appropriately adjust the number of shares available under and subject to outstanding awards under the Stock Incentive Plan.

Transferability. Unless otherwise determined by the administrator, awards granted under the 2010 Stock Plan generally are not transferable other than by will or by the laws of descent and distribution.

Change in Control. Unless otherwise expressly provided in the award agreement or another contract, including an employment agreement, the administrator may provide for the acceleration of the vesting and, if applicable, exercisability of any outstanding award, or portion thereof, or the lapsing of any conditions or restrictions on or the time for payment in respect of any outstanding award, or portion

thereof upon a change in control or the termination of the participant's employment following a change in control. In addition, unless otherwise expressly provided in the award agreement or another contract, including an employment agreement, or under the terms of a transaction constituting a change in control, the administrator may provide that any or all of the following shall occur in connection with a change in control: (a) the substitution for the common stock subject to any outstanding award, or portion thereof, stock or other securities of the surviving corporation or any successor corporation to us, or a parent or subsidiary thereof, in which event the aggregate purchase or exercise price, if any, of such award, or portion thereof, shall remain the same, (b) the conversion of any outstanding award, or portion thereof, into a right to receive cash or other property upon or following the consummation of the change in control in an amount equal to the value of the consideration to be received by holders of our common stock in connection with such transaction for one share, less the per share purchase or exercise price of such award, if any, multiplied by the number of shares subject to such award, or a portion thereof, (c) the acceleration of the vesting (and, as applicable, the exercisability) of any and/or all outstanding awards and/or (d) the cancellation of any outstanding and unexercised awards upon or following the consummation of the change in control.

The board may amend, alter or discontinue the Stock Incentive Plan in any respect at any time, but no amendment may diminish any of the rights of a participant under any awards previously granted, without his or her consent. In addition, stockholder approval is required for any amendment that would increase the maximum number of shares available for awards, reduce the price at which options may be granted, change the class of eligible participants, or otherwise when stockholder approval is required by law or under stock exchange listing requirements.

Effectiveness of the Stock Incentive Plan; Amendment and Termination. The amendment and restatement of the Stock Incentive Plan, which was approved by the Board of Directors on April , 2013, will become effective when it is approved by our stockholders prior to the completion of the offering described herein at a meeting of our stockholders or by written consent in accordance with applicable law. The Stock Incentive Plan will remain available for the grant of awards until the tenth anniversary of the effective date of the amendment and restatement.

Employee Stock Purchase Plan

On April , 2013, we adopted the Noodles & Company Employee Stock Purchase Plan (the "ESPP") subject to stockholder approval. The purpose of the ESPP is to encourage and enable our eligible employees to acquire a proprietary interest in us through the ownership of our common shares. A maximum of shares may be purchased under the ESPP. The ESPP, and the rights of participants to make purchases thereunder, is intended to qualify under the provisions of Sections 421 and 423 of the Internal Revenue Code of 1986, as amended (the "Code").

Administration. The ESPP is administered by the Compensation Committee or another committee designated by the board to administer the ESPP, or in the absence of any such committee, the board itself. All questions of interpretation of the ESPP are determined by the ESPP Administrator, whose decisions are final and binding upon all participants. The ESPP Administrator may delegate its responsibilities under the ESPP to one or more other persons.

Eligibility / Participation. Each employee who has 30 days of continuous service as of the beginning of the applicable offering period, is customarily employed to work for more than 20 hours per week, and whose customary employment is more than five months in a calendar year is eligible to participate in the ESPP, except that highly compensated employees (as determined pursuant to Section 423 of the Code) are excluded. There are four offering periods in each fiscal year. Each offering period will run for a fiscal quarter, except that the first offering period will commence upon the closing of this offering and end on the last day of the fiscal quarter in which it occurs (unless this offering occurs in the last 10 days of a fiscal quarter, in which case the offering period will run through the end of the next-following fiscal quarter).

An eligible employee may begin participating in the ESPP effective at the beginning of an offering period. Once enrolled in the ESPP, a participant is able to purchase our common shares with payroll deductions at the end of the applicable offering period. Once an offering period is over, a participant is automatically enrolled in the next offering period unless the participant chooses to withdraw from the ESPP.

Purchase Price. The price per share at which shares are purchased under the ESPP is determined by the compensation committee, but in no event will be less than 85% of the fair market value of the common stock on the first or the last day of the offering period, whichever is lower. A participant may designate payroll deductions to be used to purchase shares equal to at least $50 and a maximum of the percentage of the participant's compensation set by the ESPP Administrator (which rate may be changed from time to time, but in no event shall be greater than 15%). A participant may only change the percentage of compensation that is deducted to purchase shares under the ESPP (other than to withdraw entirely from the ESPP) effective at the beginning of a offering period. At the end of each offering period, unless the participant has withdrawn from the ESPP, payroll deductions are applied automatically to purchase common shares at the price described above. The number of shares purchased is determined by dividing the payroll deductions by the applicable purchase price.

Adjustments. In the event of any reorganizations, recapitalizations, stock splits, reverse stock splits, stock dividends, extraordinary dividends or distributions or similar events, the ESPP Administrator will appropriately adjust the number and class of shares available under the ESPP and the applicable purchase price of such shares.

Limitations on Participation. A participant is not permitted to purchase shares under the ESPP if the participant would own common stock possessing 5% or more of the total combined voting power or value of equity interests. A participant is also not permitted to purchase common stock with a fair market value in excess of $25,000 in any one calendar year (or more than 5,000 shares in any offering period). A participant does not have the rights of a shareholder until the shares are actually issued to the participant.

Transferability. Rights to purchase common stock under the ESPP may not be transferred by a participant and may be exercised during a participant's lifetime only by the participant.

Amendment / Termination. The ESPP will become effective when it is approved by our stockholders prior to the completion of the offering described herein at a meeting of our stockholders in accordance with applicable law. The board may amend, alter or discontinue the ESPP in any respect at any time; however, stockholder approval is required for any amendment that would increase the number of shares reserved under the ESPP other than pursuant to an adjustment as provided in the ESPP or materially change the eligibility requirements to participate in the ESPP.

401(k) Plan

We maintain a tax-qualified retirement plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax-advantaged basis. Eligible employees are able to defer eligible compensation subject to applicable annual Code limits. No employer contributions were made to the 401(k) plan in 2012. Contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. The 401(k) plan is intended to be qualified under Section 401(a) of the Code.

Pension Benefits

Our NEOs did not participate in, or otherwise receive any benefits under, any pension or retirement plan we sponsored during 2012.

Nonqualified Deferred Compensation

Our NEOs did not earn any nonqualified deferred compensation benefits from us during 2012.

PRINCIPAL STOCKHOLDERS

The following table presents information regarding beneficial ownership of our equity interests as of May 1, 2013, and as adjusted to reflect our sale of common stock in this offering, by:

- each stockholder or group of stockholders known by us to be the beneficial owner of more than 5% of our outstanding equity interests;
- each of our directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC, and thus represents voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all equity interests beneficially owned, subject to community property laws where applicable.

Percentage ownership of our equity interests before this offering is based on 29,369,746 shares of our Class A common stock, 10,905,789 shares of our Class B common stock and one share of our Class C common stock outstanding as of April 2, 2013. There are 108 holders of our Class A common stock, one holder of our Class B common stock and one holder of our Class C common stock. The rights of the holders of our Class A common stock and our Class B common stock are identical in all respects, except that our Class B common stock does not vote on the election or removal of directors. Shares of our common stock subject to options that are currently exercisable or exercisable within 60 days of May 1, 2013 are deemed to be outstanding and to be beneficially owned by the person holding the options for the purpose of computing the percentage ownership of that person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. All outstanding shares of Class B common stock and the one share of Class C common stock are held by Argentia Private Investments Inc. Unless otherwise indicated, the address of each individual listed in this table is c/o Noodles & Company, 520 Zang Street, Suite D, Broomfield, Colorado 80021.

Name and Address of Beneficial Owner	Shares Beneficially Owned Prior to The Offering		Shares Beneficially Owned After the Offering			
	Number	Percent	Number	Percent (assuming no exercise of Underwriters' Option)	Percent (assuming full exercise of Underwriters' Option)	Percent (Voting Power)
5% Stockholders						
Entities affiliated with Catterton Partners[1]	18,200,000	45.19%	18,200,000			
Argentia Private Investments Inc.[2]	18,000,001	44.69%	18,000,001			
Named Executive Officers and Directors						
Kevin Reddy[3]	1,152,189	2.81%	1,152,189			
Keith Kinsey[4]	678,745	1.66%	678,745			
Dave Boennighausen[5]	87,636	*	87,636			
Dan Fogarty[6]	139,523	*	139,523			
Phil Petrilli[7]	43,750	*	43,750			
Paul Strasen[8]	148,509	*	148,509			
Kathy Lockhart[9]	38,233	*	38,233			
Scott Dahnke[1]	18,200,000	45.19%	18,200,000			
Stuart Frenkiel	18,000,001	44.69%	18,000,001			
James Pittman	18,000,001	44.69%	18,000,001			
James Rand[10]	60,608	*	60,608			
Andrew Taub[1]	18,200,000	45.19%	18,200,000			
All Executive Officers and Directors as a Group (12 individuals)[11]	2,349,193	5.75%	2,349,193			

* *Indicates ownership of less than one percent.*

(1) All of the shares of common stock are held by Catterton-Noodles, LLC, an entity affiliated with Catterton. Scott Dahnke is a Managing Partner of Catterton and Andrew Taub is a Partner of Catterton, and in such capacities they have voting and investment control over the securities. Mr. Dahnke and Mr. Taub disclaim beneficial ownership of such securities except to the extent of their pecuniary interest therein. The principal business address of Catterton Partners is 599 West Putnam Avenue, Greenwich, CT 06830.

(2) Consists of (i) 7,094,211 shares of common stock, (ii) 10,905,789 shares of Class B common stock and (iii) one share of Class C common stock held by Argentia Private Investments Inc., which is affiliated with PSPIB. Class B common stock has the same rights as the common stock except that holders of Class B common stock will not be entitled to vote in the election or removal of directors unless converted into common stock. Gordon J. Fyfe is President of Argentia and Derek Murphy is Vice President of Argentia, and in such capacities they have voting and investment control over such securities. Mr. Fyfe and Mr. Murphy disclaim beneficial ownership of such securities. The principal business address of Argentia is 1250 Réne Lévesque Boulevard West, Suite 900, Montreal, Quebec, Canada H3B 4W8.

(3) Includes options to purchase 799,000 shares of our common stock exercisable within 60 days.

(4) Includes options to purchase 517,500 shares of our common stock exercisable within 60 days.

(5) Includes options to purchase 77,750 shares of our common stock exercisable within 60 days.

(6) Includes options to purchase 127,500 shares of our common stock exercisable within 60 days.

(7) Includes options to purchase 43,750 shares of our common stock exercisable within 60 days.

(8) Includes options to purchase 127,500 shares of our common stock exercisable within 60 days.

(9) Includes options to purchase 30,600 shares of our common stock exercisable within 60 days.

(10) Includes options to purchase 45,000 shares of our common stock exercisable within 60 days.

(11) Includes options to purchase 1,768,600 shares of our common stock exercisable within 60 days.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related Party Transactions

The following is a description of each transaction since December 30, 2009 to which we have been a party, in which the amount involved exceeded or will exceed $120,000, and in which any of our directors, executive officers or beneficial holders of more than 5% of our capital stock had or will have a direct or indirect material interest.

Merger Agreement. As part of the 2010 Equity Recapitalization, we entered into an Agreement and Plan of Merger with Catterton-Noodles, LLC, Red Isle Private Investments Inc., CP/PSP Merger Sub, Inc. and David R. Duncan. Pursuant to the agreement, at the effective time of the merger, the CP/PSP Merger Sub, Inc., an entity indirectly owned by Catterton and PSPIB was merged with and into the Company. As a result of the merger, Catterton, certain of its affiliated entities and Argentia, collectively, became our majority stockholders and own approximately 90% of the outstanding equity interests of the company.

Stockholders Agreement. Under the Stockholders Agreement, each of Catterton and Argentia have agreed to vote its respective shares of common stock to elect two directors selected by Argentia. Furthermore, if the Public Sector Pension Investment Board Act ceases to prohibit PSPIB from investing in securities of a corporation to which are attached more than 30% of the votes that may be cast to elect directors, each of Catterton and Argentia will vote its respective shares of common stock to elect two directors selected by Catterton. Additionally, Catterton will not vote its shares to elect any three of the five directors not designated by Argentia, unless any such director has been approved by Argentia. Catterton and Argentia have further agreed not to vote their shares in favor of any of certain actions without the mutual consent of the other.

Management Services. Catterton Management Company, LLC, an affiliate of Catterton, provides certain management services to the Company. In connection with such services Catterton Management Company, LLC receives an annual management fee of $500,000. Argentia holds the sole share of our Class C common stock, which entitles it to receive annual dividends of $500,000 payable at the same times and in the same amounts as the management fees payable to Catterton Management Company, LLC. In connection with this offering, no dividend on the one outstanding share of our Class C common stock will be paid. This share of Class C common stock will be redeemed and the services arrangement with Catterton Management Company, LLC will be terminated upon the closing of this offering. In both 2011 and 2012, the Company paid $1.1 million in management fees and Class C dividends, which included a prepayment for both the first quarter of 2012 and 2013.

Bridge Financing. In connection with the 2010 Equity Recapitalization we obtained bridge financing from the Sponsors in the amount of $45.0 million. Such amount was repaid, along with $0.9 million of PIK interest at 12%, when we completed the refinancing of our credit facility in February 2011.

Registration Rights

Pursuant to the terms of a Registration Rights Agreement between us and certain holders of our stock, including Catterton, certain of its affiliates and Argentia, certain holders of our stock are entitled to demand and piggyback rights. The stockholders who are a party to the Registration Rights Agreement will hold an aggregate of shares, or %, of our equity interests upon completion of this offering.

Demand Registrations. Under the Registration Rights Agreement, both Catterton and Argentia are able to require us to file a registration statement (a "Demand Registration") under the Securities Act, covering at least 10% of our equity interests, and we are required to notify holders of such securities in the event of such request (a "Demand Registration Request"). Each of Catterton and Argentia can issue unlimited Demand Registration Requests, unless we are ineligible to use Form S-3, in which case we will not be obligated to grant more than three Demand Registration Requests to each of Catterton and

Argentia during such period of ineligibility. All eligible holders will be entitled to participate in any Demand Registration upon proper notice to the surviving company and we are required to use our commercially reasonable efforts to effect such registration in accordance with the terms of the Demand Registration Request, subject to certain rights we will have to delay or postpone such registration. We have the right to include authorized but unissued shares of our common stock in such registrations. A holder of our common stock will only be able to withdraw its eligible securities from a Demand Registration with our prior written consent or in the event that we exercise our right to delay or postpone a Demand Registration Request. If sufficient holders withdraw such that the number of securities eligible to be registered does not meet the applicable 10% threshold, we can cease its efforts to effect the Demand Registration.

Piggyback Registrations. Under the Registration Rights Agreement, if at any time we propose or are required to register any of our equity securities under the Securities Act (other than a Demand Registration or pursuant to an employee benefit or dividend reinvestment plan) (a "piggyback registration"), we will be required to notify each eligible holder of its right to participate in such registration. We will use commercially reasonable efforts to cause all eligible securities requested to be included in the registration to be so included. We have the right to withdraw or postpone a registration statement in which eligible holders have elected to exercise piggyback registration rights, and eligible holders are entitled to withdraw their registration requests prior to the execution of an underwriting agreement or custody agreement with respect to any such registration.

Procedures for Approval of Related Party Transactions

We do not currently have a formal, written policy or procedure for the review and approval of related party transactions. However, all related party transactions are currently reviewed and approved by a disinterested majority of our board of directors.

Our board of directors will adopt a written related person transaction policy, effective upon the closing of this offering, which sets forth the policies and procedures for the review and approval or ratification of related party transactions. This policy will be administrated by our audit committee. These policies will provide that, in determining whether or not to recommend the initial approval or ratification of a related party transaction, the relevant facts and circumstances available shall be considered, including, among other factors it deems appropriate, whether the interested transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related party's interest in the transaction.

DESCRIPTION OF CAPITAL STOCK

General

The following is a summary of our capital stock and provisions of our amended and restated certificate of incorporation and amended and restated bylaws, as each will be in effect upon the closing of this offering, and certain provisions of Delaware law. This summary does not purport to be complete and is qualified in its entirety by the provisions of our amended and restated certificate of incorporation and amended and restated bylaws, copies of which will be filed with the SEC as exhibits to the registration statement, of which this prospectus forms a part. References in this section to "the company," "we," "us" and "our" refer to Noodles & Company and not to any of its subsidiaries.

Following the closing of this offering, we expect that our authorized capital stock will consist of shares of Class A common stock, $0.01 par value per share, which we refer to in this prospectus as common stock, shares of Class B common stock, $0.01 par value per share, and shares of undesignated preferred stock, $0.01 par value per share. We sometimes refer to our common stock and Class B common stock as "equity interests" when described on an aggregate basis. The one share of Class C common stock outstanding as of April 2, 2013 will be redeemed upon the closing of this offering.

Class A Common Stock

As of April 2, 2013, there were 29,369,746 shares of common stock outstanding on a pre-reverse split basis held by 108 stockholders of record.

Following the closing of this offering, there will be shares of our common stock authorized for issuance. Pursuant to our amended and restated certificate of incorporation, holders of our common stock will be entitled to one vote on all matters submitted to a vote of stockholders; provided, however, that, except as otherwise required by law, holders of common stock, as such, shall not be entitled to vote on any amendment to our amended and restated certificate of incorporation that relates solely to the terms of one or more outstanding series of preferred stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to our amended and restated certificate of incorporation. Pursuant to our amended and restated certificate of incorporation, holders of common stock will not be entitled to cumulative voting in the election of directors. This means that the holders of a majority of the common stock will be able to elect all of the directors then standing for election. Subject to the rights, if any, of the holders of any outstanding series of preferred stock, holders of our common stock shall be entitled to receive dividends out of any of our funds legally available when, as and if declared by the board of directors. Upon the dissolution, liquidation or winding up of the company, subject to the rights, if any, of the holders of our preferred stock, the holders of our equity interests shall be entitled to receive the assets of the company available for distribution to its stockholders ratably in proportion to the number of shares held by them. Holders of common stock will not have preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to our common stock.

Class B Common Stock

As of April 2, 2013, there were 10,905,789 shares of Class B common stock outstanding on a pre-reverse split basis held by one stockholder of record.

Following the closing of this offering, there will be shares of our Class B common stock authorized for issuance. Pursuant to our amended and restated certificate of incorporation, our Class B common stock has the same rights as our Class A common stock except that holders of our Class B common stock will not be entitled to vote in the election or removal of directors unless converted into Class A common stock. Shares of our Class B common stock are convertible on a share-for-share basis into shares of our Class A common stock at the election of the holder. Subject to the rights, if any, of the

holders of any outstanding series of preferred stock, holders of our Class B common stock shall be entitled to receive dividends out of any of our funds legally available when, as and if declared by our Board of Directors. Upon our dissolution, liquidation or winding up, subject to the rights, if any, of the holders of our preferred stock, the holders of shares of our equity interests shall be entitled to receive the assets of the company available for distribution to its stockholders ratably in proportion to the number of shares held by them. Holders of Class B common stock will not have preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to our Class B common stock.

Preferred Stock

As of April 2, 2013, there were no shares of preferred stock outstanding.

Following the closing of this offering, our board of directors will be authorized to issue not more than an aggregate of shares of preferred stock in one or more series, without stockholder approval. Our board of directors is authorized to issue not more than an aggregate of shares of preferred stock in one or more series, without stockholder approval. Our board of directors is authorized to establish, from time to time, the number of shares to be included in each series of preferred stock and to fix the designation, powers, privileges, preferences and relative participating, optional or other rights, if any, of the shares of each series of preferred stock and any of its qualifications, limitations or restrictions. Our board of directors also is able to increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series of preferred stock then outstanding, without any further vote or action by the stockholders, without any vote or action by stockholders. In the future, our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could harm the voting power or other rights of the holders of our common stock, or that could decrease the amount of earnings and assets available for distribution to the holders of our common stock. The issuance of our preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other consequences, have the effect of delaying, deferring or preventing a change in our control and might harm the market price of our common stock and the voting and other rights of the holders of common stock. We have no current plans to issue any shares of preferred stock.

Registration Rights

See "Certain Relationships and Related Transactions—Registration Rights."

Anti-Takeover Effects of Delaware Law, Our Amended and Restated Certificate of Incorporation and Our Amended and Restated Bylaws

Certain provisions of Delaware law and our amended and restated certificate of incorporation and amended and restated bylaws that will be effective upon consummation of the offering could make the acquisition of the company more difficult. These provisions of the Delaware General Corporation Law could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire us. These provisions, summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and are designed to encourage persons seeking to acquire control of us to negotiate with our board of directors.

Stockholder meetings. Under our amended and restated certificate of incorporation, only the Board of Directors, or the chairman of the Board of Directors or the Chief Executive Officer with the concurrence of a majority of the Board of Directors may call special meetings of stockholders.

Requirements for advance notification of stockholder nominations and proposals. Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors.

Elimination of stockholder action by written consent. Our amended and restated certificate of incorporation eliminates the right of stockholders to act by written consent without a meeting, except for such period as Catterton and Argentia and their affiliates collectively own a majority of our outstanding common stock. This provision will, in certain situations make it more difficult for stockholders to take action opposed by the board of directors.

Election and removal of directors. Our board of directors will be divided into three classes, each serving staggered three-year terms. As a result, only a portion of our board of directors will be elected each year. The board of directors will have the exclusive right to increase or decrease the size of the board and to fill vacancies on the board. This system of electing directors may discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it generally makes replacing a majority of directors more difficult for stockholders. Additionally, directors may be removed for cause only with the approval of the holders of a majority of our outstanding common stock. Directors may be removed without cause only with the approval of two-thirds of our outstanding common stock.

Undesignated preferred stock. The authorization of undesignated preferred stock makes it possible for the board of directors, without stockholder approval, to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to obtain control of us. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of the company.

Amendment of provisions in the certificate of incorporation. Our amended and restated certificate of incorporation will require the affirmative vote of the holders of at least two-thirds of our outstanding common stock in order to amend any provision of our certificate of incorporation.

Amendment of provisions in the bylaws. Our amended and restated bylaws will require the affirmative vote of the holders of at least two-thirds of our outstanding common stock in order to amend any provision of our bylaws.

We anticipate that we will not be governed by Section 203 of the Delaware General Corporation Law.

Transfer Agent and Registrar

is the transfer agent and registrar for our common stock.

Listing

We will apply to list our common stock on either the Nasdaq Global Select Market or the New York Stock Exchange under the symbol NDLS.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has not been a public market of our Class A common stock, which we refer to in this prospectus as our "common stock," or any of our equity securities. Future sales of our common stock, including shares issued upon the exercise of outstanding options or warrants, in the public market after this offering, or the perception that those sales may occur, could cause the prevailing market price for our common stock to fall or impair our ability to raise equity capital in the future. As described below, only a limited number of shares of our common stock will be available for sale in the public market for a period of several months after consummation of this offering due to contractual and legal restrictions on resale described below. Future sales of our common stock in the public market either before (to the extent permitted) or after restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price of our common stock at such time and our ability to raise equity capital at a time and price we deem appropriate.

Sale of Restricted Shares

Based on the number of shares of our equity interests outstanding as of , upon the closing of this offering and assuming (a) no exercise of the underwriters' option to purchase additional shares of common stock to cover over-allotments and (b) no exercise of outstanding options or warrants, we will have outstanding an aggregate of approximately shares of equity interests. Of these shares, all of the shares of common stock to be sold in this offering, and any shares sold upon exercise of the underwriters' option to purchase additional shares to cover over-allotments, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless the shares are held by any of our "affiliates" as such term is defined in Rule 144 of the Securities Act. All remaining shares of equity securities held by existing stockholders immediately prior to the closing of this offering will be "restricted securities" as such term is defined in Rule 144. These restricted securities were issued and sold by us, or will be issued and sold by us, in private transactions and are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under the Securities Act, including the exemptions provided by Rule 144 or Rule 701, which rules are summarized below.

Lock-Up Agreements

In connection with this offering, we, our sponsors, our directors, our executive officers and holders of substantially all of our common stock, options and warrants have agreed, subject to certain exceptions, not to dispose of or hedge any shares of our equity interests or securities convertible into or exchangeable for our equity interests during the period from the date of the lock-up agreement continuing through the date 180 days after the date of this prospectus, except with the prior written consent of Morgan Stanley & Co. LLC and UBS Securities LLC.

Following the lock-up periods set forth in the agreements described above, and assuming that the representatives of the underwriters do not release any parties from these agreements, all of the our equity interests that are restricted securities or are held by our affiliates as of the date of this prospectus will be eligible for sale in the public market in compliance with Rule 144 under the Securities Act.

Rule 144

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, a person (or persons whose shares are required to be aggregated) who is not deemed to have been one of our "affiliates" for purposes of Rule 144 at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months, including the holding period of any prior owner other than one of our "affiliates," is entitled to sell those shares in the public market (subject to the

lock-up agreement referred to above, if applicable) without complying with the manner of sale, volume limitations or notice provisions of Rule 144, but subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than "affiliates," then such person is entitled to sell such shares in the public market without complying with any of the requirements of Rule 144 (subject to the lock-up agreement referred to above, if applicable). In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, our "affiliates," as defined in Rule 144, who have beneficially owned the shares proposed to be sold for at least six months are entitled to sell in the public market, upon expiration of any applicable lock-up agreements and within any three-month period, a number of those shares of our equity interests that does not exceed the greater of:

- 1% of the number of equity interests then outstanding, which will equal approximately shares of equity interests immediately after this offering (calculated on the basis of the assumptions described above and assuming no exercise of the underwriter's option to purchase additional shares and no exercise of outstanding options or warrants); or

- the average weekly trading volume of our common stock on the Nasdaq Global Market or New York Stock Exchange during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Such sales under Rule 144 by our "affiliates" or persons selling shares on behalf of our "affiliates" are also subject to certain manner of sale provisions, notice requirements and to the availability of current public information about us. Notwithstanding the availability of Rule 144, the holders of substantially all of our restricted securities have entered into lock-up agreements as referenced above and their restricted securities will become eligible for sale (subject to the above limitations under Rule 144) upon the expiration of the restrictions set forth in those agreements.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants or advisors who acquired common stock from us in connection with a written compensatory stock or option plan or other written agreement in compliance with Rule 701 under the Securities Act before the effective date of the registration statement of which this prospectus is a part (to the extent such common stock is not subject to a lock-up agreement) is entitled to rely on Rule 701 to resell such shares beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act in reliance on Rule 144, but without compliance with the holding period requirements contained in Rule 144. Accordingly, subject to any applicable lock-up agreements, beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, under Rule 701 persons who are not our "affiliates," as defined in Rule 144, may resell those shares without complying with the minimum holding period or public information requirements of Rule 144, and persons who are our "affiliates" may resell those shares without compliance with Rule 144's minimum holding period requirements (subject to the terms of the lock-up agreements referred to below, if applicable).

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion describes certain material U.S. federal income tax consequences associated with the purchase, ownership and disposition of shares of our Class A common stock, which we refer to in this prospectus as our "common stock." This discussion deals only with beneficial owners of shares of our common stock that purchase the shares in this offering and will hold shares as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code") (generally, property held for investment). Because this section is a general summary, it does not address all aspects of taxation that may be relevant to particular shareholders in light of their personal investment or tax circumstances, or to certain types of shareholders that are subject to special treatment under the U.S. federal income tax laws, including, but not limited to, brokers or dealers in securities, banks or other financial institutions, regulated investment companies, real estate investment trusts, insurance companies, tax-exempt entities, persons holding common stock as a part of a hedging, integrated, conversion or constructive sale transaction or a straddle, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, persons liable for alternative minimum tax, U.S. Holders (as defined below) whose "functional currency" is not the U.S. dollar, entities or arrangements treated as partnerships for U.S. federal income tax purposes or investors in such entities, persons who acquired our common stock through the exercise of employee stock options or otherwise as compensation for services, U.S. expatriates, "controlled foreign corporations," "passive foreign investment companies," and persons deemed to sell our common stock under the constructive sale provisions of the Code.

This discussion is based upon the provisions of the Code, the existing and proposed U.S. Treasury regulations promulgated thereunder and administrative and judicial interpretations thereof, all as of the date hereof, and such authorities may be repealed, revoked, modified or subject to differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those discussed below. This discussion does not address any state, local or foreign tax consequences, or any U.S. federal tax consequences other than U.S. federal income tax consequences.

If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partners in a partnership purchasing our common stock, are encouraged to consult their own tax advisors.

THIS SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK. PROSPECTIVE HOLDERS OF OUR COMMON STOCK ARE ENCOURAGED TO CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM (INCLUDING THE APPLICATION AND EFFECT OF ANY STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX LAWS) OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK.

Consequences to U.S. Holders

The following is a summary of the U.S. federal income tax consequences that will apply to a U.S. Holder of shares of our common stock. A "U.S. Holder" of shares of our common stock means a beneficial owner of shares of common stock that is for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation) created or organized in the United States or under the laws of the United States or any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust if it is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

Dividends. If a U.S. Holder receives a distribution in respect of shares of our common stock, it generally will be treated as a dividend to the extent that it is paid from current or accumulated earnings and profits as determined under U.S. federal income tax principles. A distribution that exceeds current and accumulated earnings and profits will be treated as a nontaxable return of capital reducing a U.S. Holder's tax basis in the common stock and any remaining excess will be treated as capital gain.

Under current law, dividend income may be taxed to an individual U.S. Holder at rates applicable to long term capital gains, provided that a minimum holding period and other limitations and requirements are satisfied. Any dividends that we pay to a U.S. Holder that is a U.S. corporation will qualify for a deduction allowed to U.S. corporations in respect of dividends received from other U.S. corporations equal to a portion of any dividends received, subject to generally applicable limitations on that deduction. In general, a dividend distribution to a corporate U.S. Holder may qualify for the 70% dividends received deduction if the U.S. Holder owns less than 20% of the voting power and value of our stock. U.S. Holders are encouraged to consult their own tax advisors regarding the holding period and other requirements that must be satisfied in order to qualify for the reduced tax rate on dividends and the dividends-received deduction.

Sale, Exchange, or Other Disposition of Common Stock. A U.S. Holder will generally recognize capital gain or loss on the sale, exchange or other disposition of our common stock. The amount of gain or loss will equal the difference between the amount realized on the sale and the tax basis of such U.S. Holder in the disposed common stock. The amount realized will include the amount of any cash and the fair market value of any other property received in exchange for the stock. The gain or loss recognized on a sale will be long-term capital gain or loss if the common stock had been held for more than one year. Long-term capital gains of non-corporate U.S. Holders are generally taxed at lower rates than those applicable to ordinary income. The deductibility of capital losses is subject to certain limitations.

Medicare Contribution Tax. U.S. Holders who are individuals, estates or certain trusts are required to pay a 3.8% tax on the lesser of (1) the U.S. person's "net investment income" in the case of an individual, or undistributed "net investment income" in the case of an estate or trust, in each case for the relevant taxable year and (2) the excess of the U.S. person's modified adjusted gross income in the case of an individual, or adjusted gross income in the case of an estate or trust, in each case for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000 depending on the individual's circumstances). Net investment income generally includes, among other things, dividends and capital gains from the sale or other disposition of stock, unless such dividend income or gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). A U.S. Holder that is an individual, estate or trust is encouraged to consult its tax advisor regarding the applicability of the Medicare tax to its income and gains in respect of its investment in our common stock.

Information Reporting and Backup Withholding. U.S. Treasury regulations require information reporting and backup withholding on certain payments on common stock or on the sale thereof. When required, we will report to the Internal Revenue Service (the "IRS") and to each U.S. Holder the amounts paid on or with respect to our common stock and the U.S. federal withholding tax, if any, withheld from such payments. A U.S. Holder will be subject to backup withholding on the dividends paid on the common stock and proceeds from the sale of the common stock at the applicable rate if the U.S. Holder (a) fails to provide us or our paying agent with a correct taxpayer identification number or certification of exempt status (such as a certification of corporate status), (b) has been notified by the IRS that it is subject to backup withholding as a result of the failure to properly report payments of interest or dividends, or (c) in certain circumstances, has failed to certify under penalty of perjury that it is not subject to backup

withholding. A U.S. Holder may be eligible for an exemption from backup withholding by providing a properly completed IRS Form W-9 to us or our paying agent.

Backup withholding does not represent an additional U.S. federal income tax. Any amounts withheld from a payment to a U.S. Holder under the backup withholding rules will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information or returns are timely furnished by the holder to the IRS.

Consequences to Non-U.S. Holders

The following is a summary of the U.S. federal income tax consequences that will apply to a Non-U.S. Holder of shares of our common stock. A "Non-U.S. Holder" is a beneficial owner of common stock (other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder.

Dividends. Dividends paid to a Non-U.S. Holder, if any, generally will be subject to withholding of U.S. federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. A Non-U.S. Holder wishing to claim the benefits of an applicable income tax treaty for dividends will be required to complete IRS Form W-8BEN (or other applicable forms) and certify under penalties of perjury that such Non-U.S. Holder is not a U.S. person and is entitled to the benefits of the applicable income tax treaty.

Dividends paid to a Non-U.S. Holder that are effectively connected with such Non-U.S. Holder's conduct of a trade or business within the United States or, if certain treaties apply, are attributable to a U.S. permanent establishment, are not subject to the withholding tax but instead are subject to regular graduated U.S. federal income tax rates in the same manner as a U.S. Holder. Special certification and disclosure requirements, including the completion of IRS Form W-8ECI (or any successor form), must be satisfied for effectively connected dividends to be exempt from withholding. In addition, a non-U.S. Holder that is a foreign corporation may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty on any effectively connected dividends received by such non-U.S. Holder. In order to claim the benefit of an applicable income tax treaty, special certifications and other requirements may apply to certain Non-U.S. Holders that are entities rather than individuals.

If a Non-U.S. Holder is eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty, such Non-U.S. Holder may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the IRS.

Sale, Exchange or Other Disposition of Common Stock. A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to gain recognized on a sale, exchange or other disposition of shares of our common stock unless:

- the gain is effectively connected with such Non-U.S. Holder's conduct of a trade or business in the United States, or, if certain income tax treaties apply, is attributable to a U.S. permanent establishment;
- an individual Non-U.S. Holder holds shares of our common stock, is present in the United States for 183 days or more in the taxable year of the sale, exchange or other disposition and certain other conditions are met; or
- our common stock constitutes a U.S. real property interest by reason of our status as a "U.S. real property holding corporation" for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or such Non-U.S. Holder's holding period of our common stock.

We believe that we are not currently and will not become a U.S. real property holding corporation. However, because the determination of whether we are a U.S. real property holding corporation depends on the fair market value of our U.S. real property assets relative to the fair market value of our other business assets, there can be no assurance that we will not become a U.S. real property holding corporation in the future. Even if we become a U.S. real property holding corporation, however, as long as our common stock is regularly traded on an established securities market, such common stock will be treated as an interest in a U.S. real property holding corporation only if a Non-U.S. Holder actually or constructively holds more than 5% of our regularly traded common stock at any time during the applicable period as specified in the Code.

An individual Non-U.S. Holder described in the first bullet above will be subject to tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates in the same manner as if such Non-U.S. Holder were a U.S. Holder.

A foreign corporation Non-U.S. Holder described in the first bullet above will be subject to tax on the net gain under regular graduated U.S. federal income tax rates in the same manner as a U.S. Holder and, in addition, may be subject to the branch profits tax at a rate of 30% or at such lower rate as may be specified by an applicable income tax treaty.

A Non-U.S. Holder described in the second bullet above will be subject to a flat 30% tax on the gain derived from the sale, exchange or other disposition, which may be offset by U.S. source capital losses (even though such Non-U.S. Holder is not considered a resident of the United States). A Non-U.S. Holder that is an individual and eligible for the benefits of a tax treaty between the United States and such Non-U.S. Holder's country of residence will be subject to United States federal income tax on the disposition of shares of our common stock in the manner specified by the treaty and generally will only be subject to such tax if the gain on such disposition is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States and the Non-U.S. Holder claims the benefit of the treaty by properly submitting an IRS Form W-8BEN (or suitable successor or substitute form).

Information Reporting and Backup Withholding. In general, we must report annually to the IRS and to each Non-U.S. Holder the amount of dividends paid to such holder and the U.S. federal withholding tax withheld with respect to those dividends, regardless of whether withholding is reduced or eliminated by an applicable income tax treaty. Copies of this information reporting may also be made available under the provisions of a specific tax treaty or agreement with the tax authorities in the country in which the Non-U.S. Holder resides or is established.

U.S. backup withholding tax is imposed on certain dividend payments to Non-U.S. Holders that fail to furnish the information required under the U.S. information reporting requirements. Dividends on common stock paid to a Non-U.S. Holder will generally be exempt from backup withholding, provided the Non-U.S. Holder meets applicable certification requirements, including providing a correct and properly executed IRS Form W-8BEN, or otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale of our common stock within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a Non-U.S. Holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), or such owner otherwise establishes an exemption.

Backup withholding does not represent an additional U.S. federal income tax. Any amounts withheld from a payment to a Non-U.S. Holder under the backup withholding rules will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information or returns are timely furnished by the holder to the IRS.

Foreign Account Legislation

Certain provisions of the Code, which will be phased in beginning on January 1, 2014, generally will impose a withholding tax of 30% on any dividends on our common stock paid to certain foreign financial institutions, unless such institution enters into an agreement with the U.S. government to, among other things, collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or another exception applies. The legislation will also generally impose a withholding tax of 30% on any dividends on our common stock paid to a non-financial foreign entity unless such entity provides the withholding agent with either certification that such entity does not have any substantial U.S. owners or identification of the direct and indirect substantial U.S. owners of the entity. Finally, beginning on January 1, 2017, withholding of 30% also generally will apply to the gross proceeds of a disposition of our common stock paid to a foreign financial institution or to a non-financial foreign entity unless the reporting and certification requirements described above have been met or another exception applies. Under certain circumstances, a Non-U.S. Holder of our common stock may be eligible for refunds or credits of such taxes. Investors are encouraged to consult with their tax advisors regarding the possible implications of this legislation on their investment in our common stock.

UNDERWRITING

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. LLC and UBS Securities LLC are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, severally, the number of shares indicated below:

Name	Number of Shares
Morgan Stanley & Co. LLC	
UBS Securities LLC	
Jefferies LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Piper Jaffray & Co	
Robert W. Baird & Co. Incorporated	
Total	

The underwriters and the representatives are collectively referred to as the "underwriters" and the "representatives," respectively. The underwriters are offering the shares of common stock subject to their acceptance of the shares from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' option to purchase additional shares described below. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased, or, in the case of a default with respect to the shares covered by the underwriters' option to purchase additional shares described below, the underwriting agreement may be terminated.

The underwriters initially propose to offer part of the shares of common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers at a price that represents a concession not in excess of $ per share under the public offering price. After the initial offering of the shares of common stock, the offering price and other selling terms may from time to time be varied by the representatives. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional shares of common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase the same percentage of the additional shares of common stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of common stock listed next to the names of all underwriters in the preceding table. The option may be exercised only to cover any over-allotments of shares of common stock.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us. These amounts are shown assuming both no exercise

and full exercise of the underwriters' option to purchase up to an additional shares of common stock.

	Per Share	Total	
		No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts and commissions	$	$	$
Proceeds, before expenses to us	$	$	$

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately $ million.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed % of the total number of shares of common stock offered by them.

We expect to list our common stock on under the trading symbol NDLS.

We, our sponsors, all directors and officers and the holders of substantially all of our outstanding stock and stock options, including holders of all of our unregistered securities acquired within the past 180 days, have agreed that, without the prior written consent of Morgan Stanley & Co. LLC and UBS Securities LLC on behalf of the underwriters, and subject to certain exceptions, we and they will not, during the period ending 180 days after the date of this prospectus (or such earlier date or dates as agreed between us and Morgan Stanley & Co. LLC and UBS Securities LLC):

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of common stock beneficially owned or any other securities convertible into or exercisable or exchangeable for common stock;

- file any registration statement with the Securities and Exchange Commission relating to the offering of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock; or

- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock;

whether any such transaction described above is to be settled by delivery of common stock or such other securities, in cash or otherwise. In addition, we and each such person agrees that, without the prior written consent of Morgan Stanley & Co. LLC and UBS Securities LLC on behalf of the underwriters, we or such other person will not, during the restricted period, make any demand for, or exercise any right with respect to, the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for common stock.

The restrictions described in the immediately preceding paragraph do not apply to:

- the sale of shares to the underwriters;

- the issuance by us of shares of common stock upon the exercise of an option or a warrant or the conversion of a security outstanding on the date of this prospectus of which the underwriters have been advised in writing;

- the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act, for the transfer of shares of common stock, provided that such plan does not provide for the transfer of common stock during the restricted period and no public announcement or filing under the Exchange Act regarding the establishment of such plan shall be required or shall be voluntarily made;

- transfers of shares of common stock as a bona fide gift or charitable contribution, by will or intestacy or to any trust for the direct or indirect benefit of the holder or the immediate family of the holder;

- distributions of shares of common stock to beneficiaries or affiliates, including limited partners, members or stockholders of the holder;

- transactions relating to shares of common stock or other securities acquired in open market transactions after the completion of this offering, provided, that no filing under the Exchange Act (other than a filing on Form 5, Schedule 13D or Schedule 13G (or 13D/A or 13G/A) made after the expiration of 180 day period) will be required or voluntarily made in connection with subsequent sales of common stock or other securities acquired in such open market transactions; or

- transfers in connection with a liquidation, merger, stock exchange or similar transaction that results in all of our stockholders having the right to exchange their shares of common stock for cash, securities or other property;

provided, that in the case of any transfer or distribution pursuant to the fourth and fifth bullets above, it will be a condition of transfer or distribution, as the case may be, that each transferee, donee and distributee shall enter into a written agreement accepting the restrictions set forth in the preceding paragraph as if it were a selling shareholder and no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of common stock, shall be required or shall be voluntarily made in respect of the transfer or distribution during the restricted period.

Morgan Stanley & Co. LLC and UBS Securities LLC may, in their sole discretion and at any time or from time to time before the termination of the 180-day period, without public notice, release all or any portion of the securities subject to lock-up agreements.

In order to facilitate the offering of the common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under the option to purchase additional shares. The underwriters can close out a covered short sale by exercising the option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under the option to purchase additional shares. The underwriters may also sell shares in excess of the option to purchase additional shares, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of common stock in the open market to stabilize the price of the common stock. These activities may raise or maintain the market price of the common stock above independent market levels or prevent or retard a decline in the market price of the common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time. The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

We and the several underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representative may agree

to allocate a number of shares of common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representative to underwriters that may make internet distributions on the same basis as other allocations.

Directed Share Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to shares of common stock offered in this prospectus for our directors, officers, employees, business associates and other related persons. Reserved shares purchased by our directors and officers will be subject to the 180-day restricted period described above. The number of shares of common stock available for sale to the general public will be reduced to the extent such persons purchase reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered in this prospectus. We have agreed to indemnify UBS Securities LLC and its affiliates against certain liabilities and expenses, including the liabilities under the Securities Act in connection with sales of the directed shares.

Pricing of the Offering

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities and certain financial and operating information of companies engaged in activities similar to ours.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise). The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. In addition, Merrill Lynch, Pierce, Fenner & Smith Incorporated is acting as joint lead arranger and a joint bank manager and its affiliate is a lender and acting as the administrative agent under our credit facility and as such they will receive a portion of the proceeds of this offering in connection with the prepayment of our credit facility.

Other Relationships

Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated serve as the syndication agent and lenders under our credit facility. In connection with the repayment of certain borrowings under our credit facility with a portion of the net proceeds of this offering, affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated will receive their proportionate share in their capacities as lenders. See "Use of Proceeds."

Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") an offer to the public of any shares of our common stock may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any shares of our common stock may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares of our common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares of our common stock to be offered so as to enable an investor to decide to purchase any shares of our common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or FSMA) received by it in connection with the issue or sale of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of our common stock in, from or otherwise involving the United Kingdom.

Hong Kong

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the

public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Switzerland

This prospectus does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations ("CO") and the shares will not be listed on the SIX Swiss Exchange. Therefore, this prospectus may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange. Accordingly, the shares may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the shares with a view to distribution.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) of Australia ("Corporations Act")) in relation to the common stock has been or will be lodged with the Australian Securities & Investments Commission ("ASIC"). This document has not been lodged with ASIC

and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

- you confirm and warrant that you are either:
  - a "sophisticated investor" under section 708(8)(a) or (b) of the Corporations Act;
  - a "sophisticated investor" under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant's certificate to us which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;
  - a person associated with the company under section 708(12) of the Corporations Act; or
  - a "professional investor" within the meaning of section 708(11)(a) or (b) of the Corporations Act, and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act any offer made to you under this document is void and incapable of acceptance; and
- you warrant and agree that you will not offer any of the common stock for resale in Australia within 12 months of that common stock being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Korea

The common stock may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Korea Securities and Exchange Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The common stock has not been registered with the Financial Services Commission of Korea for public offering in Korea. Furthermore, the common stock may not be resold to Korean residents unless the purchaser of the common stock complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the common stock.

Dubai International Finance Centre

This prospectus relates to an Exempt Offer in accordance with the Markets Rules of the Dubai Financial Services Authority. This prospectus is intended for distribution only to Professional Clients who are not natural persons. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The Securities to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Securities offered should conduct their own due diligence on the Securities. If you do not understand the contents of this document you should consult an authorized financial adviser.

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus will be passed upon for us by Gibson, Dunn & Crutcher LLP, New York, New York. Certain legal matters in connection with this offering will be passed upon for the underwriters by Kirkland & Ellis LLP, New York, New York. As of the date of this prospectus, attorneys in Kirkland & Ellis LLP and a limited partnership affiliated with Kirkland & Ellis LLP owned an aggregate of 96,187 shares of our Class A common stock.

EXPERTS

The consolidated financial statements of the Company at January 1, 2013 and January 3, 2012, and for the fiscal years ended January 1, 2013, January 3, 2012 and December 28, 2010, appearing in this prospectus and registration statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some items of which are contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits and the consolidated financial statements and notes filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The exhibits to the registration statement should be reviewed for the complete contents of these contracts and documents. A copy of the registration statement, including the exhibits and the financial statements and notes filed as a part of the registration statement, may be inspected without charge at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549, and copies of all or any part of the registration statement may be obtained from the SEC upon the payment of fees prescribed by it. You may call the SEC at 1-800-SEC-0330 for more information on the operation of the public reference facilities. The SEC maintains a website at *www.sec.gov* that contains reports, proxy and information statements and other information regarding companies that file electronically with it.

Upon completion of this offering, we will become subject to the information and periodic and current reporting requirements of the Exchange Act, and in accordance therewith, will file periodic and current reports, proxy statements and other information with the SEC. The registration statement, such periodic and current reports and other information can be inspected and copied at the Public Reference Room of the SEC located at 100 F Street, N.E., Washington, D.C. 20549. Copies of such materials, including copies of all or any portion of the registration statement, can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically by means of the SEC's website at *www.sec.gov*.

Noodles & Company

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Noodles & Company

We have audited the accompanying consolidated balance sheets of Noodles & Company (the Company) as of January 1, 2013 and January 3, 2012, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the three years in the period ended January 1, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Noodles & Company as of January 1, 2013 and January 3, 2012, and the consolidated results of its operations and its cash flows for each of the three years in the period ended January 1, 2013, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Denver, Colorado
March 22, 2013, except for Note 1, as to
which the date is May 9, 2013

Noodles & Company

Consolidated Balance Sheets

(in thousands, except share and per share data)

	January 1, 2013	Pro-Forma Temporary Equity and Stockholders' Equity January 1, 2013 (unaudited)	January 3, 2012
Assets			
Current assets:			
Cash and cash equivalents	$ 581		$ 523
Accounts receivable	4,566		3,413
Inventories	6,042		4,595
Prepaid expenses and other assets	3,970		3,332
Income tax receivable	995		1,016
Total current assets	16,154		12,879
Property and equipment, net	136,287		103,831
Deferred tax assets, net	2,791		5,496
Other assets, net	1,763		4,119
Total long-term assets	140,841		113,446
Total assets	$ 156,995		$ 126,325
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable	$ 9,393		$ 6,900
Accrued payroll and benefits	5,345		6,198
Accrued expenses and other current liabilities	7,249		5,846
Current deferred tax liabilities	1,023		863
Current portion of long-term debt	750		750
Total current liabilities	23,760		20,557
Long-term debt	93,731		77,523
Deferred rent	23,013		18,644
Other long-term liabilities	2,483		2,078
Total liabilities	142,987		118,802
Temporary equity			
Common stock subject to put options—514,434 shares as of 2012 and 2011	3,601	—	2,572
Stockholders' equity:			
Preferred stock—$0.01 par value, authorized 5,000,000 shares; no shares issued or outstanding	—	—	—
Common stock—$0.01 par value, authorized 59,000,001 shares; 40,275,536 issued and outstanding as of 2012 and 2011	403	403	403
Additional paid-in capital	7,414	9,986	6,120
Accumulated other comprehensive loss, net of tax	(24)	(24)	(52)
Retained earnings (accumulated deficit)	2,614	3,643	(1,520)
Total stockholders' equity	10,407	14,008	4,951
Total liabilities and stockholders' equity	$ 156,995		$ 126,325

See accompanying notes to consolidated financial statements.

Noodles & Company

Consolidated Statements of Income

(in thousands, except share and per share data)

	Fiscal Year Ended		
	January 1, 2013	January 3, 2012	December 28, 2010
Revenue:			
Restaurant revenue	$ 297,264	$ 253,467	$ 218,560
Franchise royalties and fees	3,146	2,599	2,272
Total revenue	300,410	256,066	220,832
Costs and expenses:			
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):			
Cost of sales	78,997	66,419	56,869
Labor	89,435	75,472	64,942
Occupancy	29,323	25,208	21,650
Other restaurant operating costs	39,241	34,652	29,784
General and administrative	26,220	23,842	24,921
Depreciation and amortization	16,719	14,501	13,932
Pre-opening	3,145	2,327	2,088
Asset disposals, closure costs and restaurant impairments	1,278	1,629	2,815
Total costs and expenses	284,358	244,050	217,001
Income from operations	16,052	12,016	3,831
Debt extinguishment expense	2,646	275	—
Interest expense	5,028	6,132	1,819
Income before income taxes	8,378	5,609	2,012
Provision (benefit) for income taxes	3,215	1,780	(366)
Net income	$ 5,163	$ 3,829	$ 2,378
Earnings per Class A and Class B common stock, combined			
Basic	$ 0.13	$ 0.10	$ 0.06
Diluted	$ 0.13	$ 0.10	$ 0.05
Weighted average Class A and Class B common stock outstanding, combined			
Basic	40,275,536	40,273,306	42,263,534
Diluted	40,321,564	40,273,306	43,720,951

See accompanying notes to consolidated financial statements.

Noodles & Company

Consolidated Statements of Comprehensive Income

(in thousands)

	Fiscal Year Ended		
	January 1, 2013	January 3, 2012	December 28, 2010
Net income	$ 5,163	$ 3,829	$ 2,378
Other comprehensive income (loss):			
Cash flow hedges:			
Loss recognized in accumulated other comprehensive income	(186)	(209)	(560)
Reclassification of loss to net income	382	434	754
Unrealized income on cash flow hedges	196	225	194
Provision for income tax on cash flow hedges	(168)	(3)	(74)
Other comprehensive income (loss), net of tax	28	222	120
Comprehensive income	$ 5,191	$ 4,051	$ 2,498

See accompanying notes to consolidated financial statements.

Noodles & Company
Consolidated Statements of Equity
(in thousands, except share data)

	Series A Preferred Stock		Common Stock[1]		Treasury		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity	Temporary Equity
	Shares	Amount	Shares	Amount	Shares	Amount					
Balance—December 29, 2009	10,223,066	$ —	42,396,616	$ —	20,619,368	$ (67,513)	$ 104,184	$ (394)	$ (7,727)	$ 28,550	$ —
Exercise of stock options	—	—	103,969	—	—	—	147	—	—	147	—
Stock-based compensation expenses	—	—	—	—	—	—	1,987	—	—	1,987	—
Equity recapitalization—Preferred shares converted to common	(10,223,066)	—	20,446,131	—	—	—	—	—	—	—	—
Cancellation of outstanding treasury stock	—	—	(20,619,368)	—	(20,619,368)	67,513	(67,513)	—	—	—	—
Conversion of outstanding common stock into the right to receive cash, net of rollover equity	—	—	(38,980,627)	34	—	—	(195,020)	—	—	(194,986)	—
Accelerated vesting of unvested outstanding stock options	—	—	—	—	—	—	3,706	—	—	3,706	—
Cash settlement of outstanding options, net of rollover equity	—	—	725,669	7	—	—	(11,301)	—	—	11,294	2,572
Issuance of common stock, net of transaction expenses	—	—	36,200,001	362[2]	—	—	173,680	—	—	174,042	—
Net income	—	—	—	—	—	—	—	—	2,378	2,378	—
Unrealized income on cash flow hedges, net of tax	—	—	—	—	—	—	—	120	—	120	—
Balance—December 28, 2010	—	—	40,272,391	403[3]	—	—	4,726	(274)	(5,349)	(494)	2,572
Exercise of stock options	—	—	3,145	—	—	—	16	—	—	16	—
Tax benefit on exercise of stock options	—	—	—	—	—	—	109	—	—	109	—
Stock-based compensation expenses	—	—	—	—	—	—	1,402	—	—	1,402	—
2010 Merger-transaction expenses	—	—	—	—	—	—	(133)	—	—	(133)	—
Net income	—	—	—	—	—	—	—	—	3,829	3,829	—
Unrealized income on cash flow hedges, net of tax	—	—	—	—	—	—	—	222	—	222	—
Balance—January 3, 2012	—	—	40,275,536	403[3]	—	—	6,120	(52)	(1,520)	4,951	2,572
Tax benefit on exercise of stock options	—	—	—	—	—	—	27	—	—	27	—
Stock-based compensation expenses	—	—	—	—	—	—	1,315	—	—	1,315	—
2010 Merger-transaction expenses	—	—	—	—	—	—	(48)	—	—	(48)	—
Temporary equity related to put options	—	—	—	—	—	—	—	—	(1,029)	(1,029)	1,029
Net income	—	—	—	—	—	—	—	—	5,163	5,163	—
Unrealized income on cash flow hedges, net of tax	—	—	—	—	—	—	—	28	—	28	—
Balance—January 1, 2013	—	$ —	40,275,536	$ 403[3]	—	$ —	$ 7,414	$ (24)	$ 2,614	$ 10,407	$ 3,601

(1) Unless otherwise noted, activity relates to Class A common stock

(2) Represents issuance of 25,294,211 shares of Class A common stock, 10,905,789 shares of Class B common stock and one share of Class C common stock

(3) Includes 10,905,789 shares of Class B common stock and one share of Class C common stock

See accompanying notes to consolidated financial statements.

Noodles & Company

Consolidated Statements of Cash Flows

(in thousands)

	Fiscal Year Ended		
	January 1, 2013	January 3, 2012	December 28, 2010
Operating activities			
Net income	$ 5,163	$ 3,829	$ 2,378
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	16,719	14,501	13,932
Provision (benefit) for deferred income taxes	2,607	1,520	(419)
Excess tax benefit on stock-based compensation	(27)	(109)	—
Asset disposals, closure costs and restaurant impairments	1,278	1,629	2,815
Amortization of debt issuance costs and debt extinguishment expense	3,227	1,013	155
Stock-based compensation	1,234	1,327	5,610
Other noncash	(341)	892	(250)
Changes in operating assets and liabilities:			
Accounts receivable and income tax receivable	(1,104)	274	(2,384)
Inventories	(1,447)	(680)	(572)
Prepaid expenses and other assets	(644)	(63)	(743)
Accounts payable	(155)	80	270
Deferred rent	4,369	2,290	2,973
Accrued expenses and other liabilities	1,190	1,419	840
Net cash provided by operating activities	32,069	27,922	24,605
Investing activities			
Purchases of property and equipment	(47,384)	(30,047)	(26,933)
Net cash used in investing activities	(47,384)	(30,047)	(26,933)
Financing activities			
Proceeds from issuances of notes payable	105,697	111,771	57,624
Payments on notes payable	(89,549)	(65,498)	(59,462)
(Payments on) proceeds from bridge financing	—	(45,977)	45,000
Debt issuance costs	(754)	(4,226)	—
Change in restricted cash related to equity recapitalization	—	189,388	(189,388)
Change in shareholder escrow-equity recapitalization	—	(189,502)	(5,484)
Cash settlement of outstanding options, net	—	—	(7,264)
Payment of payroll taxes associated with equity recapitalization	—	(6,602)	—
Issuance of common stock, net of transaction expenses	(48)	(133)	174,042
Proceeds from exercise of stock options	—	16	147
Excess tax benefit on stock-based compensation	27	109	—
Net cash provided by (used in) financing activities	15,373	(10,654)	15,215
Net increase (decrease) in cash and cash equivalents	58	(12,779)	12,887
Cash and cash equivalents			
Beginning of year	523	13,302	415
End of year	$ 581	$ 523	$ 13,302

See accompanying notes to consolidated financial statements.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Business and Summary of Significant Accounting Policies

Business

Noodles & Company (the "Company" or "Noodles & Company"), a Delaware corporation, develops and operates fast casual restaurants that serve globally inspired noodle and pasta dishes, soups, salads and sandwiches. As of January 1, 2013, there were 276 company-owned restaurants and 51 franchise restaurants in 25 states and the District of Columbia. The Company operates its business as one operating and reportable segment.

In December 2010, Catterton Partners ("Catterton") and Argentia Private Investments Inc. ("Argentia") completed an equity recapitalization to purchase approximately 90% of the Company's equity interests. See Note 2, Equity Recapitalization.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Noodles & Company and its subsidiaries. All intercompany balances and transactions are eliminated in consolidation.

Fiscal Year

The Company operates on a 52 or 53 week fiscal year ending on the Tuesday closest to December 31. Fiscal years 2012 and 2010, which ended on January 1, 2013 and December 28, 2010, respectively, each contained 52 weeks. Fiscal year 2011, which ended on January 3, 2012, contained 53 weeks.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Unaudited Pro Forma Stockholder's Equity

In conjunction with the closing of an initial public offering, put options to sell common stock to the Company will terminate. The unaudited pro forma consolidated balance sheet data assumes the termination of the put rights and the reclassification of temporary equity to permanent equity as of January 1, 2013. See Note 15, Commitments and Contingencies.

Error Correction

The Company's consolidated balance sheets as of January 1, 2013 and January 3, 2012 included in its previously issued consolidated financial statements excluded temporary equity of $3.6 million and $2.6 million, respectively. The related consolidated statements of equity overstated additional paid in capital by $2.6 million in each of the years presented and overstated retained earnings by $1.0 million for the year ended January 1, 2013. Accordingly the accompanying consolidated balance sheets as of January 1, 2013 and January 3, 2012 and the consolidated statements of equity for the years ended January 1, 2013, January 3, 2012 and December 28, 2010 have been revised to correct this error. Temporary equity represents the fair market value of 514,434 outstanding shares subject to put options that can be exercised in circumstances outside the Company's control. See Note 15, Commitments and Contingencies.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Business and Summary of Significant Accounting Policies (Continued)

Reclassifications

Certain reclassifications of prior year amounts are reflected in the consolidated financial statements to be consistent with current year presentation.

Cash and Cash Equivalents

The Company considers all highly liquid investment instruments with an initial maturity of three months or less when purchased to be cash equivalents. Amounts receivable from credit card processors are converted to cash shortly after the related sales transaction and considered to be cash equivalents because they are both short-term and highly liquid in nature. Amounts receivable from credit card processors and considered cash equivalents as of January 1, 2013 and January 3, 2012 were $2.5 million and $1.0 million, respectively, and were offset on the consolidated balance sheets by payments processed by the Company, but not yet redeemed by the payee. Book overdrafts, which are outstanding checks in excess of cash and cash equivalents, are recorded with accounts payable in the accompanying consolidated balance sheets and within operating activities in the accompanying statements of cash flows.

Accounts Receivable

Accounts receivable consist primarily of tenant improvement receivables and vendor rebates receivable, as well as amounts due from franchisees and other miscellaneous receivables. The Company believes all amounts to be collectible. Accordingly, no allowance for doubtful accounts has been recorded as of January 1, 2013 or January 3, 2012.

Inventories

Inventories consist of food, beverages, supplies, and smallwares, and are stated at the lower of cost (first-in, first-out method) or market. Smallwares inventory, which consist of the plates, silverware, and cooking utensils used in the restaurants, are frequently replaced and are considered current assets. Replacement costs of smallwares inventory are recorded as other restaurant operating costs and are expensed as incurred. As of January 1, 2013 and January 3, 2012, smallwares inventory of $3.8 million and $3.0 million was included on the consolidated balance sheets.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Expenditures for major renewals and improvements are capitalized, while expenditures for minor replacements, maintenance and repairs are expensed as incurred. Upon retirement or disposal of assets, the accounts are relieved of cost and accumulated depreciation and the related gain or loss is reflected in earnings. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the estimated useful life or the lease term, which generally includes option periods that are reasonably assured to be exercised. Depreciation and amortization expense on property and equipment, including assets under capital lease, was $16.7 million in 2012, $14.5 million in 2011 and $13.9 million in 2010.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Business and Summary of Significant Accounting Policies (Continued)

The estimated useful lives for property and equipment are:

Property and Equipment	Estimated Useful Lives
Leasehold improvements	Shorter of lease term or estimated useful life, not to exceed 20 years
Furniture and fixtures	3 to 15 years
Equipment	3 to 7 years

The Company capitalizes internal payroll and payroll related costs directly related to the successful acquisition, development, design and construction of its new restaurants. Capitalized internal costs were $2.3 million, $1.8 million and $1.6 million in 2012, 2011 and 2010, respectively. Interest incurred on funds used to construct company-owned restaurants is capitalized and amortized over the estimated useful life of the related assets. Capitalized interest totaled $0.3 million in 2012 and 2011 and $0.1 million in 2010.

Other Assets

Other assets consist primarily of unamortized debt issuance costs, long term deposits, trademark rights and transferable liquor licenses. Direct costs incurred for the issuance of debt are capitalized and amortized using the straight-line method, which approximates the effective interest method, over the term of the debt. During 2012 and 2011, the Company incurred debt issuance costs related to an amendment of its credit facility in 2012 and its financing in 2011. See Note 4, Borrowings.

Net debt issuance costs of $1.0 million and $3.5 million are recorded in other assets, net of accumulated amortization of $0.5 million and $0.7 million, as of January 1, 2013 and January 3, 2012, respectively. In conjunction with the 2012 amendment of its credit facility, the Company wrote off $2.6 million of debt issuance costs, net of $0.8 million of accumulated amortization. The Company wrote off $0.3 million of debt issuance costs in 2011, net of $0.9 million of accumulated amortization, related to the new credit facility entered into during 2011. Trademark rights are amortized over their estimated useful life of 20 years. Transferable liquor licenses are carried at the lower of fair value or cost. The estimated aggregate future amortization expense of intangible assets as of January 1, 2013 is $8,000 in each of the next five years.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets 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, which is based on discounted future cash flows. Estimates of future cash flows are based on the Company's experience and knowledge of local operations. The Company recorded impairment charges of certain long-lived assets of $0.1 million, $0.7 million and $2.3 million in 2012, 2011 and 2010, respectively, which are included in asset disposals, closure costs and restaurant impairments in the consolidated statements of income. Fair value of the restaurants was

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Business and Summary of Significant Accounting Policies (Continued)

determined using Level 3 inputs (as described in Note 6, Fair Value Measures) based on a discounted cash flows method at a market level through the estimated date of closure.

Self-Insurance Programs

The Company self-insures for health, workers' compensation, general liability and property damage. Predetermined loss limits have been arranged with insurance companies to limit the Company's per occurrence cash outlay. Estimated costs to settle reported claims and incurred but unreported claims for health and workers' compensation self-insured plans are recorded in accrued payroll and benefits and for general liability and property damage in accrued expenses and other liabilities.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company's cash balances may exceed federally insured limits. Credit card transactions at the Company's restaurants are processed by one service provider. Concentration of credit risk related to accounts receivable are limited, as the Company's receivables are primarily amounts due from landlords for the reimbursement of tenant improvements and the Company generally has the right to offset rent due for tenant improvement receivables.

Revenue Recognition

Revenue consists of sales from restaurant operations and franchise royalties and fees. Revenue from the operation of company-owned restaurants are recognized when sales occur. The Company reports revenue net of sales and use taxes collected from customers and remitted to governmental taxing authorities.

The Company sells gift cards which do not have an expiration date, and it does not deduct non-usage fees from outstanding gift card balances. The Company recognizes revenue from gift cards when the gift card is redeemed by the customer or the Company determines the likelihood of the gift card being redeemed by the customer is remote ("gift card breakage"). The determination of the gift card breakage rate is based upon Company-specific historical redemption patterns. The Company has determined that approximately 6% of gift cards will not be redeemed, which is recognized ratably over the estimated redemption period of the gift card, approximately 18 months. The Company recognized gift card breakage of $0.2 million in 2012 and $0.1 million in 2011 and 2010, in restaurant revenue.

Royalties from franchise restaurants are based on a percentage of restaurant revenues and are recognized in the period the related franchised restaurants' sales occur. Development fees and franchise fees, portions of which are collected in advance, are nonrefundable and are recognized in income when all material services or conditions relating to the sale of the franchise have been substantially performed or satisfied by the Company. Both franchise fees and development fees will generally be recognized upon the opening of a franchise restaurant or upon termination of the agreement(s) between the Company and the franchisee.

As of January 1, 2013, January 3, 2012, and December 28, 2010, there were 51, 45, and 43 franchise restaurants in operation. Franchisees opened six, two and no restaurants in 2012, 2011 and 2010 respectively.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Business and Summary of Significant Accounting Policies (Continued)

Pre-Opening Costs

Pre-opening costs, including rent, wages, benefits and travel for the training and opening teams, food, beverage, and other restaurant operating costs, are expensed as incurred prior to a restaurant opening for business.

Advertising and Marketing Costs

Advertising and marketing costs are expensed as incurred and aggregated $2.8 million, $2.3 million and $2.1 million in 2012, 2011 and 2010, respectively. These costs are included in restaurant operating costs, general and administrative expenses and pre-opening costs based on the nature of the advertising and marketing costs incurred.

Rent

Rent expense for the Company's leases, which generally have escalating rentals over the term of the lease, is recorded on a straight-line basis over the lease term. The lease term includes renewal options which are reasonably assured of being exercised and begins when the Company has control and possession of the leased property, which is typically before rent payments are due under the lease. The difference between the rent expense and rent paid is recorded as deferred rent in the consolidated balance sheets. Rent expense for the period prior to the restaurant opening is reported in pre-opening costs in the consolidated statements of income. Tenant incentives used to fund leasehold improvements are recorded in deferred rent and amortized as a reduction of rent expense over the term of the lease. Certain leases contain rental provisions based on the sales of the underlying restaurants; the Company has determined that the amount of these provisions is immaterial.

Provision (Benefit) for Income Taxes

Provision (benefit) for income taxes is accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those deferred amounts are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company's policy is to recognize interest to be paid on an underpayment of income taxes in interest expense and any related statutory penalties in provision (benefit) for income taxes in the consolidated statement of income.

Comprehensive Income (Loss)

Comprehensive income (loss) consists of the net income (loss) and other gains and losses affecting stockholders' equity that, under accounting principles generally accepted in the United States, are excluded from net income. Other comprehensive income (loss), presented in the consolidated statements of comprehensive income for 2012 and 2011, consists of the unrealized income (loss), net of tax, on the Company's cash flow hedges. See Note 5, Derivative Instruments.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Business and Summary of Significant Accounting Policies (Continued)

Stock Compensation Expense

The Company recognizes stock-based compensation using fair value measurement guidance for all share-based payments, including stock options and warrants. For option awards, expense is recognized ratably over the vesting period in an amount equal to the fair value of the stock-based awards on the date of grant determined using the Black-Scholes option pricing model. Warrants are valued using the fair value of the common stock as of the measurement date. See Note 10, Stock-Based Compensation.

Earnings Per Share

Basic earnings per share ("EPS") are calculated by dividing income available to common shareholders by the weighted-average number of shares of common stock outstanding during each period. Diluted earnings per share is calculated using income available to common shareholders divided by diluted weighted-average shares of common stock outstanding during each period. Potentially dilutive securities include shares of common stock underlying stock options and restricted stock. Diluted EPS considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect. Convertible preferred stock is considered converted to common. See Note 11, Earnings Per Share.

Recent Accounting Pronouncements

In June 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-05, "Presentation of Comprehensive Income," which revises the manner in which companies present comprehensive income. Under ASU 2011-05, companies may present comprehensive income, which is net income adjusted for components of other comprehensive income, either in a single continuous statement or in two separate but consecutive statements. This pronouncement is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. The Company adopted ASU 2011-05 during 2012 and elected to present comprehensive income in the statements of comprehensive income. The adoption concerns presentation and disclosure only and did not have an impact on the Company's consolidated financial position or results of operations.

In May 2011, the FASB issued ASU 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards ("IFRS")." This pronouncement was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between US GAAP and IFRS. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement is effective for reporting periods beginning on or after December 15, 2011. The adoption of ASU 2011-04 on January 4, 2012 increased the Company's fair value disclosure requirements but did not have an impact on its consolidated financial statements.

2. Equity Recapitalization

On December 27, 2010, the Company completed an equity recapitalization through a merger with a newly organized Delaware corporation ("Merger Sub"), which was 100% indirectly owned by Catterton and the Public Sector Pension Investment Board ("PSPIB"), a Canadian Crown corporation, pursuant to the Agreement and Plan of Merger dated November 26, 2010 ("Merger Agreement"). The Company was the surviving entity of the recapitalization. In the merger, all issued and outstanding shares of Series A

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2. Equity Recapitalization (Continued)

preferred stock and Class A common stock were converted into the right to receive cash consideration or equity in the surviving entity ("rollover shares") and common stock held in treasury was cancelled. Total consideration paid for the outstanding shares was $211.7 million, of which $16.7 million was settled in rollover shares and the remainder was paid in cash in 2010 and 2011. Rollover shares were issued at a 3.4 for 1 conversion ratio, in accordance with the Merger Agreement. Additionally, all outstanding stock options were cancelled in exchange for payments in cash or equity in the surviving entity, with intrinsic value of $17,494,531, calculated as the fair market value in excess of exercise price at the time of settlement. The total rollover equity related to outstanding equity was $3.6 million. Catterton and Argentia were issued Class A common stock, Class B common stock, and Class C common stock in exchange for their investment. Catterton and Argentia also made a bridge loan to the Company. See Note 4, Borrowings. Certain members of the Company's management team, as well as certain shareholders who elected to do so, retained an equity interest in the Company. Following the equity recapitalization, Catterton and Argentia owned 90% of the Company's issued and outstanding shares of common stock, while the management team and other shareholders owned the remaining 10%.

The Company accounted for the Merger as an equity recapitalization. The basis for this accounting treatment was determined using the guidance in ASC 805: Business Combinations and ASC 805-50-S99: Push Down Accounting. The Company did not have to apply the business combination guidance due to the transitory nature of the equity used to fund the merger, as well as the post transaction owners not having substantial control of the entity. The Company did conclude that a collaborative group existed amongst the new shareholders, but also concluded that because this group owned less than 95% of the company, push down accounting was allowed, but not required. Under this method of accounting, the assets and liabilities of the Company are stated at historical value, with no goodwill or other intangible assets recorded, and the accumulated deficit of the Company has been carried forward. The Company performs analysis at least quarterly, or when ownership or control circumstances change, to determine whether recapitalization accounting remains appropriate.

3. Supplemental Financial Information (in thousands)

Prepaid expenses and other assets consist of the following:

	2012	2011
Prepaid occupancy related costs	$ 2,700	$ 2,179
Other prepaid expenses	1,191	1,097
Other current assets	79	56
	$ 3,970	$ 3,332

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. Supplemental Financial Information (in thousands) (Continued)

Property and equipment, net, consist of the following:

	2012	2011
Leasehold improvements	$ 139,907	$ 113,313
Furniture, fixtures and equipment	77,202	62,472
Construction in progress	7,878	3,227
	224,987	179,012
Accumulated depreciation and amortization	(88,700)	(75,181)
	$ 136,287	$ 103,831

Accrued payroll and benefits consist of the following:

	2012	2011
Accrued payroll and related liabilities	$ 2,537	$ 2,094
Accrued bonus	1,981	3,511
Insurance liabilities	827	593
	$ 5,345	$ 6,198

Accrued expense and other liabilities consist of the following:

	2012	2011
Gift card liability	$ 2,182	$ 1,875
Occupancy related	1,264	1,188
Utilities	1,002	870
Accrued interest	484	337
Other accrued expenses	2,317	1,576
	$ 7,249	$ 5,846

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Borrowings

Credit Facility

In February 2011, the Company entered into a credit facility to increase its borrowing capacity to $120.0 million, consisting of a $75.0 million senior term loan and a $45.0 million revolving line of credit. The revolving line of credit includes a swing line loan of $5.0 million, used to fund the Company's everyday working capital requirements. In August 2012, the credit facility was amended to provide more favorable borrowing rates and extend borrowing capacity through July 2017. The Company had $94.5 million outstanding and $23.1 million available for borrowing under the credit facility as of January 1, 2013.

Borrowings under the credit facility bear interest, at the Company's option, at either (i) LIBOR plus 2.00 to 4.25%, based on the lease-adjusted leverage ratio or (ii) at the highest of the following rates plus 1.00 to 3.25%: (a) the federal funds rate plus 0.50%; (b) the Bank of America prime rate or (c) the one-month LIBOR plus 1.00%. Prior to the August 2012 amendment, borrowings under the credit facility bore interest, at the Company's option, at either (i) LIBOR plus 4.00 to 5.00%, based on the lease-adjusted leverage ratio or (ii) at the highest of the following rates plus 3.00 to 4.00%: (a) the federal funds rate plus 0.50%; (b) the Bank of America prime rate or (c) the one-month LIBOR plus 1.00%. The August 2012 amendment eliminated a 1.25% LIBOR floor on all borrowings. The facility includes a commitment fee of 0.50% per year on any unused portion of the facility. The term loan commitment requires quarterly principal payments of $0.2 million through December 2015. The Company also maintains outstanding letters of credit to secure its obligations under its workers' compensation program and certain lease obligations. The letters of credit and quarterly principal payments reduce the amount of future borrowings available under the agreement as amounts borrowed and repaid on the term debt may not be reborrowed and aggregated $1.7 million and $0.8 million, respectively, as of January 1, 2013. As of January 1, 2013, the credit facility bore interest from 3.6% to 5.5% per year.

Availability of borrowings under the credit facility is conditioned on the Company's compliance with specified covenants, including a maximum lease-adjusted leverage ratio, a maximum leverage ratio and a minimum consolidated fixed charge coverage ratio. The Company is subject to a number of other customary covenants, including limitations on additional borrowings, acquisitions, dividend payments and lease commitments. As of January 1, 2013, the Company was in compliance with all of its debt covenants.

The credit facility is secured by a pledge of stock of substantially all subsidiaries of the Company and a lien on substantially all personal property assets of the Company and its subsidiaries.

As required by the Company's amended facility, the Company entered into two variable-to-fixed interest rate swap agreements covering a portion of its borrowings under the senior term loan. See Note 5, Derivative Instruments.

Bridge Financing

In conjunction with the February 2011 debt refinancing, the Company repaid $45.0 million of bridge financing, as well as $0.9 million of 12% paid-in-kind interest ("PIK").

5. Derivative Instruments

The Company enters into derivative instruments for risk management purposes only, including derivatives designated as cash flow hedges. The Company uses interest rate-related derivative instruments to manage its exposure to fluctuations in interest rates. By using these instruments, the Company exposes itself, from time to time, to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive,

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Derivative Instruments (Continued)

the counterparty owes the Company, which creates credit risk for the Company. The Company minimizes the credit risk by entering into transactions with high-quality counterparties whose credit rating is evaluated on a quarterly basis. Management has evaluated credit and nonperformance risks as of January 1, 2013 and January 3, 2012 and considers the risk of counterparty default to be improbable. Market risk, as it relates to the Company's interest-rate derivatives, is the adverse effect on the value of a financial instrument that results from changes in interest rates. The Company minimizes market risk by establishing and monitoring parameters that limit the types and degree of market risk that may be taken.

During 2008, the Company entered into two variable-to-fixed interest rate swap agreements, with a combined notional amount of $29.0 million. In February 2011, the Company's interest rate swap with a notional amount of $15.0 million matured. The swap had been designated as a cash flow hedge in October 2008 and gains of $0.2 million, $27,000 and $10,000 were recorded in earnings during 2012, 2011 and 2010, respectively, due to ineffectiveness as a result of the fair value of the swap not equaling zero at the date of hedge designation. A second interest rate swap on a notional amount of $14.0 million was terminated by the Company in March 2011. The fair value of the interest rate swap on the date of termination was $0.5 million and will be settled in payments on a new interest rate swap with an effective date of April 4, 2011 and a notional amount of $17.5 million. The deferred loss accumulated in other comprehensive income as of the date of termination was amortized over the life of the terminated swap through November 2012, the original term of the terminated swap.

As required by the new credit facility and to mitigate exposure to fluctuations in interest rates, the Company entered into two variable-to-fixed interest rate swap agreements with embedded floors matching that of the hedged portion of its borrowings under the credit facility. The new interest rate swaps became effective on April 4, 2011 and mature April 4, 2013. The swaps were designated as cash flow hedges at inception and were expected to be highly effective in achieving offsetting cash flows attributable to the hedged risk during their respective terms. In August 2012, the Company ceased the application of hedge designation on both interest rate swaps as a result of the interest rate floor being removed from the hedged credit facility. Under the terms of the swap agreements, the Company is required to make payments based on a fixed rate of 1.59% calculated on a notional amount of $20.0 million and 3.06% calculated on a notional amount of $17.5 million. The fair value of the $20.0 million swap was zero at designation, while the fair value of the $17.5 million swap was a liability of $0.5 million at designation, which is reflective of the fair value of the previously terminated swap. In exchange, the Company will receive interest on $20.0 million of notional amount at a variable rate based on the greater of 1.25% or one-month LIBOR and will receive interest on a notional amount of $17.5 million at a variable rate based on the greater of 1.25% or one-month LIBOR.

The effective portion of changes in the fair value of designated cash flow hedges were recorded in accumulated other comprehensive loss and are subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. Following termination of hedge designation in August 2012, changes in the fair value of the interest rate swaps were recorded directly to interest expense. During 2011 and 2012, these derivatives were used to hedge the variable cash flows associated with the Company's applicable credit facilities. The ineffective portion of the change in fair value of the derivatives was calculated using the hypothetical derivative method and recognized directly in earnings. During 2012, the Company recorded $174,000 of hedge ineffectiveness in earnings attributable to the fair value at inception on the $17.5 million notional interest rate swap.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Derivative Instruments (Continued)

The following table summarizes the fair value and presentation of the interest rate swaps as hedging instruments in the accompanying consolidated balance sheets (in thousands):

	2012 Fair Value	2011 Fair Value
Deferred revenue and other noncurrent liabilities	$ 98	$ 473

The following table summarizes the effect of the interest rate swap on the consolidated statements of income for the fiscal years 2012, 2011 and 2010 (in thousands):

	2012	2011	2010
Loss on swap in accumulated other comprehensive loss (pretax)	$ 186	$ 209	$ 560
Realized loss (pretax) recognized in interest expense	382	434	754

The interest rate swaps are measured at fair value on a recurring basis. As of January 1, 2013, the fair market value of the interest rate swaps is recorded in other noncurrent liabilities. As a result of this activity, accumulated other comprehensive loss decreased by $196,000, or $28,000 net of tax, for the fiscal year ended January 1, 2013. Additionally, the Company reclassified to earnings $202,000 of accumulated other comprehensive loss related to the interest rate swap terminated and embedded in a new instrument in April 2011. Amounts reported in accumulated other comprehensive income related to the interest rate swaps will be reclassified to interest expense as interest payments are made on the Company's variable-rate debt.

6. Fair Value Measurements

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and all other current liabilities approximate fair values due to the short maturities of these instruments. The carrying amounts of borrowings approximate fair value as the line of credit and term borrowings vary with market interest rates and negotiated terms and conditions are consistent with current market rates. Asset impairment charges are recorded at fair value on a nonrecurring basis.

Fair Value of Derivatives

All derivatives are recognized on the balance sheet at fair value as either assets or liabilities. The fair value of the Company's derivative financial instruments is determined using a discounted cash flow analysis on the expected cash flows of each derivative. The Company reports its derivative assets or liabilities in other assets, other liabilities, other current assets or accrued expenses as applicable. The accounting for the change in the fair value of a derivative financial instrument depends on its intended use and the resulting hedge designation, if any. The fair values are assigned a level within the fair value hierarchy, depending on the source of the inputs into the calculation.

Level 1—Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2—Quoted prices in markets that are not active or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3—Prices or valuation techniques which require inputs that are both significant to the fair value measurement and unobservable (*i.e.*, supported by little or no market activity).

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Fair Value Measurements (Continued)

The Company's cash flow hedges are measured at fair value on a recurring basis, including an adjustment for the Company's credit risk. Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of January 1, 2013, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, the Company has determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

The following table presents the Company's liabilities measured at fair value on a recurring basis as of January 1, 2013 and January 3, 2012, aggregated by the level in the fair value hierarchy within which those measurements fall (in thousands):

	2012	2011
Total derivatives—Level 1	$ —	$ —
Total derivatives—Level 2	98	473
Total derivatives—Level 3	—	—

The Company's temporary equity is measured at fair value on a recurring basis. The Company has determined that the majority of the inputs used to value its stock, which directly impacts the valuation of temporary equity, fall within Level 3 of the fair value hierarchy. See Note 10, Stock Based Compensation, for further discussion of the significant inputs into the share price valuation.

Fair Value of Temporary Equity

The following table represents the temporary equity measured at fair value on a recurring basis as of January 1, 2013 and January 3, 2012 and the level in the fair value hierarchy within which the measurements fall (in thousands):

	2012	2011
Level 1	$ —	$ —
Level 2	—	—
Level 3	3,601	2,572

7. Closed Restaurant Reserve

The Company provides for closed property operating lease liabilities using a discount rate to calculate the present value of the remaining non-cancelable lease payments after the closing date, net of estimated subtenant income. Following is a summary of the changes in the liability for closed properties as of January 1, 2013 and January 3, 2012 (in thousands).

	2012	2011
Closed restaurant reserves, beginning of period	$ 515	$ 577
Additions—store closing costs incurred, accretion	483	140
Decreases—payments	(210)	(202)
Closed restaurant reserves, end of period	$ 788	$ 515

The current portion of the liability, $0.3 million and $0.2 million as of January 1, 2013 and January 3, 2012, respectively, is recorded in accrued expenses and other liabilities, and the long-term portion is reported in other noncurrent liabilities in the Company's consolidated balance sheets.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Income Taxes

The components of the provision (benefit) for income taxes are as follows for 2012, 2011 and 2010 (in thousands):

	2012	2011	2010
Current tax provision:			
Federal	$ 49	$ —	$ 47
State	559	260	6
	608	260	53
Deferred tax provision (benefit):			
Federal	2,591	1,945	(340)
State	16	(425)	(79)
	2,607	1,520	(419)
Total provision (benefit) for income taxes	$ 3,215	$ 1,780	$ (366)

The reconciliation of income tax provision (benefit) that would result from applying the federal statutory rate to pre-tax income as shown in the accompanying consolidated statements of income is as follows for 2012, 2011 and 2010 (in thousands):

	2012	2011	2010
Federal income expense at federal rate	$ 2,848	$ 1,907	$ 684
State income tax, net of related federal income tax benefit	420	257	8
Permanent items—primarily incentive stock options and cash settlement of options	83	(10)	(626)
Foreign rate differential	106	—	—
Change in blended state rate	—	(25)	—
Other items, net	(242)	(349)	(432)
Provision (benefit) for income taxes	$ 3,215	$ 1,780	$ (366)
Effective income tax rate	38.4%	31.7%	(18.2)%

Pre-tax net income in 2012 totaled $8.4 million and included a foreign loss of $0.3 million in 2012.

In 2012 and 2011, the Company recognized tax benefits on option exercises at fair value in excess of those utilized to record stock-based compensation for book purposes, totaling $27,000 and $109,000, respectively, as a credit to additional paid-in capital. The largest portion of the permanent items in 2010 relate to the stock-based compensation expense for incentive stock options that was previously added back for tax purposes and deductible due to the Merger.

In 2012, other items represents changes made between the provision for income taxes and the filed tax return and the impact of the prior year interest rate swap designation to interest expense. Other items in 2011 represents the reconciliation of the beginning deferred tax asset for state asset depreciation, while the true up adjustment in 2010 represents the reconciliation of the deferred tax asset for nonqualified stock options following the Merger. The tax-effected true up adjustments represent $242,000, $349,000 and $432,000 for 2012, 2011 and 2010, respectively.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Income Taxes (Continued)

Deferred income taxes arise because of the differences in the book and tax bases of certain assets and liabilities. Deferred income tax liabilities and assets consist of the following (in thousands):

	2012	2011
Noncurrent deferred tax assets (liabilities):		
Loss carry forwards	$ 2,445	$ 3,275
Deferred rent and franchise revenue	9,622	7,696
Property, equipment and intangible assets	(11,061)	(6,628)
Stock-based compensation	994	514
Alternative minimum tax credits	256	205
Interest rate swap	38	183
Other	497	251
Total noncurrent net deferred tax assets	2,791	5,496
Current deferred tax assets (liabilities):		
Inventory smallwares	(1,459)	(1,146)
Other	436	283
Total current deferred tax liabilities	1,023	863
Net deferred tax assets	$ 1,768	$ 4,633

At January 1, 2013 and January 3, 2012, net operating loss carryforwards for federal income tax purposes of approximately $15.6 million and $18.1 million, respectively, were available to offset future taxable income through the year 2032 and 2031, respectively. The net operating loss carry forwards are primarily composed of excess tax deductions for equity compensation. Utilization of the net operating losses is subject to an annual limitation resulting from a change in control in 2007 and a change of control in 2010, pursuant to the change in ownership provisions of Section 382 of the Internal Revenue Code and similar provisions of state law. As a result of certain realization requirements of ASC 718, the deferred tax assets shown above include only realized tax deductions related to equity compensation equal to the compensation recognized for financial reporting during the years ended January 1, 2013 and January 3, 2012. Equity will be increased by up to $3.3 million if and when the net operating loss is ultimately realized.

Uncertain tax positions are recognized if it is more likely than not that the Company will be able to sustain the tax position taken, and the measurement of the benefit is calculated as the largest amount that is more than 50% likely to be realized upon resolution of the benefit. The Company has analyzed filing positions in all of the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions. There were no uncertain tax positions for the years ended January 1, 2013 or January 3, 2012. The only periods subject to examination for the Company's federal and state returns are 2009 through 2012.

9. Stockholders' Equity

The Company has 64,000,001 shares of stock authorized, consisting of 47,000,000 shares of Class A common stock, par value $0.01 per share; 12,000,000 shares of Class B common stock, par value $0.01; 1 share of Class C common stock, par value $0.01 per share and 5,000,000 shares of preferred stock, par

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

9. Stockholders' Equity (Continued)

value $0.01 per share. Preferred stock rights will be determined by the Company's Board of Directors in the event that preferred shares are issued. The following summarizes the rights of common stock:

Voting—Shares of Class A common stock and Class B common stock are entitled to one vote per share in all voting matters, with the exception that Class B common stock does not vote on the election or removal of directors. Class C common stock is entitled to vote only on amendments to the Certificate of Incorporation that would adversely affect the rights and preferences of the Class C common stock and reclassification or subdivision matters related to the Class C common stock.

Conversion—Each share of Class A common stock held by one of the Equity Sponsors is convertible, at the option of the holder, into one share of Class B common stock. Each share of Class B common stock is convertible, at the option of the holder, into one share of Class A common stock.

Dividends—A Class C dividend agreement was entered in connection with the Merger Agreement between one of the Equity Sponsors and the Company, which provides that the new investor will receive, in the form of a dividend, an amount equal to the compensation payable to the other new investor under a Management Services Agreement. See additional information in Note 16, Related-Party Transactions. Class A common stock and Class B common stock share equally if a dividend is declared or paid to either class, but do not have rights to any special dividend.

Liquidation, Dissolution or Winding Up—Class A common stock and Class B common stock share equally in distributions in liquidation, dissolution, or winding up of the corporation.

Registration Rights—After December 27, 2011, the Equity Sponsors have the right to demand registration of 10% or more of the shares of the Company's common stock held by them. Other shareholders have piggyback registration rights, but are not required to exercise these rights.

10. Stock-Based Compensation

In connection with the Merger Agreement, the Company adopted the 2010 Stock Incentive Plan (the "Plan"), under which the Company's Board of Directors may grant incentive stock options and nonstatutory stock options to directors, officers and employees of the Company. Option awards may be issued under the Plan for up to 5,491,689 shares. Stock options are granted at fair market value of the stock at the date the option is granted, and in no event less than the fair market value of the shares. The fair market value of shares for the purposes of the Plan is determined by the compensation committee of the Board of Directors, or the Board of Directors using historical or current transactions, comparable public company valuations, historical transactions, third-party valuations and other factors. Stock options generally have a 10-year term and vest equally over 4 years from the date of grant.

Stock-based compensation expense is generally recognized on a straight-line basis over the service period of the options. In 2012, 2011 and 2010, non-cash stock-based compensation expense of $1.2 million, $1.3 million and $5.6 million, respectively, is included in general and administrative expense. Stock-based compensation of $81,000, $75,000 and $83,000 is included in capitalized internal costs in 2012, 2011 and 2010, respectively. The Company recognized $3.7 million of stock-based compensation expense in 2010 related to acceleration of unvested options in connection with the Merger Agreement. A total of 8,560,466 outstanding stock options were settled for the right to receive cash consideration of $5.00 per share, net of exercise price and income taxes withheld, or equity interest in the surviving entity. The Merger Agreement called for acceleration of unvested options immediately prior to the transaction. Accordingly, options to purchase 4,148,571 shares were accelerated.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Stock-Based Compensation (Continued)

Options granted prior to December 27, 2010 were granted under the 1998 Stock Option Plan, as amended, or the 2010 Stock Option Plan, both of which were terminated with the Merger Agreement. The 1998 Stock Option Plan, as amended, authorized option grants to purchase up to 15,544,800 shares of common stock, while the 2010 Stock Option Plan authorized up to 833,000 option grants to purchase shares of common stock. Both of these plans allowed for the Company's Board of Directors to grant incentive stock options or nonstatutory stock options to employees, directors and consultants. In February 2010, the Company's Board of Directors also adopted a new stock incentive plan, under which the Company may grant incentive stock options, nonstatutory options, or other stock incentives, including restricted stock, covering up to 2,550,000 shares of Class A common stock, to employees, directors and consultants. No options were granted under the new stock incentive plan, and the plan was terminated in conjunction with the Merger Agreement.

At January 1, 2013, options available for future share grants totaled 335,721. The intrinsic value associated with options exercised was $16,000 and $147,000 for the fiscal years ended January 3, 2012 and December 28, 2010, respectively. There were no options exercised in 2012.

The estimated fair value of each option granted is calculated using the Black-Scholes option-pricing model. Expected volatilities are based on the historical Company volatility, as well as volatilities from publicly traded companies operating in the Company's industry. The Company uses historical data to estimate expected employee forfeiture of stock options. The expected life of options granted is management's best estimate using recent and expected transactions. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. The weighted-average assumptions used in the model were as follows:

	2012	2011	2010
Risk-free interest	0.4%	1.1%	1.9%
Expected life (years)	3.4	3.7	4.5
Expected dividend yield	—%	—%	—%
Volatility	32.7%	26.2%	29.5%
Weighted-average Black-Scholes fair value per share at date of grant	$ 1.64	$ 1.09	$ 0.99

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Stock-Based Compensation (Continued)

The tables below summarize the option activity under the Plan:

	Shares	Weighted-Average Exercise Price
Outstanding—December 29, 2009	7,536,233	$ 2.86
Granted	1,276,836	3.38
Forfeited	(148,634)	2.91
Exercised	(103,969)	1.42
Cash settled	(8,560,466)	2.96
Outstanding at Merger	—	—
Granted	4,195,600	5.00
Forfeited	—	—
Exercised	—	—
Outstanding—December 28, 2010	4,195,600	5.00
Granted	491,000	5.00
Forfeited	(140,955)	5.00
Exercised	(3,145)	5.00
Outstanding—January 3, 2012	4,542,500	5.00
Granted	895,100	6.50
Forfeited	(284,777)	5.01
Exercised	—	—
Outstanding—January 1, 2013	5,152,823	$ 5.26

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Years of Contractual Life	Aggregate Intrinsic Value[(1)] (in thousands)
Outstanding as of January 1, 2013	5,152,823	$ 5.26	8.10	$ 8,971
Vested and expected to vest	4,892,720	5.23	8.05	8,656
Exercisable as of January 1, 2013	2,130,574	5.00	7.48	4,261

(1) Aggregate intrinsic value represents the amount by which estimated fair value of the Companys' stock exceeds the exercise price of the option as of January 1, 2013.

Since our common stock is not publicly traded, the Company estimated the fair value of each stock option grant on the date of grant using the market approach including but not limited to recent arm's length sales of the Company's common stock in privately negotiated transactions, current and projected financial performance, as well as a discount factor for the stock option's lack of marketability. The table below reflects disclosure as recommended by the American Institute of Certified Public Accountants

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Stock-Based Compensation (Continued)

Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation* for stock option grants in the twelve month period preceding the latest consolidated balance sheet presented:

Grant Date	Number of Options Granted	Exercise Price	Common Stock Fair Value Per Share at Grant Date
April 10, 2012	27,500	5.50	5.50
May 14, 2012	264,000	5.50	5.50
September 20, 2012	15,000	6.00	6.00
December 6, 2012	588,600	7.00	7.00

As of January 1, 2013, there was $3.4 million of unrecognized compensation cost related to nonvested share-based compensation arrangements granted under the Plan, which is expected to be recognized over two years. The following table summarizes information about stock options outstanding at January 1, 2013:

	Outstanding			Exercisable	
Range of Exercise Price	Number of Options	Weighted-Average Remaining Years of Contractual Life	Weighted-Average Exercise Price	Number of Options	Weighted-Average Exercise Price
$5.00-$7.00	5,152,823	8.10	$ 5.26	2,130,574	$ 5.00

On March 10, 2011, the Company issued warrants to a consultant to purchase 150,000 shares of Class B common stock at $5.00 per share, which are classified as equity awards. The warrants vest based on specified performance criteria and are considered stock-based compensation to nonemployees. Stock-based compensation expense related to the awards is recognized when the performance criteria are met, using the estimated fair value at the measurement date. During 2012, the Company did not recognize stock-based compensation expense related to the warrants as no performance criteria were met in 2012. No warrants have been exercised by the consultant.

11. Earnings Per Share

EPS is calculated by dividing income available to common shareholders by the weighted-average number of shares of common stock outstanding during each period. Diluted earnings per share ("diluted EPS") is calculated using income available to common shareholders divided by diluted weighted-average shares of common stock outstanding during each period. Potentially dilutive securities include shares of common stock underlying stock options and restricted common stock. Diluted EPS considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

11. Earnings Per Share (Continued)

potential common shares would have an anti-dilutive effect. The following table sets forth the computations of basic and dilutive earnings per share:

	2012	2011	2010
Net income (in thousands)	$ 5,163	$ 3,829	$ 2,378
Shares:			
Basic weighted average shares outstanding	40,275,536	40,273,306	42,263,534
Dilutive stock options and warrants	46,028	—	1,457,417
Diluted weighted average number of shares outstanding	40,321,564	40,273,306	43,720,951
Earnings per share:			
Basic	$ 0.13	$ 0.10	$ 0.06
Diluted	$ 0.13	$ 0.10	$ 0.05

The Company excluded 1,023,600, 4,542,500 and 1,276,836 outstanding options from the diluted earnings per share calculation for 2012, 2011 and 2010, respectively, as the options were out of the money and to include them would have been antidilutive. All outstanding warrants were dilutive in the calculation of diluted earnings per share.

12. Employee Benefit Plans

In October 2003, the Company adopted a defined contribution plan, The Noodles & Company 401(k) Plan (the "401(k) Plan"). Company employees with six months of service, aged 21 or older, are eligible to participate in the 401(k) Plan. Under the provisions of the plan, the Company may, at its discretion, make contributions to the 401(k) Plan. Participants are 100% vested in their own contributions. The Company made no contributions during 2012, 2011 or 2010. The employee benefit plans remained in effect following the Merger Agreement.

13. Leases

The Company leases restaurant facilities, office space and certain equipment under operating leases that expire on various dates through December 2028. Lease terms for traditional shopping centers generally include a base term of 10 years, with options to extend these leases for additional periods of 5 to 15 years. Typically, the lease includes rent escalations, which are expensed on a straight-line basis over the lease term. The difference between rent expense and cash paid for rent is recognized as deferred rent. Rent expense for 2012 and 2011 was approximately $24.6 million and $20.9 million, respectively.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

13. Leases (Continued)

Future minimum lease payments required under existing leases as of January 1, 2013 are as follows (in thousands):

2013	$ 29,528
2014	28,981
2015	27,139
2016	25,575
2017	22,786
Thereafter	70,394
	$ 204,403

Minimum payments have not been reduced by minimum sublease rentals of $45,000 due in the future under non-cancelable subleases.

14. Supplemental Disclosures to Consolidated Statements of Cash Flows

The following table presents the supplemental disclosures to the consolidated statements of cash flows (in thousands) for fiscal years 2012, 2011 and 2010:

	2012	2011	2010
Interest paid (net of amounts capitalized)	$ 4,400	$ 5,177	$ 1,551
Income taxes paid (net of refunds)	509	43	870
Purchases of property and equipment accrued in accounts payable	2,648	1,170	1,354
Settlement of stock options in shares of Class A common stock	—	—	3,628
Non-cash settlement of outstanding equity[(1)]	—	—	189,388

(1) Represents the liability for payments due to shareholders that was paid in 2011.

15. Commitments and Contingencies

In the normal course of business, the Company is subject to proceedings, lawsuits and claims. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Consequently, the Company is unable to ascertain the ultimate aggregate amount of monetary liability or financial impact with respect to these matters as of January 1, 2013. These matters could affect the operating results of any one financial reporting period when resolved in future periods. Management believes that an unfavorable outcome with respect to these matters is remote or a potential range of loss is not material to the Company's consolidated financial statements. Significant increases in the number of these claims, or one or more successful claims that result in greater liabilities than the Company currently anticipates, could materially and adversely affect the Company's business, financial condition, results of operations or cash flows.

The Company entered into employment agreements with two of its executives in connection with the Merger Agreement, superseding the previous employment agreements with these executives. The agreements have an initial term of three years and automatically renew annually unless cancelled by either

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Commitments and Contingencies (Continued)

party within 90 days of the end of the initial term or anniversaries thereof. In the event of termination for good reason by the executive or termination without cause by the Company, the executive is entitled to receive severance pay equal to 18 months of his then current salary, payment of accrued bonus from prior years, severance bonus equal to the pro rata portion of the executive's target annual bonus for the year in which termination occurs and reimbursement for COBRA benefits coverage. The agreements also include a call option in favor of the Company and a put option in favor of the executive, for the Company to purchase 514,434 rollover shares at fair market value if the employment agreement is terminated prior to a qualified initial public offering. The put option does not result in the executive avoiding the risks and rewards of owning the rollover shares. The fair value of the shares of common stock subject to put options has been presented as temporary equity in the Company's consolidated financial statements. The Company records changes in the fair value of the common stock subject to put options by adjusting temporary equity with the offset to retained earnings. The fair value per share is determined using the most recent valuation performed by the board of directors. See Note 10, Stock Based Compensation.

The Company entered into a Management Services Agreement with one of the Equity Sponsors, and a Class C dividend agreement with the other Equity Sponsor, which provide for certain management fee and dividend payments by the Company to the Equity Sponsors. See additional discussion in Note 16, Related-Party Transactions.

16. Related-Party Transactions

During 2012 and 2011, the Company paid $1.1 million to the Equity Sponsors for management service fees and Class C dividends pursuant to a management services agreement and an agreement to pay dividends on its Class C common stock. Management service fees and Class C dividends paid in each fiscal year vary due to the timing of payments.

In February 2011, the Company paid the Equity Sponsors $45.9 million to repay subordinated notes, which included amounts accrued for PIK interest. See Note 4, Borrowings.

Stockholders Agreement. Under the Stockholders Agreement, each of Catterton and Argentia have agreed to vote its respective shares of common stock to elect two directors selected by Argentia. Furthermore, if the Public Sector Pension Investment Board Act ceases to prohibit PSPIB from investing in securities of a corporation to which are attached more than 30% of the votes that may be cast to elect directors, each of Catterton and Argentia will vote its respective shares of common stock to elect two directors selected by Catterton. Additionally, Catterton will not vote its shares to elect any three of the five directors not designated by Argentia, unless any such director has been approved by Argentia. Catterton and Argentia have further agreed not to vote their shares in favor of any of certain actions without the mutual consent of the other.

Noodles & Company

INDEX TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited Consolidated Financial Statements

Noodles & Company

Consolidated Balance Sheets

(in thousands, except share and per share data)

	April 2, 2013 (unaudited)	Pro-Forma Temporary Equity and Stockholders' Equity April 2, 2013 (unaudited)	January 1, 2013
Assets			
Current assets:			
Cash and cash equivalents	$ 978	$	$ 581
Accounts receivable	4,466		4,566
Inventories	6,425		6,042
Prepaid expenses and other assets	4,742		3,970
Income tax receivable	756		995
Total current assets	17,367		16,154
Property and equipment, net	144,231		136,287
Deferred tax assets, net	2,753		2,791
Other assets, net	1,703		1,763
Total long-term assets	148,687		140,841
Total assets	$ 166,054	$	$ 156,995
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable	$ 8,841	$	$ 9,393
Accrued payroll and benefits	7,082		5,345
Accrued expenses and other current liabilities	6,836		7,249
Current deferred tax liabilities	1,351		1,023
Current portion of long-term debt	750		750
Total current liabilities	24,860		23,760
Long-term debt	99,509		93,731
Deferred rent	24,134		23,013
Other long-term liabilities	2,206		2,483
Total liabilities	150,709		142,987
Temporary equity			
Common stock subject to put options—514,434 shares as of April 2, 2013 and January 1, 2013	3,601	—	3,601
Stockholders' equity:			
Preferred stock—$0.01 par value, authorized 5,000,000 shares; no shares issued or outstanding	—	—	—
Common stock—$0.01 par value, authorized 59,000,001 shares; 40,275,536 issued and outstanding as of April 2, 2013 and January 1, 2013	403	403	403
Additional paid-in capital	7,803	10,375	7,414
Accumulated other comprehensive loss, net of tax	—	—	(24)
Retained earnings (accumulated deficit)	3,538	4,567	2,614
Total stockholders' equity	11,744	15,345	10,407
Total liabilities and stockholders' equity	$ 166,054		$ 156,995

See accompanying notes to consolidated financial statements.

Noodles & Company

Consolidated Statements of Income

(in thousands, except share and per share data, unaudited)

	Fiscal Quarter Ended	
	April 2, 2013	April 3, 2012
Revenue:		
Restaurant revenue	$ 80,518	$ 69,198
Franchising royalties and fees	762	690
Total revenue	81,280	69,888
Costs and expenses:		
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):		
Cost of sales	21,301	18,230
Labor	24,830	20,753
Occupancy	8,359	6,936
Other restaurant operating costs	11,060	9,553
General and administrative	7,235	6,442
Depreciation and amortization	4,801	3,732
Pre-opening	921	581
Asset disposals, closure costs and restaurant impairments	201	180
Total costs and expenses	78,708	66,407
Income from operations	2,572	3,481
Interest expense	1,053	1,284
Income before income taxes	1,519	2,197
Provision for income taxes	595	906
Net income	$ 924	$ 1,291
Earnings per Class A and Class B common stock, combined		
Basic	$ 0.02	$ 0.03
Diluted	$ 0.02	$ 0.03
Weighted average Class A and Class B common stock outstanding, combined:		
Basic	40,275,536	40,275,536
Diluted	41,026,517	40,278,762

Noodles & Company

Consolidated Statements of Comprehensive Income

(in thousands, unaudited)

	Fiscal Quarter Ended	
	April 2, 2013	April 3, 2012
Net income	$ 924	$ 1,291
Other comprehensive income (loss):		
Cash flow hedges:		
Loss recognized in accumulated other comprehensive income	—	(186)
Reclassification of loss to net income	39	104
Unrealized income on cash flow hedges	39	(82)
Provision for income tax on cash flow hedges	(15)	(31)
Other comprehensive income (loss), net of tax	24	(113)
Comprehensive income	$ 948	$ 1,178

See accompanying notes to consolidated financial statements.

Noodles & Company

Consolidated Statements of Cash Flows

(in thousands, unaudited)

	Fiscal Quarter Ended	
	April 2, 2013	April 3, 2012
Operating activities		
Net income	$ 924	$ 1,291
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,801	3,732
Provision for deferred income taxes	366	—
Asset disposal, closure costs, and restaurant impairments	201	180
Amortization of debt issuance costs	56	211
Stock-based compensation	363	309
Other noncash	(64)	(39)
Changes in operating assets and liabilities:		
Accounts receivable and income tax receivable	339	1,419
Inventories	(383)	(186)
Prepaid expenses and other assets	(770)	(701)
Accounts payable	(133)	152
Deferred rent	1,121	477
Accrued expenses and other liabilities	1,140	(746)
Net cash provided by operating activities	7,961	6,099
Investing activities		
Purchases of property and equipment	(13,342)	(8,742)
Net cash used in investing activities	(13,342)	(8,742)
Financing activities		
Proceeds from issuances of notes payable	37,703	25,235
Payments on notes payable	(31,925)	(22,605)
Issuance of common stock, net of transaction expenses	—	(48)
Net cash provided by financing activities	5,778	2,582
Net increase (decrease) in cash and cash equivalents	397	(61)
Cash and cash equivalents		
Beginning of year	581	523
End of year	$ 978	$ 462

See accompanying notes to consolidated financial statements.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

1. Business and Summary and Basis of Presentation

Business

Noodles & Company (the "Company" or "Noodles & Company"), a Delaware corporation, develops and operates fast casual restaurants that serve globally inspired noodle dishes and pasta dishes, soups, salads, and sandwiches. As of April 2, 2013, there were 284 company-owned restaurants and 51 franchise restaurants in 25 states and the District of Columbia. The Company operates its business as one operating and reportable segment.

The accompanying interim unaudited consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles in the United States ("U.S. GAAP") for complete financial statements. In the opinion of the Company, all adjustments considered necessary for the fair presentation of the Company's results of operations, financial position and cash flows for the periods presented have been included and are of a normal, recurring nature. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. These financial statements should be read in conjunction with the audited financial statements and notes thereto for the year ended January 1, 2013 included in this prospectus.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Noodles & Company and its subsidiaries. All intercompany balances and transactions are eliminated in consolidation.

Fiscal Year

The Company operates on a 52- or 53-week fiscal year ending on the Tuesday closest to December 31. Fiscal years 2013 and 2012, which end on December 31, 2013 and January 1, 2013, respectively, each contained 52 weeks. Fiscal quarters each contain thirteen weeks, with the exception of the fourth quarter of a 53 week fiscal year, which contains fourteen weeks.

Unaudited Pro Forma Stockholder's Equity

In conjunction with the closing of an initial public offering, put options to sell common stock to the Company will terminate. The unaudited pro forma consolidated balance sheet data assumes the termination of the put rights and the reclassification of temporary equity to permanent equity as of April 2, 2013.

Recent Accounting Pronouncements

In February 2013, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2013-02, "Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income," which revises disclosure requirements related to components of other comprehensive income. The Company adopted ASU 2013-02 effective January 2, 2013. The adoption concerns presentation and disclosure only and did not have an impact on the Company's consolidated financial position or results of operations.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

2. Supplemental Financial Information

Prepaid expenses and other assets consist of the following (in thousands):

	April 2, 2013	January 1, 2013
Prepaid occupancy related costs	$ 2,739	$ 2,700
Other prepaid expenses	1,238	1,191
Other current assets	765	79
	$ 4,742	$ 3,970

Property and equipment, net, consist of the following (in thousands):

	April 2, 2013	January 1, 2013
Leasehold improvements	$ 145,910	$ 139,907
Furniture, fixtures, and equipment	80,951	77,202
Construction in progress	9,810	7,878
	236,671	224,987
Accumulated depreciation and amortization	(92,440)	(88,700)
	$ 144,231	$ 136,287

Accrued payroll and benefits consist of the following (in thousands):

	April 2, 2013	January 1, 2013
Accrued payroll and related liabilities	$ 4,466	$ 2,537
Accrued bonus	1,503	1,981
Insurance liabilities	1,113	827
	$ 7,082	$ 5,345

Accrued expense and other liabilities consist of the following (in thousands):

	April 2, 2013	January 1, 2013
Gift card liability	$ 1,759	$ 2,182
Occupancy related	1,059	1,264
Utilities	1,172	1,002
Other accrued expenses	2,846	2,801
	$ 6,836	$ 7,249

3. Borrowings

The Company has a credit facility with a borrowing capacity of $120.0 million, consisting of a $75.0 million senior term loan and a $45.0 million revolving line of credit, expiring in July 2017. The

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

3. Borrowings (Continued)

Company had $100.3 million outstanding and $17.3 million available for borrowing under the credit facility as of April 2, 2013. The credit facility bore interest from 3.6% to 5.5% per year. The Company was in compliance with all of its debt covenants.

4. Fair Value Measurements

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and all other current liabilities approximate fair values due to the short maturities of these instruments. The carrying amounts of borrowings approximate fair value as the line of credit and term borrowings vary with market interest rates and negotiated terms and conditions are consistent with current market rates.

5. Income Taxes

The following table presents the Company's provision for income taxes for the quarters ended April 2, 2013 and April 3, 2012 (dollars in thousands):

	April 2, 2013	April 3, 2012
Provision for income taxes	$ 595	$ 906
Effective tax rate	39.2%	41.2%

The 2013 estimated annual effective tax rate is expected to be 39.2% compared to 38.4% for the full year 2012.

6. Stock-Based Compensation

During the first quarters of 2013 and 2012, $363,000 and $309,000, respectively, of non-cash stock-based compensation expense is included in general and administrative expense. Stock-based compensation of $26,000 and $18,000 is included in capitalized internal costs in the first quarters of 2013 and 2012, respectively.

There were no stock options granted or exercised in the first quarters of 2013 or 2012. In the first quarter of 2013 there were 48,000 stock options forfeited.

7. Earnings Per Share

EPS is calculated by dividing income available to common shareholders by the weighted-average number of shares of common stock outstanding during each period. Diluted earnings per share ("diluted EPS") is calculated using income available to common shareholders divided by diluted weighted-average shares of common stock outstanding during each period. Potentially dilutive securities include shares of common stock underlying stock options and restricted common stock. Diluted EPS considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

7. Earnings Per Share (Continued)

potential common shares would have an anti-dilutive effect. The following table sets forth the computations of basic and dilutive earnings per share:

	Fiscal Quarter Ended	
	April 2, 2013	April 3, 2012
Net income (in thousands):	$ 924	$ 1,291
Shares:		
Basic weighted average shares outstanding	40,275,536	40,275,536
Dilutive stock options and warrants	750,981	3,226
Dilutied weighted average number of shares outstanding	41,026,517	40,278,762
Earnings per share:		
Basic EPS	$ 0.02	$ 0.03
Diluted EPS	$ 0.02	$ 0.03

The Company excluded 542,700 and 4,542,500 outstanding options from the diluted earnings per share calculation for the first quarters of 2013 and 2012, respectively, as the options were out of the money and to include them would have been antidilutive. All outstanding warrants are dilutive in the calculation of diluted earnings per share.

8. Supplemental Disclosures to Consolidated Statements of Cash Flows

The following table presents the supplemental disclosures to the consolidated statements of cash flows (in thousands) for the quarters ended April 2, 2013 and April 3, 2012:

	April 2, 2013	April 3, 2012
(Payments for) purchases of property and equipment accrued in accounts payable	$ (419)	$ 556

9. Commitments and Contingencies

In the normal course of business, the Company is subject to proceedings, lawsuits, and claims. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Consequently, the Company is unable to ascertain the ultimate aggregate amount of monetary liability or financial impact with respect to these matters as of April 2, 2013. These matters could affect the operating results of any one financial reporting period when resolved in future periods. Management believes that an unfavorable outcome with respect to these matters is remote or a potential range of loss is not material to the Company's consolidated financial statements. Significant increases in the number of these claims, or one or more successful claims that result in greater liabilities than the Company currently anticipates, could materially and adversely affect the Company's business, financial condition, results of operations, or cash flows.

NOODLES & COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(unaudited)

9. Commitments and Contingencies (Continued)

The Company entered into employment agreements with two of its executives in connection with the Merger Agreement, superseding the previous employment agreements with these executives. The agreements have an initial term of three years and automatically renew annually unless cancelled by either party within 90 days of the end of the initial term or anniversaries thereof. In the event of termination for good reason by the executive or termination without cause by the Company, the executive is entitled to receive severance pay equal to 18 months of his then current salary, payment of accrued bonus from prior years, severance bonus equal to the pro rata portion of the executive's target annual bonus for the year in which termination occurs, and reimbursement for COBRA benefits coverage. The agreements also include a call option in favor of the Company and a put option in favor of the executive, for the Company to purchase rollover shares at fair market value if the employment agreement is terminated prior to a qualified initial public offering. The put option does not result in the executive avoiding the risks and rewards of owning the rollover shares. The fair value of the shares of common stock subject to put options has been presented as temporary equity in the Company's consolidated financial statements. The Company records changes in the fair value of the common stock subject to put options by adjusting temporary equity with the offset to retained earnings. The fair value per share is determined using the most recent valuation performed by the board of directors.

The Company entered into a Management Services Agreement with one of the Equity Sponsors, and a Class C Dividend agreement with the other Equity Sponsor, which provide for certain management fee and dividend payments by the Company to the Equity Sponsors. See additional discussion in Note 10, Related-Party Transactions.

10. Related-Party Transactions

In the first quarter of 2013 and the first quarter of 2012, the Company paid $625,000 to the Equity Sponsors for management service fees and Class C Dividends pursuant to a management services agreement and an agreement to pay dividends on its Class C common stock. Management service fees and Class C dividends paid in each fiscal quarter vary due to the timing of payments. The Company pays $500,000 of management services fees and $500,000 of Class C common stock dividends in quarterly installments to the Equity Sponsors.

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PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the various expenses, other than underwriting discounts and commissions, payable by the Registrant in connection with the sale of common stock being registered. All of the amounts shown are estimated except the Securities and Exchange Commission registration fee and the FINRA filing fee.

	Amount To Be Paid
SEC registration fee	*
FINRA filing fee	*
Nasdaq or NYSE listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue sky fees and expenses	*
Transfer agent and registrar fees	*
Miscellaneous fees and expenses	*
Total	$

* *To be completed by amendment.*

Item 14. Indemnification of Directors and Officers.

Registrant is a Delaware corporation. Section 145(a) of the Delaware General Corporation Law (the "DGCL") provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorney fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Further subsections of DGCL Section 145 provide that:

(1) to the extent a present or former director or officer of a corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145 or in the defense of any claim, issue or matter therein, such person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection therewith;

(2) the indemnification and advancement of expenses provided for pursuant to Section 145 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise; and

(3) the corporation shall have the power to purchase and maintain insurance of behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under Section 145.

As used in this Item 14, the term "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether or not by or in the right of Registrant, and whether civil, criminal, administrative, investigative or otherwise.

Section 145 of the DGCL makes provision for the indemnification of officers and directors in terms sufficiently broad to indemnify officers and directors of Registrant under certain circumstances from liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933. Registrant's amended and restated certificate of incorporation provides, in effect, that, to the fullest extent and under the circumstances permitted by Section 145 of the DGCL, registrant will indemnify any and all of its officers and directors. Before the completion of this offering, registrant intends to enter into indemnification agreements with its officers and directors. Registrant may, in its discretion, similarly indemnify its employees and agents. Registrant's amended and restated certificate of incorporation also relieves its directors from monetary damages to Registrant or its stockholders for breach of such director's fiduciary duty as a director to the fullest extent permitted by the DGCL. Under Section 102(b)(7) of the DGCL, a corporation may relieve its directors from personal liability to such corporation or its stockholders for monetary damages for any breach of their fiduciary duty as directors except (i) for a breach of the duty of loyalty, (ii) for failure to act in good faith, (iii) for intentional misconduct or knowing violation of law, (iv) for willful or negligent violations of certain provisions in the DGCL imposing certain requirements with respect to stock repurchases, redemptions and dividends or (v) for any transactions from which the director derived an improper personal benefit.

Registrant has purchased insurance policies which, within the limits and subject to the terms and conditions thereof, cover certain expenses and liabilities that may be incurred by directors and officers in connection with proceedings that may be brought against them as a result of an act or omission committed or suffered while acting as a director or officer of registrant.

The form of Underwriting Agreement, to be entered into in connection with this offering and to be attached as Exhibit 1.1 hereto, provides for the indemnification by the Underwriters of us and our officers and directors for certain liabilities, including liabilities arising under the Securities Act, and affords certain rights of contribution with respect thereto.

Item 15. Recent Sales of Unregistered Securities.

Since May 23, 2010, we have made the following sales of unregistered securities:

1. On January 7, 2011, in connection with the acquisition of a majority of our equity interests by Catterton, certain of its affiliated entities and Argentia, we issued an aggregate of 40,272,391 shares of our equity securities to new and existing investors for aggregate consideration of approximately $201 million.

2. Stock option holders exercised options to purchase an aggregate of 101,167 shares of our Class A common stock at exercise prices ranging from $0.24 to $5.00 per share to employees, consultants and directors under the Company's stock option plans. These exercises exclude 5,947 options that were exercised in 2010 prior to May 23, 2010 and are included in Note 10 to the financial statements.

The sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(2) of the Securities Act, Regulation D or Regulation S promulgated thereunder, or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits

Exhibit Number	Description of Exhibit
1.1*	Form of Underwriting Agreement
3.1*	Form of Amended and Restated Certificate of Incorporation
3.2*	Form of Amended and Restated Bylaws
4.1*	Specimen Stock Certificate
5.1*	Opinion of Gibson, Dunn & Crutcher LLP
10.1*	Noodles & Company Amended and Restated 2010 Stock Incentive Plan
10.2*	Noodles & Company 2013 Employee Stock Purchase Plan
10.3*	Registration Rights Agreement, dated December 27, 2010, by and among Noodles & Company and certain of its stockholders
10.4*	Executive Employment Agreement, dated December 27, 2010, between Noodles & Company and Kevin Reddy
10.5*	Amendment to Executive Employment Agreement, dated September 20, 2012, between Noodles & Company and Kevin Reddy
10.6*	Executive Employment Agreement, dated December 27, 2010, between Noodles & Company and Keith Kinsey
10.7*	Amendment to Executive Employment Agreement, dated June 6, 2010, between Noodles & Company and Keith Kinsey
10.8*	Amendment to Executive Employment Agreement, dated September 20, 2012, between Noodles & Company and Keith Kinsey
10.9	Severance Agreement with Dan Fogarty, dated January 24, 2011

Exhibit Number	Description of Exhibit
10.10	Credit Agreement, dated as of February 28, 2011, by and among Noodles & Company, Bank of America, N.A. and other lenders party thereto
10.11	Amendment No. 1 to Credit Agreement, dated as of December 8, 2011, among Noodles & Company, Bank of America, N.A. and other lenders party thereto
10.12	Amendment No. 2 to Credit Agreement, dated as of August 1, 2012, among Noodles & Company, Bank of America, N.A. and other lenders party thereto
10.13	Security Agreement, dated February 28, 2011, between Noodles & Company and Bank of America, N.A., as administrative agent
10.14	Pledge Agreement, dated February 28, 2011, between Noodles & Company and Bank of America, N.A., as administrative agent
10.15*	Form of Indemnification Agreement between Noodles & Company and each of its directors and executive officers
10.16	Form of Area Development Agreement
10.17	Form of Franchise Agreement
21.1	List of Subsidiaries of Noodles & Company
23.1	Consent of Ernst & Young LLP
23.2*	Consent of Gibson, Dunn & Crutcher LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included in the signature page of this Registration Statement)

* *To be filed by amendment.*

(b) No financial statement schedules are provided because the information called for is not required or is shown in the financial statements or the notes thereto.

Item 17. Undertakings.

(a) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be a part of this registration statement as of the time it was declared effective.

(2) For purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Broomfield, State of Colorado, on May 23, 2013.

NOODLES & COMPANY

By: /s/ KEVIN REDDY

Kevin Reddy
Chairman and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Keith Kinsey, Dave Boennighausen and Paul Strasen, and each of them, his or her true and lawful attorney-in-fact and agent, each with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments, including post-effective amendments, to this Registration Statement, and any registration statement relating to the offering covered by this Registration Statement and filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each of said attorneys-in-fact and agents or their substitute or substitutes may lawfully so or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ KEVIN REDDY Kevin Reddy	Chairman and Chief Executive Officer *(principal executive officer)*	May 23, 2013
/s/ KEITH KINSEY Keith Kinsey	President, Chief Operating Officer and Director	May 23, 2013
/s/ DAVE BOENNIGHAUSEN Dave Boennighausen	Chief Financial Officer *(principal financial officer)*	May 23, 2013
/s/ KATHY LOCKHART Kathy Lockhart	Vice President and Controller *(principal accounting officer)*	May 23, 2013

Signature	Title	Date
/s/ SCOTT DAHNKE Scott Dahnke	Director	May 23, 2013
/s/ STUART FRENKIEL Stuart Frenkiel	Director	May 23, 2013
/s/ JAMES PITTMAN James Pittman	Director	May 23, 2013
/s/ JAMES RAND James Rand	Director	May 23, 2013
/s/ ANDREW TAUB Andrew Taub	Director	May 23, 2013

EXHIBIT INDEX

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24.1	Power of Attorney (included in the signature page of this Registration Statement)

* *To be filed by amendment.*

SEVERANCE AGREEMENT

This Severance Agreement (the "Agreement") is entered into as of January 24, 2011 (the "Effective Date") by and between Noodles & Company, a Delaware corporation (the "Company"), and Dan Fogarty, an individual (the "Employee"). In consideration of the premises and mutual promises herein below set forth, the parties hereby agree as follows:

1. At-Will Employment. Employee is employed by the Company as an at-will employee, meaning that either party can terminate the employment relationship at any time and for any reason, without any obligations of notice, severance, or any other procedure or formality. This Agreement is not intended to limit the ability of either party to terminate Employee's employment at any time or to otherwise disturb the at-will nature of Employee's employment, except in the limited instance in which the Company may choose to terminate Employee's employment without Cause, in which case Employee shall be entitled to the severance benefits outlined in Section 2 below.

2. Severance Benefits

(a) In the event that Company terminates Employee's employment without Cause (as defined in Section 2(c) below), and provided that Employee (i) signs, returns, and does not revoke a release of claims against the Company in a form substantially similar to that contained in Exhibit A within forty-five (45) days following the last day of Employee's employment and (ii) continues to comply with Employee's obligation under Sections 3, 4, and 5 of this Agreement (subparts (i) and (ii), collectively, the "Conditions"), Employee will be entitled to the following "Severance Benefits:"

(i) severance payments totaling nine months of Employee's then-effective base salary, paid in equal installments according to the Company's regular payroll schedule over the nine months following Employee's last day of employment (the "Severance Period");

(ii) any unpaid portion of any annual bonus from a prior year for which Employee is eligible, the fact and amount of such bonus to be determined by the Company in good faith, payable when other employees receive annual bonuses for such year;

(iii) a pro rata portion of any annual bonus for which Employee is eligible for the year in which the Employee's last day of employment occurs, based on year-to-date performance as determined by the Company in good faith, payable when other employee receive annual bonuses for such year; and

(iv) provided that Employee timely elects to participate in COBRA, reimbursement for the cost of COBRA continuation for a period of nine months of Employee's, and if applicable, Employee's dependents', then-current health care elections.

In addition to these Severance Benefits and regardless of whether Employee complies with the above Conditions, Employee shall be entitled to receive any payments or benefit to which Employee is entitled by law, including (i) earned, unpaid wages through the last day of

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employment; and (ii) accrued, unused vacation time earned through the last day of employment (subparts (i) an d (ii), the "Accrued Benefits").

(b) In the event that Employee's employment terminates for any other reason (including but not limited to, Employee's death or disability, termination by Employee for any reason, or termination by the Company with Cause), Employee shall not be entitled to any of the severance benefits detailed above and shall only receive those payments and benefits to which Employee is entitled by law, including the Accrued Benefits.

(c) For purposes of this Agreement, "Cause" shall mean that Employee (i) commits a material breach of any material term of this Agreement or any material Company policy or procedure of which Employee had prior knowledge; provided that if such breach is curable in not longer than 30 days (as determined by the Board in its reasonable discretion), the Company shall not have the right to terminate Employee's employment for Cause pursuant hereto unless Employee, having received written notice of the breach from Company specifically citing this Section 2(c), fails to cure the breach within a reasonable time; (ii) is convicted of, or pleads guilty or *nolo contendere* to, a felony (other than a traffic-related felony) or any other crime involving dishonesty or moral turpitude; (iii) willfully engages in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company; or (iv) fails to cure, within 30 days after receiving written notice from Company specifically citing this Section 2(c), any material injury to the economic or ethical welfare of Company caused by Employee's gross malfeasance, misfeasance, misconduct or inattention to the Employee's duties and responsibilities for the Company. No act or failure to act on the part of Employee shall be considered "willful" for purposes hereof unless it is done, or omitted to be done, by Employee in bad faith or without reasonable belief that Employee's act or omission was in the best interests of Company. Any act, or failure to act, based upon express authority given pursuant to a resolution duly adopted by the Board with respect to such act or omission or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by Employee in good faith and in the best interests of Company.

3. Non-Competition; General Provisions Applicable to Restrictive Covenants

(a) Covenant not to Compete. During Employee's employment and for nine months thereafter, regardless of the reason for which Employee's employment may terminate, Employee shall not, directly or indirectly, own any interest in, manage, control, participate in, consult with, render services for, or be employed in an executive, managerial or administrative capacity by any entity engaged in the fast or quick-casual restaurant business in North America that derives 20% or more of its revenues from the sale of noodles or pasta dishes (a "Competing Business"). Nothing herein shall prohibit Employee from being a passive owner of not more than 5% of the outstanding stock of any class of a corporation which is publicly traded, so long as Employee has no active participation in the business of such corporation. In addition, this Section 3(a) shall not apply if the Company terminates Employee's employment for Cause, unless such Cause is due to Employee's violation of a provision of this Section 3(a) or 5(a) of this Agreement.

(b) Specific Performance. Employee recognizes and agrees that a violation of Employee's obligations under this Section 3, or under Section 4, or subparts (a) or (d) of Section 5 may cause irreparable harm to the Company that would be difficult to quantify and that

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money damages may be inadequate. As such, Employee agrees that the Company shall have the right to seek injunctive relief (in addition to, and not in lieu of any other right or remedy that may be available to it) to prevent or restrain any such alleged violation without the necessity of posting a bond or other security and

without the necessity of proving actual damages. However, the foregoing shall not prevent Employee from contesting the Company's request for the issuance of any such injunction on the grounds that no violation or threatened violation of the aforementioned Sections has occurred and that the Company has not suffered irreparable harm. If a court of competent jurisdiction determines that Employee has violated the obligations of any covenant for a particular duration, then Employee agrees that such covenant will be extended by that duration.

(c) Scope and Duration of Restrictions. Employee expressly agrees that the character, duration and geographical scope of the restrictions imposed under this Section 3, and under Section 4, and all of Section 5 are reasonable in light of the circumstances as they exist at the date upon which this Agreement has been executed. However, should a determination nonetheless be made by a court of competent jurisdiction at a later date that the character, duration or geographical scope of any of the covenants contained herein is unreasonable in light of the circumstances as they then exist, then it is the intention of both Employee and the Company that such covenant shall be construed by the court in such a manner as to impose only those restrictions on the conduct of Employee which are reasonable in light of the circumstances as they then exist and necessary to assure the Company of the intended benefit of such covenant.

4. Confidentiality Covenants. Employee acknowledges that the confidential business information generated by the Company and its subsidiaries, whether such information is written, oral or graphic, including, but not limited to, financial plans and records, marketing plans, business strategies and relationships with third parties, present and proposed products, present and proposed patent applications, trade secrets, information regarding customers and suppliers, strategic planning and systems and contractual terms obtained by Employee while employed by the Company and its subsidiaries concerning the business or affairs of the Company or any subsidiary of the Company (collectively, the "Confidential Information") is the property of the Company or such subsidiary. Employee agrees that he shall not disclose to any Person or use for Employee's own purposes any Confidential Information or any confidential or proprietary information of other Persons in the possession of the Company and its subsidiaries ("Third Party Information"), without the prior written consent of the Board, unless and to the extent that (i) the Confidential Information or Third Party Information becomes generally known to and available for use by the public, other than as a result of Employee's acts or omissions or (ii) the disclosure of such Confidential Information is required by law, in which case Employee shall give notice to and the opportunity to the Company to comment on the form of the disclosure and only the portion of Confidential Information that is required to be disclosed by law shall be disclosed.

5. Other Covenants

(a) Non-Solicitation. During Employee's employment and for nine months thereafter, regardless of the reason for which Employee's employment may terminate, other than in the course of performing his duties, Employee shall not, directly or indirectly through another person, induce or attempt to induce any employee of the Company or any of its subsidiaries at

the vice president level of above to leave the employ of the Company or such subsidiary, or in any way interfere with the relationship between the Company or any of its subsidiaries and any such employee. In addition, this Section 9(a) shall not apply if the Company terminates Employee's employment for Cause, unless such Cause is due to Employee's violation of a provision of Section 3(a) or of this Section 5(a).

(b) Cooperation. For a period of nine months following the end of Employee's employment with the Company, Employee shall, upon the Company's reasonable request and in good faith and with Employee's commercially reasonable efforts and subject to Employee's reasonable availability, cooperate and assist the Company in any dispute, controversy, or litigation in which the Company may be involved and with respect to which Employee obtained knowledge while employed by the Company or any of its affiliates, successors, or assigns, including, but not limited to, participation in any court or arbitration proceedings, giving of testimony, signing of affidavits, or such other personal cooperation as counsel for the Company shall request. Any such activities shall be scheduled, to the extent reasonably possible, to accommodate Employee's business and personal obligations at the time. The Company shall pay Employee's reasonable travel and incidental out-of-pocket expenses incurred in connection with any such cooperation.

(c) Return of Business Records and Equipment. Upon termination of Employee's employment hereunder, Employee shall promptly return to the Company: (i) all documents, records, procedures, books, notebooks, and any other documentation in any form whatsoever, including but not limited to written, audio, video or electronic, containing any information pertaining to the Company which includes Confidential Information, including any and all copies of such documentation then in Employee's possession or control regardless of whether such documentation was prepared or compiled by Employee, Company, other employees of the Company, representatives, agents, or independent contractors, and (ii) all equipment or tangible personal property entrusted to Employee by the Company. Employee acknowledges that all such documentation, copies of such documentation, equipment, and tangible personal property are and shall at all times remain the sole and exclusive property of the Company.

6. Nondisparagement. During Employee's employment with the Company and thereafter (unless Employee's employment was terminated by the Company without Cause and the Company shall have materially breached any of its obligations under this Agreement) Employee agrees, to the fullest extent permissible by law, not intentionally to make, directly or indirectly, any public or private statements, gestures, signs, signals or other verbal or nonverbal, director or indirect communications that Employee, using reasonable judgment, should have known would be harmful to or reflect negatively on the company or are otherwise disparaging of the Company or its past, present or future offers, board members, employees, shareholders, and their affiliates. During the Employee's employment with the Company and thereafter, the Board agrees that neither the Company nor any of its controlling stockholders, directors, officers, employees or representatives will intentionally make, directly or indirectly, any public or private statements, gestures, signs, signals or other verbal or nonverbal, direct or indirect communications that any such disclosing person, using reasonable judgment, should have known would be harmful to or reflect negatively on the Employee or are otherwise disparaging of the Employee. Nothing in this Section 6 shall prohibit either part from truthfully responding to an accusation from the other party or require either party to violate any subpoena or law.

7. Governing Law. This Agreement and any disputes or controversies arising hereunder shall be construed and enforced in accordance with and governed by the internal laws of the State of Colorado, without reference to principles of law that would apply the substantive law of another jurisdiction.

8. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and thereof and supersedes and cancels any and all previous agreements, written and oral, regarding the subject matter hereof. This Agreement shall not be changed, altered, modified or amended, except by a written agreement that (i) explicitly states the intent of both parties hereto to supplement this Agreement and (ii) is signed by both parties hereto.

9. **Severability**. If any term or provision of this Agreement, or the application thereof to any person or under any circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such terms to the persons or under circumstances other than those as to which it is invalid or unenforceable, shall be considered severable and shall not be affected thereby, and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10. **Waiver**. The failure of any party to insist in any one instance or more upon strict performance of any of the terms and conditions hereof, or to exercise any right or privilege herein conferred, shall not be construed as a waiver of such terms, conditions, rights or privileges, but same shall continue to remain in full force and effect. Any waiver by any party of any violation of, breach of or default under any provision of this Agreement by the other party shall not be construed as, or constitute, a continuing waiver of such provision, or waiver of any other violation of, breach of or default under any other provision of this Agreement.

11. **Successors and Assigns**. This Agreement shall be binding upon the Company and any successors and assigns of the Company, including any corporation with which, or into which, the Company may be merged or which may succeed to the Company's assets or business. In the event that the Company sells or transfers all or substantially all of the assets of the Company, or in the event of any merger or consolidation of the Company, the Company shall use reasonable efforts to cause such assignee, transferee, or successor to assume the liabilities, obligations and duties of the Company hereunder. Notwithstanding the foregoing, if for any reason an assignee, transferee, or successor does not assume the full extent of the Company's liabilities, obligations and duties of the Company hereunder, such event or nonoccurrence shall trigger a termination without Cause under this Agreement. Neither this Agreement nor any right or obligation hereunder may be assigned by Employee.

12. **Counterparts**. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

13. **Headings**. Headings in this Agreement are for reference only and shall not be deemed to have any substantive effect.

14. **Withholdings**. All salary, severance payments, bonuses or benefits provided by the Company under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law.

15. **Section 409A**. The parties intend that any compensation, benefits and other amounts payable or provided to Employee under this Agreement be paid or provided in compliance with Section 409A of the Internal Revenue Code and all regulations, guidance, and other interpretative authority issued thereunder (collectively, "Section 409A") such that there will be no adverse tax consequences, interest, or penalties for Employee under Section 409A as a result of the payments and benefits so paid or provided to him. The parties agree to modify this Agreement, or the timing (but not the amount) of the payment hereunder of severance or other compensation, or both, to the extent necessary to comply with and to the extent permissible under Section 409A. In addition, notwithstanding anything to the contrary contained in any other provision of this Agreement, the payments and benefits to be provided Employee under this Agreement shall be subject to the provisions set forth below.

(a) The date of Employee's "separation from service," as defined in the regulations issued under Section 409A, shall be treated as Employee's last day of employment for purpose of determining the time of payment of any amount that becomes payable to Employee under this Agreement upon the termination of Employee's employment and that is treated as an amount of deferred compensation for purposes of Section 409A.

(b) In the case of any amounts that are payable to Employee under this Agreement, or under any other "nonqualified deferred compensation plan" (within the meaning of Section 409A) maintained by the Company in the form of installment payments, (i) Employee's right to receive such payments shall be treated as a right to receive a series of separate payments under Treas. Reg. §1.409A-2(b)(2)(iii), and (ii) to the extent any such plan does not already so provide, it is hereby amended as of the date hereof to so provide, with respect to amounts payable to Employee thereunder.

(c) If Employee is a "specified employee" within the meaning of Section 409A at the time of Employee's "separation from service" within the meaning of Section 409A, then any payment otherwise required to be made to Employee under this Agreement on account of the separation from service, to the extent such payment (after taking in to account all exclusions applicable to such payment under Section 409A) is properly treated as deferred compensation subject to Section 409A, shall not be made until the first business day after (i) the expiration of six months from the date of Employee's separation from service, or (ii) if earlier, the date of Employee's death (the "Delayed Payment Date"). On the Delayed Payment Date, there shall be paid to Employee or, if Employee has died, to Employee's estate, in a single cash lump sum, an amount equal to aggregate amount of the payments delayed pursuant to the preceding sentence.

(d) To the extent that the reimbursement of any expenses or the provision of any in-kind benefits pursuant to this Agreement is subject to Section 409A, (i) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided hereunder during any one calendar year shall not affect the amount of such expenses eligible for reimbursement or in-kind benefits to be provided hereunder in any other calendar year; provided, however, that the foregoing shall not apply to any limit on the amount of any expenses incurred by Employee that

may be reimbursed or paid under the terms of the Company's medical plan, if such limit is imposed on all similarly situated participants in such plan; (ii) all such expenses eligible for reimbursement hereunder shall be paid to Employee as soon as administratively practicable after any documentation required for reimbursement for such expenses has been submitted, but in any event by no later than December 31 of the calendar year following the calendar year in which such expenses were incurred; and (iii) Employee's right to receive any such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for any other benefit.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

NOODLES & COMPANY
a Delaware corporation

By: /s/ Kevin M. Reddy

EMPLOYEE:

/s/ Dan Fogarty

Exhibit A

RELEASE AGREEMENT

1. Employee, individually and on behalf of his heirs and assigns, hereby releases, waives and discharges Company, and all subsidiary, parent or affiliated companies and corporations, and their present, former or future respective subsidiary, parent or affiliated companies or corporations, and their respective present or former directors, officers, shareholders, trustees, managers, supervisors, employees, partners, attorneys, agents, representatives and insurers, and the respective successors, heirs and assigns of any of the above described persons or entities (hereinafter referred to collectively as "Released Parties"), from any and all claims, causes of action, losses, damages, costs, and liabilities of every kind and character, whether known or unknown ("Claims"), that Employee may have or claim to have, in any way relating to or arising out of, in whole or in part, (a) any event or act of omission or commission occurring on or before the date Employee signs this release, including Claims arising by reason of the continued effects of any such events or acts, which occurred on or before the date Employee signs this release, or (b) Employee's employment with Company or the termination of such employment with Company, including but not limited to Claims arising under federal, state, or local laws prohibiting disability, handicap, age, sex, race, national origin, religion, retaliation, or any other form of discrimination, such as the Americans with Disabilities Act, 42 U.S.C.§§ 12101 et seq.; the Age Discrimination in Employment Act, as amended, 29 U.S.C. §§ 621 et seq.; and Title VII of the 1964 Civil Rights Act, as amended, 42 U.S.C. §§ 2000e et seq.; Claims for intentional infliction of emotional distress, tortious interference with contract or prospective advantage, and other tort claims; and Claims for breach of express or implied contract; with the exception of Employee's vested rights, if any, under Company retirement plans. Employee hereby warrants that Employee has not assigned or transferred to any person any portion of any claim that is released, waived and discharged above. Employee understands and agrees that by signing this Agreement he is giving up his right to bring any legal claim against any Released Party concerning, directly or indirectly, Employee's employment relationship with the Company, including his separation from employment, and/or any and all contracts between Employee and Company, express or implied. Employee agrees that this legal release is intended to be interpreted in the broadest possible manner in favor of the Released Parties, to include all actual or potential legal claims that Employee may have against any Released Party, except as specifically provided otherwise in this Agreement. This release does not cover Claims relating to the validity or enforcement of this Agreement. Further, Employee has not released any claim for indemnity or legal defense available to him due to his service as a board member, officer or director of the Company, as provided by the certificate of incorporation or bylaws of the Company, or by any applicable insurance policy, or under any applicable corporate law.

2. Company, for itself, its affiliates, and any other person or entity that could or might act on behalf of it including, without limitation, its attorneys (all of whom are collectively referred to as ("Company Releasers"), hereby fully and forever release and discharge Employee, his heirs, representatives, assigns, attorneys, and any and all other persons or entities that are now or may become liable to any Company Releaser, all of whom are collectively referred to as "Employee Releasees," on account of facts occurring on or before the Date of Termination of

and from any and all actions, causes of action, claims, demands, costs and expenses, including attorneys' fees, of every kind and nature whatsoever, in law or in equity, that Company Releasers, or any person acting under any of them, may now have, or claim at any future time to have, based in whole or in part upon any act or omission occurring before the date it signs this release; EXCEPT claims and rights arising under any agreement between the Company and Employee or any statutory or common law right relating to the protection of confidential information, assignment of inventions and/or the prevention of unfair solicitation and/or competition; and EXCEPT for any claim relating to or arising from acts or omissions by Employee with respect to which Employee is ineligible for indemnification under the Company's Certificate of Incorporation and/or bylaws, as applicable. The Company understands and agrees that by signing this Agreement, it is giving up its right to bring any legal claim against Employee released herein, except as otherwise provided in this Agreement.

3. Employee agrees and acknowledges that Employee: (i) understands the language used in this Agreement and the Agreement's legal effect; (ii) understands that by signing this Agreement Employee is giving up the right to sue the Company for age discrimination; (iii) will receive compensation under this Agreement to which Employee would not have been entitled without signing this Agreement; (iv) has been advised by Company to consult with an attorney before signing this Agreement; and (v) was given no less than twenty-one days to consider whether to sign this Agreement. For a period of seven days after the effective date of this Agreement, Employee may, in his sole discretion, rescind this Agreement, by delivering a written notice of rescission to the Board. If Employee rescinds this Agreement within seven calendar days after the effective date, this Agreement shall be void, all actions taken pursuant to this Agreement shall be reversed, and neither this Agreement nor the fact of or circumstances surrounding its execution shall be admissible for any purpose whatsoever in any proceeding between the parties, except in connection with a claim or defense involving the validity or effective rescission of this Agreement. If Employee does not rescind this Agreement within seven calendar days after the Effective Date, this Agreement shall become final and binding and shall be irrevocable.

4. Capitalized terms not defined herein have the meaning specified in the Severance Agreement between the Company and Employee dated December , 2010.

IN WITNESS WHEREOF, the parties have executed this release as of the dates indicated below.

NOODLES & COMPANY
a Delaware corporation

By: _____

Date: _____

EMPLOYEE:

_____

Date: _____

Published CUSIP Number: 65538EAC7

CREDIT AGREEMENT

Dated as of February 28, 2011

among

NOODLES & COMPANY,

as the Borrower,

each other Loan Party party hereto,

BANK OF AMERICA, N.A.,

as Administrative Agent, L/C Issuer and Swing Line Lender,

THE OTHER LENDERS PARTY HERETO,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,

as Left Lead Arranger,

GE CAPITAL MARKETS, INC. and **WELLS FARGO BANK, NATIONAL ASSOCIATION,**

as Right Lead Arrangers,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
GE CAPITAL MARKETS, INC. and **WELLS FARGO BANK, NATIONAL ASSOCIATION,**

as Joint Book Managers,

GE CAPITAL MARKETS, INC. and **WELLS FARGO BANK, NATIONAL ASSOCIATION,**

as Co-Syndication Agents,

and **REGIONS BANK**,

as Documentation Agent

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CREDIT AGREEMENT

This CREDIT AGREEMENT (this "Agreement") is entered into as of February 28, 2011, among NOODLES & COMPANY, a Delaware corporation (after giving effect to the Acquisition and the other aspects of the Transaction, the "Borrower"), each other Loan Party party hereto, each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender"), and BANK OF AMERICA, N.A., as Administrative Agent, L/C Issuer and Swing Line Lender, MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, as Left Lead Arranger, GE CAPITAL MARKETS, INC. and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Right Lead Arrangers and together with the Left Lead Arranger, as Co-Lead Arrangers, MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, GE CAPITAL MARKETS, INC. and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Joint Book Managers, GE CAPITAL MARKETS, INC. and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Co-Syndication Agents and REGIONS BANK, as Documentation Agent.

PRELIMINARY STATEMENTS:

WHEREAS, CP/PSP Merger Sub, Inc. ("Merger Sub") was organized by the Sponsor Investors (as hereinafter defined) to acquire, together with the Rollover Investors (as hereinafter defined), 100% of the stock of Noodles & Company a Delaware corporation (prior to giving effect to the Acquisition, "Noodles");

WHEREAS, pursuant to the Merger Agreement dated as of November 26, 2010 (as amended and in effect on the date hereof and including all schedules and exhibits thereto, the "Merger Agreement") between the Sponsor Investors, Merger Sub, Noodles and David Duncan, a natural person, solely in his capacity as the initial Stockholder Representative (as defined in the Merger Agreement), on December 27, 2010, Merger Sub merged with and into Noodles with Noodles as the surviving and continuing company (the acquisition by the Equity Investors of the Borrower through such merger, the "Acquisition"); and

NOW THEREFORE, in furtherance of the foregoing, the Borrower has requested that the Lenders provide a term loan facility and a revolving credit facility to the Borrower, and the Lenders have indicated their willingness to lend and the L/C Issuer has indicated its willingness to issue letters of credit, in each case, on the terms and subject to the conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"Account Control Agreement" means any deposit account control agreement, securities account control agreement or similar agreement entered into by a Loan Party, the Administrative Agent and the applicable financial institution, granting to the Administrative Agent, for the

benefit of the Secured Parties, a perfected, first priority Lien and "control" (as defined in the UCC) in the applicable deposit account or securities account of a Loan Party.

"Acquisition" has the meaning specified in the Recitals.

"Administrative Agent" means Bank of America in its capacity as sole administrative agent under any of the Loan Documents, or any successor administrative agent appointed in accordance with the terms hereof.

"Administrative Agent's Fee Letter" means that certain letter agreement dated as of the date hereof by and between the Administrative Agent and the Borrower.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02, or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in substantially the form of Exhibit E-2 or any other form approved by the Administrative Agent.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Aggregate Commitments" means the Commitments of all the Lenders.

"Agreement" means this Credit Agreement, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof.

"Applicable Percentage" means (a) in respect of the Term Facility, with respect to any Term Lender at any time, the percentage (carried out to the ninth decimal place) of the Term Facility represented by the principal amount of such Term Lender's Term Loans at such time, subject to adjustment as provided in Section 2.15 and 2.16, and (b) in respect of the Revolving Credit Facility, with respect to any Revolving Credit Lender at any time, the percentage (carried out to the ninth decimal place) of the Revolving Credit Facility represented by such Revolving Credit Lender's Revolving Credit Commitment at such time, subject to adjustment as provided in Section 2.15 and 2.16. If the commitment of each Revolving Credit Lender to make Revolving Credit Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, or if the Revolving Credit Commitments have expired, then the Applicable Percentage of each Revolving Credit Lender in respect of the Revolving Credit Facility shall be determined based on the Applicable Percentage of such Revolving Credit Lender in respect of the Revolving Credit Facility most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender in respect of each Facility is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means the following percentages per annum, set forth below for each Type of Loan (and for the Letter of Credit Fees) determined by reference to the Consolidated

Total Lease Adjusted Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a):

Pricing Level	Consolidated Total Lease Adjusted Leverage Ratio	Eurodollar Rate Loans and Letter of Credit Fees	Base Rate Loans
1	<4.25:1	4.00 %	3.00 %
2	≥4.25:1 but <5.00:1	4.50 %	3.50 %
3	≥5.000:1	5.00 %	4.00 %

Any increase or decrease in the Applicable Rate resulting from a change in the Consolidated Total Lease Adjusted Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, then, Pricing Level 3 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall remain in effect until the date on which such Compliance Certificate is delivered. The Applicable Rate in effect from the Closing Date through the first Business Day immediately following the date the Compliance Certificate is delivered pursuant to Section 6.02(a) for the Fiscal Quarter ended on or about December 31, 2011, shall be determined based upon Pricing Level 2; provided that, if at any time during such period, Pricing Level 3 would otherwise be applicable in accordance with the terms hereof (notwithstanding the foregoing), then the Applicable Rate shall be determined based upon Pricing Level 3.

Notwithstanding anything to the contrary contained in this definition, the determination of the Applicable Rate for any period shall be subject to the provisions of Sections 2.08(b) and 2.10.

"Applicable Revolving Credit Percentage" means with respect to any Revolving Credit Lender at any time, such Revolving Credit Lender's Applicable Percentage in respect of the Revolving Credit Facility at such time.

"Appropriate Lender" means, at any time, (a) with respect to either the Term Facility or the Revolving Credit Facility, a Lender that has a Commitment with respect to such Facility or holds a Term Loan or a Revolving Credit Loan, respectively, at such time, (b) with respect to the Letter of Credit Sublimit, (i) the L/C Issuer and (ii) if any Letters of Credit have been issued pursuant to Section 2.03(a), the Revolving Credit Lenders and (c) with respect to the Swing Line Sublimit, (i) the Swing Line Lender and (ii) if any Swing Line Loans are outstanding pursuant to Section 2.04(a), the Revolving Credit Lenders.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arrangers Fee Letter" means that certain letter agreement dated as of the date hereof by and among the Co-Lead Arrangers, Bank of America, General Electric Capital Corporation and the Borrower, as such letter may be amended, amended and restated, replaced supplemented or otherwise modified from time to time.

"Assignee Group" means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E-1 or any other form approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease and (c) all Synthetic Debt of such Person.

"Audited Financial Statements" means the audited consolidated balance sheet of the Borrower and its Subsidiaries for the Fiscal Year ended December 29, 2009, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such Fiscal Year of the Borrower and its Subsidiaries, including the notes thereto.

"Availability Period" means in respect of the Revolving Credit Facility, the period from and including the Closing Date to the earliest of (i) the Maturity Date, (ii) the date of termination of the Revolving Credit Commitments pursuant to Section 2.06, and (iii) the date of termination of the commitment of each Revolving Credit Lender to make Revolving Credit Loans and Swing Line Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 8.02.

"Bank of America" means Bank of America, N.A. and its successors.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate" and (c) the Eurodollar Rate plus 1.00%. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

"Base Rate Loan" means a Revolving Credit Loan or a Term Loan that bears interest based on the Base Rate.

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrowing" means a Revolving Credit Borrowing, a Swing Line Borrowing or a Term Borrowing, as the context may require.

"Budget" has the meaning specified in Section 6.01(d).

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day that is also a London Banking Day.

"Capital Expenditures" means, with respect to any Person for any period, any expenditure in respect of the purchase or other acquisition of any fixed or capital asset (including expenditures made to fund Permitted Acquisitions but excluding (i) normal replacements and maintenance which are properly charged to current operations) and (ii) expenditures made from insurance proceeds paid in connection with property loss or damages to purchase comparable replacement assets.

"Capitalized Leases" means all leases that have been or should be, in accordance with GAAP, recorded as capitalized leases.

"Cash Collateral Account" means a blocked, non-interest bearing deposit account of one or more of the Loan Parties at Bank of America (or another commercial bank selected in compliance with Section 6.19) in the name of the Administrative Agent and under the sole dominion and control of the Administrative Agent, and otherwise established in a manner satisfactory to the Administrative Agent.

"Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent, L/C Issuer or Swing Line Lender (as applicable) and the Lenders, as collateral for L/C Obligations, Obligations in respect of Swing Line Loans or obligations of Lenders to fund participations in respect of either thereof (as the context may require), cash or deposit account balances or, if the L/C Issuer or Swing Line Lender benefiting from such collateral shall agree in its sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to (a) the Administrative Agent and (b) the L/C Issuer or Swing Line Lender (as applicable). "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means any of the following types of Investments, to the extent owned by the Borrower or any of its Subsidiaries free and clear of all Liens (other than Liens created under the Collateral Documents):

(a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States of America or any agency or instrumentality thereof having

maturities of not more than 360 days from the date of acquisition thereof; provided that the full faith and credit of the United States of America is pledged in support thereof;

(b) time deposits with, or insured certificates of deposit or bankers' acceptances of, any commercial bank that (i) (A) is a Lender or (B) is organized under the laws of the United States of America, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States of America, any state thereof or the District of Columbia, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (c) of this definition and (iii) has combined capital and surplus of at least $1,000,000,000, in each case with maturities of not more than 360 days from the date of acquisition thereof;

(c) commercial paper issued by any Person organized under the laws of any state of the United States of America and rated at least "Prime-1" (or the then equivalent grade) by Moody's or at least "A-1" (or the then equivalent grade) by S&P, in each case with maturities of not more than 270 days from the date of acquisition thereof; and

(d) Investments, classified in accordance with GAAP as current assets of the Borrower or any of its Subsidiaries, in money market investment programs registered under the Investment Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody's or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (a), (b) and (c) of this definition.

"Cash Management Agreement" means any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management arrangements.

"Cash Management Bank" means any Person that, at the time it enters into a Cash Management Agreement, is a Lender or an Affiliate of a Lender, in its capacity as a party to such Cash Management Agreement.

"Catterton Investor" means Catterton-Noodles, LLC, a Delaware limited liability company, together with its Affiliates and associated funds.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

"CERCLIS" means the Comprehensive Environmental Response, Compensation and Liability Information System maintained by the U.S. Environmental Protection Agency.

"CFC" means a Person that is a controlled foreign corporation under Section 957 of the Code.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof

by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority.

"Change of Control" means an event or series of events by which:

(a) at any time, (i) the Sponsor Investors, collectively, shall cease to own and control legally and beneficially (free and clear of all Liens), either directly or indirectly, equity securities in the Borrower representing at least 51% or more of the combined voting power of all of the equity securities entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully-diluted basis and taking into account all such securities that the Sponsor Investors have the right to acquire pursuant to any option right (as defined below) whether such right is exercisable immediately or only after the passage of time or (ii) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) other than the Sponsor Investors, becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (but excluding, for the avoidance of doubt, the right to acquire all or substantially all of the Equity Interests or assets of the Borrower pursuant to the signing of a merger or acquisition agreement, it being understood that a Change of Control shall occur upon the consummation or effectiveness of such merger or acquisition agreement, such right, an "option right")), directly or indirectly, of more of the equity securities of the Borrower entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully-diluted basis (and taking into account all such securities that such "person" or "group" has the right to acquire pursuant to any option right) than are then owned by the Sponsor Investor who owns the largest percentage of such equity securities; or

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body (excluding, in the case of both clause (ii) and clause (iii), any individual whose initial nomination for, or assumption of office as, a member of that board or equivalent governing body occurs as a result of an actual or threatened solicitation of proxies or consents for the election or removal of one or more directors by any person or group other than a solicitation for the election of one or more directors by or on behalf of the board of directors); or

(c) any Person or two or more Persons acting in concert, other than the Sponsor Investors, shall have acquired by contract or otherwise, directly or indirectly, a controlling influence over the management or policies of the Borrower, or control over the equity securities of the Borrower entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully-diluted basis (and taking into account all such securities that such Person or Persons have the right to acquire pursuant to any option right) representing the lesser of 50% or more of the combined voting power of such securities or a combined voting power greater than the voting power of the Sponsor Investor who owns the largest percentage of such equity securities;

(d) except as permitted under Sections 7.04 and 7.05, the Borrower shall cease, directly or indirectly, to own and control legally and beneficially the percentage of Equity Interests in each Subsidiary set forth on Schedule 5.13; or

(e) a Public Market is created, unless, immediately prior to and immediately after giving effect to the transactions arising out of, connected to or related to the creation of such Public Market (including the application of proceeds thereform), (i) the Consolidated Total Leverage Ratio for the Measurement Period most recently completed, calculated on a pro forma basis as though such transactions had been consummated as of the first day of the fiscal period covered thereby, is less than or equal to 2.00:1.00 and (ii) the Excess Revolving Availability is at least $20,000,000.

"Class" means each separate class of Loans comprising, as the context may require, all outstanding Revolving Credit Loans at such time or all outstanding Term Loans at such time.

"Class A Common Stock" means the Class A Common Stock, par value $0.01 per share, of the Borrower.

"Class B Common Stock" means the Class B Common Stock, par value $0.01 per share, of the Borrower.

"Class C Common Stock" means the Class C Common Stock, par value $0.01 per share, of the Borrower.

"Class C Common Stock Dividend" has the meaning specified in Section 7.06(d).

"Closing Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 11.01.

"Co-Lead Arrangers" means Merrill Lynch, Pierce, Fenner & Smith Incorporated and GE Capital Markets, Inc. and Wells Fargo Bank, National Association, in their capacity as Left Lead Arranger and Right Lead Arrangers, respectively.

"Code" means the Internal Revenue Code of 1986.

"Collateral" means all of the "Collateral" referred to in the Collateral Documents and all of the other property that is or is intended under the terms of the Collateral Documents to be subject to Liens in favor of the Administrative Agent for the benefit of the Secured Parties.

"Collateral Documents" means, collectively, the Security Agreement, the Pledge Agreements, the Intellectual Property Security Agreements, each Account Control Agreement, the Mortgages, if any, each intellectual property security agreement supplement, each of the mortgages, collateral assignments, security agreements, pledge agreements or other similar agreements delivered to the Administrative Agent pursuant to Section 6.12, and each of the other agreements, instruments or documents that creates or purports to create a Lien in favor of the Administrative Agent for the benefit of the Secured Parties.

"Commitment" means a Term Commitment or a Revolving Credit Commitment, as the context may require.

"Committed Loan Notice" means a notice of (a) a Term Borrowing, (b) a Revolving Credit Borrowing, (c) a conversion of Loans from one Type to the other, or (d) a continuation of Eurodollar Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

"Compliance Certificate" means a certificate substantially in the form of Exhibit D

"Consolidated Adjusted Cash Rental Expense" means, as of the date of determination, for any relevant Measurement Period, Consolidated Cash Rental Expense for such Measurement Period multiplied by eight (8). Notwithstanding the foregoing to the contrary, Consolidated Adjusted Cash Rental Expense for the Fiscal Quarter ending on or about June 15, 2010, September 7, 2010 and December 28, 2010 shall be as set forth on Schedule 1.01(c).

"Consolidated Cash Rental Expense" means, as of the date of determination, for the relevant Measurement Period, all cash rental expense of the Borrower and its Subsidiaries for such Measurement Period, determined on a consolidated basis, incurred under any rental agreements or leases, other than obligations in respect of any Capitalized Leases and Synthetic Lease Obligations. Notwithstanding the foregoing to the contrary, Consolidated Cash Rental Expense for the Fiscal Quarter ending on or about June 15, 2010, September 7, 2010 and December 28, 2010 shall be as set forth on Schedule 1.01(c).

"Consolidated EBITDA" means, at any date of determination, an amount equal to Consolidated Net Income of the Borrower and its Subsidiaries on a consolidated basis for the most recently completed Measurement Period plus (a) the following to the extent deducted in calculating such Consolidated Net Income and without duplication: (i) Consolidated Interest Charges, (ii) the provision for Federal, state, local and foreign income taxes paid or payable, (iii) depreciation and amortization expense, (iv) Consolidated Restaurant Pre-Opening Costs in an amount not to exceed an average of $75,000 per Restaurant for all Restaurants incurred during such Measurement Period, (v) management fees (including the Class C Common Stock Dividend but, for the avoidance of doubt, only if such dividend is deducted in calculating Consolidated Net Income) actually paid if and to the extent permitted to be paid under Section 7.06(d) and the Management Subordination Agreements, (vi) non-cash rent expense, (vii) non-cash

compensation expense, (viii) non-recurring expenses or charges (or minus non-recurring income items) reducing (or in the case of non-recurring income, increasing) such Consolidated Net Income, in each case, which do not represent a cash item in such period or any future period, (ix) non-recurring cash expenses or charges, in each case in an aggregate amount not to exceed $250,000 in any Measurement Period, (x) one time fees and out of pocket expenses incurred in connection with the Transaction (including without limitation, fees paid to the Sponsor Investors in connection with the Acquisition, attorney's fees and upfront fees paid to the Co-Lead Arrangers, the Administrative Agent and/or the Lenders in connection with the financing contemplated by this Agreement including pursuant to Sections 2.16 and 2.17 hereof) to the extent actually paid by the Borrower in an aggregate amount not to exceed $85,000, in all cases, of or by the Borrower and its Subsidiaries for such Measurement Period, (xi) expenses due to the cash settlement of outstanding options to purchase capital stock of the Borrower in connection with the Transaction in an aggregate amount not to exceed $500,000, (xii) one time fees and out of pocket expenses incurred in connection with Permitted Acquisitions consummated after the Closing Date in an aggregate amount not to exceed $250,000 in any one Measurement Period and $1,000,000 over the term of this Agreement, (xiii) expenses during Fiscal Year 2011 for Consulting Payments to the extent actually paid or accrued during such Measurement Period and (xiv) expenses to unwind or restructure the interest rate swap of the Borrower as in effect on the Closing Date in respect of the Existing Credit Agreement and minus (b) to the extent included in calculating such Consolidated Net Income, Federal, state, local and foreign income tax credits (of or by the Borrower and its Subsidiaries for such Measurement Period). Notwithstanding the foregoing to the contrary, Consolidated EBITDA for the Fiscal Quarter ending on or about June 15, 2010, September 7, 2010 and December 28, 2010 shall be as set forth on Schedule 1.01(c).

"Consolidated EBITDAR" means, as of the date of determination, an amount equal to (without duplication) (i) Consolidated EBITDA for the most recently completed Measurement Period, plus (ii) Consolidated Cash Rental Expense for such Measurement Period. Notwithstanding the foregoing to the contrary, Consolidated EBITDAR for the Fiscal Quarter ending on or about June 15, 2010, September 7, 2010 and December 28, 2010 shall be as set forth on Schedule 1.01(c).

"Consolidated Fixed Charge Coverage Ratio" means, at any date of determination, the ratio of (a) (i) Consolidated EBITDAR for the most recently completed Measurement Period, less (ii) the aggregate amount of Consolidated Maintenance Capital Expenditures paid in cash during such Measurement Period less (iii) the aggregate amount of Federal, state, local and foreign income taxes paid in cash during such Measurement Period to (b) the sum of (i) Consolidated Interest Charges paid in cash, (ii) the aggregate principal amount of all regularly scheduled principal payments or redemptions or similar acquisitions for value of outstanding debt for borrowed money, but excluding any such payments to the extent refinanced through the incurrence of additional Indebtedness otherwise expressly permitted under Section 7.02, and (iii) Consolidated Cash Rental Expense, in each case, of or by the Borrower and its Subsidiaries for the most recently completed Measurement Period. For purposes of calculating Consolidated Fixed Charge Coverage Ratio for each Measurement Period ending on or about June 15, 2010, September 7, 2010 and December 28, 2010, respectively, the portion of the Loans funded on the Closing Date shall be deemed to have been funded immediately prior to such Measurement Period and the scheduled principal payments of the Term Loan during such Measurement Period shall be deemed to be equal to 1.00% of the Term Loan outstanding on the Closing Date.

"Consolidated Funded Indebtedness" means, as of any date of determination and without duplication, for the Borrower and its Subsidiaries on a consolidated basis, the sum of (a) the outstanding principal amount of all obligations, whether current or long-term, for borrowed money (including Obligations hereunder) and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (b) all purchase money Indebtedness, (c) all direct obligations arising under letters of credit, bankers' acceptances, bank guaranties, surety bonds and similar instruments, (d) all obligations in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business), (e) all Attributable Indebtedness, (f) without duplication, all Guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) through (e) above of Persons other than the Borrower or any Subsidiary, and (g) all Indebtedness of the types referred to in clauses (a) through (f) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which the Borrower or a Subsidiary is a general partner or joint venturer, unless such Indebtedness is expressly made non-recourse to the Borrower or such Subsidiary.

"Consolidated Growth Capital Expenditures" means Capital Expenditures of the Borrower and its Subsidiaries on a consolidated basis for growth (including, but not limited to, New Construction, expenditures for increases to restaurant capacity and expenditures in connection with Permitted Acquisitions).

"Consolidated Interest Charges" means, for any Measurement Period, the sum of (a) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (b) all interest paid or payable with respect to discontinued operations and (c) the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP, in each case, of or by the Borrower and its Subsidiaries on a consolidated basis for the most recently completed Measurement Period.

"Consolidated Maintenance Capital Expenditures" means all Capital Expenditures of the Borrower and its Subsidiaries on a consolidated basis other than those constituting Consolidated Growth Capital Expenditures. Notwithstanding the foregoing to the contrary, Consolidated Maintenance Capital Expenditures for the Fiscal Quarter ending on or about June 15, 2010, September 7, 2010 and December 28, 2010 shall be as set forth on Schedule 1.01(c)

"Consolidated Net Income" means, at any date of determination, the net income (or loss) of the Borrower and its Subsidiaries on a consolidated basis for the most recently completed Measurement Period, after deduction of all expenses, taxes and other proper charges (including minority interests), in each case, determined in accordance with GAAP, and excluding all extraordinary gains and extraordinary losses for such Measurement Period.

"Consolidated Restaurant Pre-Opening Costs" means "Start-up costs" (such term used herein as defined in SOP 98-5 published by the American Institute of Certified Public Accountants) incurred by the Borrower and/or its Subsidiaries on a consolidated basis related to the acquisition, opening and organizing of New Operating Units, such costs to include, without limitation, the cost of feasibility studies, one-time unit level marketing costs incurred during the

one-month period prior to the opening of such New Operating Unit and the one-month period following the opening of such New Operating Unit, staff-training (including training related to food preparation), food costs related to staff training, smallware and recruiting and travel costs for employees engaged in such start-up activities.

"Consolidated Total Lease Adjusted Leverage Ratio" means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness as of the last day of the most recently ended Measurement Period, plus Consolidated Adjusted Cash Rental Expense for such Measurement Period plus to the extent not included in Consolidated Funded Indebtedness, L/C Obligations as at the last day of such Measurement Period to (b) Consolidated EBITDAR for such Measurement Period.

"Consolidated Total Leverage Ratio" means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness as of the last day of the most recently ended Measurement Period plus to the extent not included in Consolidated Funded Indebtedness, L/C Obligations as at the last day of such Measurement Period to (b) Consolidated EBITDA for the most recently completed Measurement Period.

"Consulting Payments" means payments made by the Borrower to unaffiliated consultants in connection with consulting work performed for the Borrower and/or its Subsidiaries relating to business improvement initiatives, which payments shall be made or accrued during Fiscal Year 2011 and shall be in an aggregate amount not to exceed $1,000,000.

"Contractual Obligation" means, as to any Person, any material provision (which for clarity shall include without limitation all provisions relating to monetary obligations) of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Copyright Security Agreements" means, collectively, any copyright property security agreements in respect of any copyright property that may be entered into after the Closing Date and that is required to be delivered pursuant to Section 6.12, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) 2% per annum, provided, however, that with respect to a Eurodollar Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum; and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Rate plus 2% per annum.

"Defaulting Lender" means, subject to Section 2.15(b), any Lender that, as determined by the Administrative Agent, (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans or participations in respect of Letters of Credit or Swing Line Loans, within one Business Day of the date required to be funded by it hereunder, (b) has notified the Borrower or the Administrative Agent that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or under other agreements in which it commits to extend credit (other than, in the case of such other agreements, to the extent such Lender's notice or public statement of non-compliance is a result of such Lender's good faith dispute with respect to its funding obligations thereunder), (c) has failed, within one Business Day after request by the Administrative Agent, to confirm in a manner satisfactory to the Administrative Agent that it will comply with its funding obligations, or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, or (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority; and provided, further, that in each of clauses (d)(i), (d)(ii) and (d)(iii), the Administrative Agent has determined in its discretion that such Lender is reasonably likely to fail to perform any of its funding obligations under the Loan Documents.

"Disclosed Litigation" has the meaning set forth in Section 5.06.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Disqualified Securities" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interest into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, on or prior to the date which is one (1) year after the

Maturity Date, (b) is convertible in or exchangeable for (i) debt securities or (ii) any Equity Interests referred to in clause (a) above, in each case, at any time prior to the date which is one year after the Maturity Date, (c) contains any repurchase obligations which may come into effect prior to payment in full of all Obligations (other than customary contingent indemnification claims for which a claim has not then been asserted) or (d) requires the payment of cash dividends or distributions prior to the date which is one year after the Maturity Date.

"Documentation Agent" means Regions Bank, in its capacity as documentation agent.

"Dollar" and "$" mean lawful money of the United States.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of any political subdivision of the United States.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.06(b)(iii), and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

"Environmental Laws" means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Permit" means any permit, approval, identification number, license or other authorization required under any Environmental Law.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"Equity Investment" means an equity investment by the Sponsor Investors on December 27, 2010 in the Borrower (including an equity investment in Merger Sub immediately prior to the effectiveness of its merger with the Borrower) in an amount equal to at least $181,000,000.

"Equity Investors" means, collectively, the Sponsor Investors and the Rollover Investors and their respective Affiliates.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate.

"Eurodollar Rate" means

(a) for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the British Bankers Association LIBOR Rate ("BBA LIBOR"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two London Banking Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any reason, then the "Eurodollar Rate" for such Interest Period shall be the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the Eurodollar Rate Loan being made, continued or converted by Bank of America and with a term equivalent to such Interest Period would be offered by Bank of America's London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two London Banking Days prior to the commencement of such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to (i) BBA LIBOR, at approximately 11:00 a.m., London time determined two London Banking Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one month commencing that day or (ii) if such published rate is not available at such time for any reason, the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the date of determination in same day funds in the approximate amount of the Base Rate Loan being made or maintained and with a term equal to one month would be offered by Bank of America's London Branch to major banks in the London interbank Eurodollar market at their request at the date and time of determination.

Notwithstanding anything to the contrary contained in this Agreement, the Eurodollar Rate shall at no time be less than 1.25%.

"Eurodollar Rate Loan" means a Revolving Credit Loan or a Term Loan that bears interest at a rate based on clause (a) of the definition of "Eurodollar Rate".

"Event of Default" has the meaning specified in Section 8.01.

"Excess Cash Flow" means, for any Fiscal Year of the Borrower, the excess (if any) of (a) Consolidated EBITDA for such Fiscal Year over (b) the sum (for such Fiscal Year and without duplication, including without duplication of amounts deducted in the calculation of Consolidated Net Income or Consolidated EBITDA) of (i) Consolidated Interest Charges actually paid in cash by the Borrower and its Subsidiaries, (ii) all permitted principal repayments, to the extent actually made, of Term Loans, and payments of the Revolving Credit Loans to the extent accompanied by a permanent reduction in the Revolving Credit Facility,

(iii) all income taxes actually paid in cash by the Borrower and its Subsidiaries, (iv) Capital Expenditures actually made in cash by the Borrower and its Subsidiaries in such Fiscal Year in accordance with the terms of this Agreement, (v) any management fees paid in cash under the Management Agreement and permitted under Section 7.06(d) to the extent added back in the calculation of Consolidated EBITDA for such Fiscal Year, (vi) the Class C Common Stock Dividend paid in cash and permitted under Section 7.06(d), (vii) amounts paid in cash for Permitted Acquisitions, if and to the extent permitted to be made under this Agreement, (viii) fees and out of pocket expenses paid in cash incurred in connection with the Transactions; provided that the aggregate of all such fees and expenses incurred and paid (regardless of the time of payment) in connection with the Transaction shall not exceed $85,000, (viii) Consolidated Restaurant Pre-Opening Costs to the extent added back to Consolidated EBITDA in such Fiscal Year, (ix) any Extraordinary Receipts actually received by the Borrower and its Subsidiaries during such Fiscal Year to the extent such Extraordinary Receipts have been included in the calculation of Consolidated EBITDA or reinvested in accordance with, or permitted to be retained by, Section 2.05(b)(vi), (x) non-recurring cash expenses in an aggregate amount not to exceed $250,000 to the extent such amounts are added back in the calculation of Consolidated EBITDA for such Fiscal Year and (xi) solely with respect to Fiscal Year 2011, the Consulting Payments to the extent such amount is added back in the calculation of Consolidated EBITDA for such Measurement Period.

"Excess Cash Flow Percentage" means, as of the Closing Date and for the Fiscal Year ending December 31, 2011 50%, and thereafter the applicable percentage set forth below

determined by reference to the Consolidated Total Leverage Ratio for the Measurement Period ending on the Fiscal Year end date for the Fiscal Year of determination for which financial statements have been delivered in accordance with Section 6.01(a):

Consolidated Total Leverage Ratio	Excess Cash Flow Percentage
Greater than or equal to 2.00:1.00	50%
Less than 2.00:1.00	25%

Any increase or decrease in the Excess Cash Flow Percentage resulting from a change in the Consolidated Total Leverage Ratio shall become effective for the payment due pursuant to Section 2.05(b)(i) for the Fiscal Year covered by such financial statements.

"Excess Revolving Availability" means, as of any date of determination, the amount by which (a) the Revolving Credit Facility exceeds (b) the Total Revolving Credit Outstandings.

"Excluded Issuance" by any Person means (i) an issuance and sale of an Equity Interest in such Person to the Equity Investors or employees of the Borrower pursuant to a stock option plan approved by the board of directors or equivalent governing body of the Borrower, (ii) an issuance and sale of an Equity Interest in such Person to any employee of such Person or a Subsidiary of such Person provided that the Net Cash Proceeds therefrom do not exceed $5,000,000 in the aggregate at any time prior to the Maturity Date or (iii) an issuance of shares of capital stock of (or other ownership or profit interests in) such Person upon the exercise of warrants, options or other rights for the purchase of such capital stock (or other ownership or profit interest) the Net Cash Proceeds from which do not exceed $10,000,000 in the aggregate in any Fiscal Year or $35,000,000 in the aggregate at any time prior to the Maturity Date, so long as after giving effect to the issuance of any such Equity Interests, no Change of Control has occurred and so long as no Event of Default then exists or would result from such Excluded Issuance.

"Excluded Taxes" means, with respect to the Administrative Agent, any Lender, the L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located, (b) net income taxes and franchise taxes imposed on it (in lieu of net income taxes) as a result of a present or former connection between such recipient and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from the recipient having executed delivered or performed on its obligations under this Agreement or any other Loan Document), (c) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Borrower is located, and (d) in the case of a Foreign Lender (other than an assignee pursuant to a request by the Borrower under Section 11.13), any United States withholding tax that (i) is required to be imposed on amounts payable to such Foreign Lender pursuant to the Laws in force at the time such Foreign Lender becomes a party hereto (or designates a new Lending Office) or (ii) is attributable to such Foreign Lender's

failure or inability (other than as a result of a Change in Law) to comply with clause (B) of Section 3.01(e)(ii), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 3.01(a)(i) or (ii).

"Executive Officer Employment Agreement Stock Put/Call Rights" means the rights to put and call Equity Interests of the Borrower pursuant to (i) the Employment Agreement, dated as of December 27, 2010, by and between the Borrower and Keith Kinsey and (ii) the Employment Agreement, dated as of December 27, 2010, by and between the Borrower and Kevin Reddy, in each case, as in effect on the Closing Date.

"Existing Credit Agreement" means that certain Credit Agreement dated as of November 14, 2007 by and among Noodles, the Subsidiaries of Noodles party thereto, Bank of America, N.A., as administrative agent, swing line lender and L/C issuer, JP Morgan Chase Bank, N.A., as syndication agent, the lenders party thereto and Banc of America Securities LLC, as sole lead arranger and sole book manager.

"Existing Letters of Credit" means those letters of credit set forth on Schedule 1.01(a) hereto issued for the account of the Noodles under the Existing Credit Agreement.

"Extraordinary Receipt" means any cash received by or paid to or for the account of any Person not in the ordinary course of business, including tax refunds, pension plan reversions, judgments or the settlement of any dispute (and payments in lieu thereof), indemnity payments and any purchase price adjustments under the Merger Agreement or in connection with a Permitted Acquisition, but expressly excluding proceeds from insurance, eminent domain and condemnation which shall be governed by Section 2.05(b)(ii).

"Facility" means the Term Facility or the Revolving Credit Facility, as the context may require.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent.

"FASB ACS" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"Fee Letters" means, collectively, the Arrangers Fee Letter and the Administrative Agent's Fee Letter.

"Fiscal Quarter" means each period of thirteen weeks (with the first two months of such Fiscal Quarter having four weeks and the last month of such Fiscal Quarter having five weeks).

"Fiscal Year" means the 52 or 53 week period ending on the Tuesday closest to December 31st of each calendar year.

"Foreign Lender" means any Lender that is organized under the Laws of a jurisdiction other than that in which the Borrower is resident for tax purposes (including such a Lender when acting in the capacity of the L/C Issuer). For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Franchise Agreements" means each of the agreements entered into from time to time by the Borrower or any of its Subsidiaries pursuant to which a Loan Party as Franchisor agrees to allow a Franchisee to operate a restaurant facility using the "Noodles & Company" restaurant concepts.

"Franchisee" means each third party unaffiliated restaurant operator identified as a franchisee in any Franchise Agreement.

"Franchised Unit Locations" means, collectively, the property comprising Franchised Unit Locations described in Part (b) of Schedule 5.21 (as such Schedule may be updated from time to time with the written consent of the Administrative Agent).

"Franchisor" means any Loan Party.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to the L/C Issuer, such Defaulting Lender's Applicable Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof and (b) with respect to the Swing Line Lender, such Defaulting Lender's Applicable Percentage of Swing Line Loans other than Swing Line Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the

accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"GE Capital" means General Electric Capital Corporation, a Delaware corporation.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" means, as to any Person, any (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). Unless such Guarantee is capped at a stated amount, the amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith;

provided that if recourse under such Guarantee is limited to the assets securing such Guarantee, the amount of Indebtedness represented by such Guarantee shall be the lesser of (i) the fair market value of such assets or (ii) the amount of the related primary obligation. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantors" means, collectively, each existing direct and indirect Subsidiary of the Borrower and future direct and indirect Subsidiary of the Borrower that shall be required to execute and deliver a guaranty or guaranty supplement pursuant to Section 6.12.

"Guaranty" means, collectively, the Guaranty made by each Subsidiary of the Borrower under Article X in favor of the Secured Parties, together with each other guaranty and guaranty supplement delivered pursuant to Section 6.12, in each case, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Hedge Bank" means any Person that, at the time it enters into an interest rate Swap Contract required or permitted under Article VI or VII, is (i) a Lender or an Affiliate of a Lender, in its capacity as a party to such Swap Contract or (ii) any Person with whom a Loan Party has entered into a Secured Hedge Agreement provided or arranged by GE Capital or an affiliate of GE Capital, and any assignee thereof.

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and, in each case, not past due for more than 60 days after the date on which such trade account payable was created);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person, or is limited in recourse, valued in an amount equal to the stated or determinable amount of the such Indebtedness so secured or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith or if recourse is limited to such assets, the fair market value of such assets;

(f) all Attributable Indebtedness in respect of Capitalized Leases and Synthetic Lease Obligations of such Person and all Synthetic Debt of such Person;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends (but excluding, for the

avoidance of doubt, the right of such Person to receive a dividend arising solely from the declaration thereof); and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date of determination shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capitalized Lease or Synthetic Lease Obligation as of any date of determination shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Indemnitee" has the meaning specified in Section 11.04(b).

"Information" has the meaning specified in Section 11.07.

"Intellectual Property Security Agreements" means, collectively, (i) each of the Trademark Security Agreements, (ii) each of the Patent Security Agreements, if any, (iii) each of the Copyright Security Agreements, if any, and (iv) any other intellectual property security agreements in respect of any intellectual property that may be entered into after the Closing Date and that is required to be delivered pursuant to Section 6.12, in each case, in form and substance reasonably satisfactory to the Administrative Agent and as amended and in effect from time to time.

"Interest Payment Date" means, (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the

beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or Swing Line Loan, the last Business Day of each March, June, September and December and the Maturity Date.

"Interest Period" means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one, two, three or six months thereafter, in each case, as selected by the Borrower in its Committed Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar

month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor Guarantees Indebtedness of such other Person or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

"IP Rights" has the meaning specified in Section 5.17.

"IRS" means the United States Internal Revenue Service.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the L/C Issuer and the Borrower (or any Subsidiary) or in favor of the L/C Issuer and relating to such Letter of Credit.

"Joint Book Managers" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, GE Capital Markets, Inc. and Wells Fargo Bank, National Association, in their capacity as joint book managers.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"L/C Advance" means, with respect to each Revolving Credit Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Applicable Revolving Credit Percentage.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Revolving Credit Borrowing.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means Bank of America in its capacity as issuer of Letters of Credit hereunder or any successor issuer of Letters of Credit hereunder.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Leases" means, collectively, each lease of real property related to a Restaurant or to the operation of the business of the Loan Parties.

"Left Lead Arranger" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, in its capacity as left lead arranger.

"Lender" has the meaning specified in the introductory paragraph hereto and, as the context requires, includes the Swing Line Lender.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Letter of Credit" means any standby letter of credit issued hereunder and shall include each Existing Letter of Credit.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the L/C Issuer.

"Letter of Credit Expiration Date" means the day that is seven days prior to the Maturity Date (or, if such date is not a Business Day, the next preceding Business Day).

"Letter of Credit Fee" has the meaning specified in Section 2.03(h).

"Letter of Credit Sublimit" means an amount equal to $5,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Revolving Credit Facility.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" means an extension of credit by a Lender to the Borrower under Article II in the form of a Term Loan, a Revolving Credit Loan or a Swing Line Loan.

"Loan Documents" means, collectively, (a) this Agreement, (b) the Notes, (c) the Collateral Documents, (d) the Management Subordination Agreements, (e) any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14 of this Agreement, (f) the Fee Letters (g) each Issuer Document and (h) the Post-Closing Agreement.

"Loan Parties" means, collectively, the Borrower and each Guarantor.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Management Agreement" means the management agreement between the Loan Parties and Catterton Management Company, L.L.C. for the management of the Loan Parties.

"Management Subordination Agreements" means, collectively, (i) that certain Management Fee Subordination Agreement executed and delivered on the date hereof by and among Catterton Management Company, L.L.C., the Borrower and the Administrative Agent with respect to the Management Agreement and (ii) that certain Payover Agreement executed and delivered on the date hereof by and among the PSP Investor, the Borrower and the Administrative Agent with respect to the Class C Common Stock, in each case, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, assets, properties, liabilities (actual or contingent) or condition (financial or otherwise) of the Borrower and its Subsidiaries taken as a whole, (b) a material impairment of the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of the Borrower or any other Loan Party to perform its obligations under any Loan Document to which it is a party, or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or any Loan Party of any Loan Document to which it is a party.

"Material Contract" means, with respect to any Person, any contract to which such Person is a party which is material to the business, condition (financial or otherwise), operations, performance, properties or prospects of such Person and includes, without limitation, the Merger Agreement, each Lease and Franchise Agreement.

"Maturity Date" means February 28, 2016; provided, however, that, if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

"Measurement Period" means, at any date of determination, the most recently completed four Fiscal Quarters of the Borrower.

"Merger Agreement" has the meaning specified in the Recitals.

"Merger Sub" has the meaning specified in the Recitals.

"Minority Interest" means a percentage of the ownership interest in a Subsidiary of the Borrower that is owned by a Person other than the Borrower or a guarantor to the extent necessary to comply with local licensing requirements.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" means deeds of trust, trust deeds, deeds to secure debt and mortgages covering any real estate owned by a Loan Party and in favor of the Administrative Agent for the benefit of itself and the Secured Parties.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Net Cash Proceeds" means:

(a) with respect to any Disposition by any Loan Party, or any Extraordinary Receipt received or paid to the account of any Loan Party, the excess, if any, of (i) the sum of cash and Cash Equivalents received in connection with such transaction (including any cash or Cash Equivalents received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) over (ii) the sum of (A) the principal amount of any Indebtedness that is secured by the applicable asset and that is required to be repaid in connection with such transaction (other than Indebtedness under the Loan Documents), (B) the reasonable and customary out-of-pocket expenses incurred by any Loan Party in connection with such transaction and (C) income taxes reasonably estimated to be actually payable within two years of the date of the relevant transaction as a result of any gain recognized in connection therewith; provided that, if the amount of any estimated taxes pursuant to subclause (C) exceeds the amount of taxes actually required to be paid in cash in respect of such Disposition, the aggregate amount of such excess shall constitute Net Cash Proceeds; and

(b) with respect to the sale or issuance of any Equity Interest by any Loan Party or the incurrence or issuance of any Indebtedness by any Loan Party, the excess of (i) the sum of the cash and Cash Equivalents received in connection with such transaction over (ii) the underwriting discounts and commissions, and other reasonable and customary out-of-pocket expenses, incurred by such Loan Party in connection therewith.

"New Construction" means construction by the Borrower or any of its Subsidiaries related to the opening of a Restaurant owned and operated by the Borrower or any of its Subsidiaries at a new location or the meaningful expansion of capacity at existing facilities of a Restaurant owned and operated by the Borrower or any of its Subsidiaries.

"New Operating Units" means Restaurants owned and operated by the Borrower or any of its Subsidiaries whose ownership or operation by the Borrower or any of its Subsidiaries started on a date after the Closing Date.

"Noodles" has the meaning specified in the Recitals.

"Note" means a Term Note or a Revolving Credit Note, as the context may require, in each case, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"NPL" means the National Priorities List under CERCLA.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, Letter of Credit, Secured Cash Management Agreement or Secured Hedge Agreement, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Taxes" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

"Outstanding Amount" means (a) with respect to Term Loans, Revolving Credit Loans and Swing Line Loans on any date of determination, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Term Loans, Revolving Credit Loans and Swing Line Loans, as the case may be, occurring on such date; and (b) with respect to any L/C Obligations on any date of determination, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrower of Unreimbursed Amounts.

"Participant" has the meaning specified in Section 11.06(d).

"Patent Security Agreements" means, collectively, any patent property security agreements in respect of any patent property that may be entered into after the Closing Date and that is required to be delivered pursuant to Section 6.12, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Act" means the Pension Protection Act of 2006.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Permitted Acquisition" means (A) any acquisition consented to in writing by the Required Lenders prior to the date of such acquisition or (B) the purchase or other acquisition in a single transaction or a series of related transactions of (i) all of the Equity Interests in any Person that, upon the consummation thereof, will be wholly-owned directly by the Borrower or one or more of its wholly-owned Subsidiaries (including as a result of a merger or consolidation), (ii) all or substantially all of the assets associated with the operation of one or more restaurants or (iii) all or substantially all of the assets of a Person, provided that, such assets are associated with the operation of one or more restaurants (in each case, such Equity Interests or assets acquired hereinafter referred to as the "Acquired Assets"), provided that, in each case, each of the following conditions are met:

(a) the assets of such newly-acquired Subsidiary or the property acquired by the Borrower shall only constitute one or more restaurant facilities consisting of real property (owned or leased), equipment and other property relating to the operations of such restaurant facilities and each of which shall, upon the consummation of such acquisition operate as a Noodles & Company restaurant concept or within twenty-four (24) months after such acquisition thereof (provided that restaurants representing, in the aggregate, less than 10% of the revenue of the Acquired Assets may be held for up to thirty-six (36) months after the acquisition thereof), be converted into a Noodles & Company restaurant concept or disposed of in accordance with Section 7.05(j), and the Borrower shall deliver to the Administrative Agent evidence reasonably satisfactory to the Administrative Agent of the foregoing;

(b) no Default or Event of Default shall have occurred and be continuing or would result from such acquisition;

(c) the Borrower shall deliver evidence satisfactory to the Administrative Agent that, on a Pro Forma Basis, the Consolidated Total Lease Adjusted Leverage Ratio and the Consolidated Total Leverage Ratio for the Measurement Period most recently completed, shall in

each case, be 0.25 less than the Consolidated Total Lease Adjusted Leverage Ratio and the Consolidated Total Leverage Ratio required for such Measurement Period, such compliance to be determined on the financial information most recently delivered to the Administrative Agent pursuant to Section 6.01(a) or (b) and all financial information in respect of the Acquired Assets in connection with such acquisition (which such financial information shall be in form, scope and substance satisfactory to the Administrative Agent);

(d) such purchase or other acquisition shall not include or result in any contingent liabilities which could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect;

(e) any and all consents and approvals of any Governmental Authority (including, for the avoidance of doubt, in respect of liquor licenses acquired to the extent necessary) or landlord that if not obtained would (i) adversely impact the Acquired Assets in any material respect or (ii) would result in a material impairment of the rights and remedies of the Administrative Agent or any Lender relating to any Lien on the Acquired Assets constituting Collateral;

(f) the Borrower shall have delivered to the Administrative Agent and each Lender, at least five (5) Business Days prior to the date on which the purchase or acquisition (or such shorter period as may be agreed upon in writing by the Administrative Agent) of the Acquired Assets is to be consummated, a certificate of the Borrower signed by a Responsible Officer, in form and substance reasonably satisfactory to the Administrative Agent and the Required Lenders, certifying that all of the requirements set forth herein have been satisfied or will be satisfied on or prior to the consummation of such purchase or other acquisition;

(g) the Borrower shall have delivered to the Administrative Agent and each Lender (i) at least five (5) Business Days prior to the consummation of such purchase or acquisition (or such shorter period as may be agreed upon in writing by the Administrative Agent), copies, certified by a Responsible Officer on behalf of the Borrower to be true and complete of the purchase and sale documents, together with a complete set of schedules, exhibits, side letters and other documents and instruments delivered in connection therewith and (ii) prior to the consummation of such purchase or acquisition, copies, certified by a Responsible Officer of the Borrower to be true and complete of all documents, instruments, side letters or other material agreements executed in connection with such purchase or acquisition;

(h) the Borrower shall have delivered to the Administrative Agent evidence reasonably satisfactory to the Administrative Agent that all liens and encumbrances with respect to the Acquired Assets, other than Permitted Liens, have been discharged in full or arrangements therefor satisfactory to the Administrative Agent have been made;

(i) after giving effect to such purchase or other acquisition, the Excess Revolving Availability shall not be less than $10,000,000; and

(j) any such newly-created or acquired Subsidiary shall comply with the requirements of Section 6.12, and/or, with respect to any newly-acquired assets, the Borrower shall comply with the requirements of Section 6.12.

"Permitted Liens" means, collectively, the Liens permitted under Section 7.01.

"Permitted Mortgage Financing" means the Indebtedness of any Loan Party incurred after the Closing Date in connection with the acquisition (in a single transaction or a series of related transactions), construction or improvement of up to five (5) Restaurants, provided that each of the following conditions are satisfied: (a) the aggregate principal amount of all such Indebtedness shall not exceed $10,000,000, (b) the aggregate Permitted Transaction Amount at any time outstanding, after giving effect to such Permitted Mortgage Financing, shall not exceed $20,000,000; (c) the mortgagee under such Permitted Mortgage Financing shall be entitled to a Lien only on such assets financed by such mortgage financing; (d) the Administrative Agent, on behalf of the Secured Parties, shall receive a first priority perfected Lien on such assets financed by such mortgage financing (subject only to (i) Liens securing the Permitted Mortgage Financing which shall be first in priority on such assets and (ii) Liens permitted under Section 7.01(c), (d) or (g)); (e) the final maturity date of any such Indebtedness shall be at least twelve calendar months subsequent to the Maturity Date; and (f) no Event of Default exists on the date of the incurrence thereof or would result therefrom.

"Permitted Seller Note" means an unsecured promissory note containing subordination and other provisions or subject to a subordination agreement, in each case, reasonably acceptable to the Administrative Agent, representing Indebtedness of the Borrower or any Subsidiary incurred in connection with any Permitted Acquisition and payable to the seller in connection therewith; provided that under no circumstances shall any cash principal payments be due and owing or made with respect to such Permitted Seller Note prior to the date which is six calendar months following the Maturity Date or the payment in full of the Obligations, nor shall cash interest be payable other than in accordance with the subordination terms or subordination agreement applicable to such Permitted Seller Note.

"Permitted Transaction Amount" means the sum of the amounts outstanding at any time related to or in connection with (i) Indebtedness attributed to any or all Permitted Mortgage Financing entered into pursuant to Section 7.02(l), (ii) Indebtedness attributed to Capitalized Leases or purchase money obligations entered into pursuant to Section 7.02(e), (iii) Indebtedness permitted pursuant to Section 7.02(o) and (iv) Investments permitted pursuant to Section 7.03(n).

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Borrower or any ERISA Affiliate or any such Plan to which the Borrower or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 6.02.

"Pledge Agreements" means, collectively (i) that certain Pledge Agreement dated as of the Closing Date among the Administrative Agent and the Borrower pursuant to which the Borrower pledges its interest in its Subsidiaries to the Administrative Agent for the benefit of the Secured Parties, (ii) the Sponsor Pledge Agreement, in each case, together with each pledge agreement supplement delivered pursuant to Section 6.12, in all cases, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"Pledged Collateral" has the meaning ascribed to such term in each of the Pledge Agreements.

"Pledged Debt" has the meaning specified in the Security Agreement.

"Post-Closing Agreement" means that certain Post-Closing Agreement, which may be executed and delivered on the Closing Date, between the Loan Parties and the Administrative Agent as provided in Section 4.01.

"Prepayment Account" has the meaning specified in Section 2.05(b)(x).

"Pro Forma Basis" means, with respect to any Permitted Acquisition, the calculation of Consolidated Total Lease Adjusted Leverage Ratio and Consolidated Total Leverage Ratio for the Measurement Period most recently completed prior to such Permitted Acquisition as if such Permitted Acquisition had occurred immediately prior to the first day of such Measurement Period and excluding any business, business divisions, restaurants or Person sold or otherwise disposed of in connection with a Disposition for the Measurement Period of determination. For purposes of making this pro forma calculation of Consolidated Total Lease Adjusted Leverage Ratio and Consolidated Total Leverage Ratio, adjustments described in clauses (a), (b) and (c) below (all such adjustments to be reasonably acceptable to the Administrative Agent) shall be included:

(a) (i) all Indebtedness (whether under this Agreement or otherwise), other liabilities and any other balance sheet adjustments incurred, made or assumed in connection with a Permitted Acquisition shall be deemed to have been incurred, made or assumed as of the last day of the relevant Measurement Period, and all Indebtedness of the Person acquired or to be acquired in such Permitted Acquisition or which is attributable to the business, business division, restaurant or Person acquired or to be acquired which was or will have been repaid in connection with the consummation of the Permitted Acquisition shall be deemed to have been repaid as of the last day of the relevant Measurement Period and (ii) all Indebtedness which was repaid, released or satisfied in connection with a Disposition (to the extent permitted under Section 7.05) shall be deemed to have been repaid on the last day of the relevant Measurement Period; and

(b) other reasonable specified cost savings, expenses and other income statement or operating statement adjustments which are attributable to the change in ownership resulting from such acquisition as may be approved by the Administrative Agent, in its sole discretion, in writing shall be deemed to have been realized on the first day of the Measurement Period most recently ended; and

(c) for purposes of calculating Consolidated EBITDA or Consolidated EBITDAR for the relevant Measurement Period, the financial results of the business, business division, restaurant or Person, as applicable, to be acquired shall be calculated and included by reference to the audited (if available) or management certified (if audited results are not available) historical financial results of such business, business division, restaurant or Person, as applicable, to be so acquired.

"PSP Investor" means Argentia Private Investments, Inc., together with its Affiliates.

"Public Lender" has the meaning specified in Section 6.02.

"Public Market" shall exist if (a) a Public Offering has been consummated and (b) any Equity Interests of the Borrower have been distributed by means of an effective registration statement under the Securities Act of 1933.

"Public Offering" means a public offering of the Equity Interests of the Borrower pursuant to an effective registration statement under the Securities Act of 1933.

"Qualified Securities" means any Equity Interests other than Disqualified Securities.

"Reduction Amount" has the meaning specified in Section 2.05(b)(ix).

"Register" has the meaning specified in Section 11.06(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of such Person and of such Person's Affiliates.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

"Request for Credit Extension" means (a) with respect to a Borrowing, conversion or continuation of Term Loans or Revolving Credit Loans, a Committed Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application and (c) with respect to a Swing Line Loan, a Swing Line Loan Notice.

"Required Lenders" means, as of any date of determination, Lenders holding more than 50% of the sum of the (a) Total Outstandings (with the aggregate amount of each Revolving Credit Lender's risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed "held" by such Revolving Credit Lender for purposes of this definition) and (b) aggregate unused Revolving Credit Commitments; provided that the unused Revolving Credit Commitment of, and the portion of the Total Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Required Pledged Stock Amount" means a legal, valid and enforceable first priority Lien in favor of the Administrative Agent for the benefit of the Secured Parties, pursuant to the Sponsor Pledge Agreement, in the Borrower's Equity Interests in an amount of shares of at least (a) 51% of the Class A Common Stock of Borrower and (b) 75.1% of the combined Class A Common Stock and Class B Common Stock of the Borrower.

"Required Revolving Lenders" means, as of any date of determination, Revolving Credit Lenders holding more than 50% of the sum of the (a) Total Revolving Credit Outstandings (with the aggregate amount of each Revolving Credit Lender's risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed "held" by such Revolving Credit Lender for purposes of this definition) and (b) aggregate unused Revolving Credit Commitments; provided that the unused Revolving Credit Commitment of, and the portion of the

Total Revolving Credit Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Revolving Lenders.

"Required Term Lenders" means, as of any date of determination, Term Lenders holding more than 50% of the Term Facility on such date; provided that the portion of the Term Facility held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Term Lenders.

"Responsible Officer" means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restaurant" means a particular restaurant at a particular location that is owned (regardless of whether the real property is owned or leased) and operated by a Loan Party or any Subsidiary of a Loan Party.

"Restricted Payment" means (a) any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of any Person or any of its Subsidiaries, or (b) any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, defeasance, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to any Person's stockholders, partners or members (or the equivalent of any thereof), or (c) any option, warrant or other right to acquire any such dividend or other distribution or payment, or (d) any management fees, fees (consulting, management or other), allowances or similar arrangements directly or indirectly paid or payable by any Loan Party to the Equity Investors or any Affiliate thereof or any other Person under a management agreement.

"Revolving Credit Borrowing" means a borrowing consisting of simultaneous Revolving Credit Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Revolving Credit Lenders pursuant to Section 2.01(b).

"Revolving Credit Commitment" means, as to each Revolving Credit Lender, its obligation to (a) make Revolving Credit Loans to the Borrower pursuant to Section 2.01(b), (b) purchase participations in L/C Obligations and (c) purchase participations in Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 under the caption "Revolving Credit Commitment" or opposite such caption in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement, including, without limitation, pursuant to Section 2.16 hereof.

"Revolving Credit Facility" means, at any time, the aggregate amount of the Revolving Credit Lenders' Revolving Credit Commitments at such time. As of the Closing Date, the amount of the Revolving Credit Facility is $45,000,000.

"Revolving Credit Increase Effective Date" has the meaning specified in Section 2.16(d).

"Revolving Credit Lender" means, at any time, any Lender that has a Revolving Credit Commitment at such time.

"Revolving Credit Loan" has the meaning specified in Section 2.01(b).

"Revolving Credit Note" means a promissory note made by the Borrower in favor of a Revolving Credit Lender evidencing Revolving Credit Loans or Swing Line Loans, as the case may be, made by such Revolving Credit Lender, substantially in the form of Exhibit C-2.

"Right Lead Arrangers" means GE Capital Markets, Inc. and Wells Fargo Bank, National Association in their capacity as right lead arrangers.

"Rollover Investors" means management and certain shareholders and option holders of the Borrower, as in existence prior to the Acquisition.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and any successor thereto.

"Sanctioned Country" shall mean a country subject to a sanctions program identified on the list maintained by OFAC and available at http://www.treas.gov/offices/enforcement/ofac/ programs/index.shtml, or as otherwise published from time to time.

"Sanctioned Person" shall mean (i) a Person named on the list of "Specially Designated Nationals and Blocked Persons" maintained by OFAC available at http://www.treas.gov/offices/ enforcement/ofac/sdn/index.shtml, or as otherwise published from time to time, or (ii) (A) an agency of the government of a Sanctioned Country, (B) an organization controlled by a Sanctioned Country, or (C) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Cash Management Agreement" means any Cash Management Agreement that is entered into by and between any Loan Party and any Cash Management Bank.

"Secured Hedge Agreement" means any interest rate Swap Contract required or permitted under Article VI or VII that is entered into by and between any Loan Party and any Hedge Bank.

"Secured Parties" means, collectively, the Administrative Agent, the Lenders, the L/C Issuer, the Swing Line Lender, the Hedge Banks, the Cash Management Banks, each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.05, and

the other Persons the Obligations owing to which are or are purported to be secured by the Collateral under the terms of the Collateral Documents.

"Security Agreement" means that certain Security Agreement dated as of the Closing Date by and among the Administrative Agent, the Borrower and the Guarantors, together with each security agreement supplement delivered pursuant to Section 6.12, in each case, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"Solvent" and "Solvency" mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Equity Contribution" has the meaning specified in Section 8.04.

"Sponsor Investors" means, collectively, the Catterton Investor and the PSP Investor.

"Sponsor Pledge Agreement" means that certain Pledge Agreement dated as of the Closing Date among the Administrative Agent and the Sponsor Investors pursuant to which each Sponsor Investor pledges its interest in the Borrower to the Administrative Agent for the benefit of the Secured Parties, as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"Stockholders' Agreement" means that certain Stockholders Agreement dated as of December 27, 2010 by and among the Catterton Investor, the PSP Investor and Catterton Partners VI-B, L.L.C.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Borrower.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options,

forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Swing Line Borrowing" means a borrowing of a Swing Line Loan pursuant to Section 2.04.

"Swing Line Lender" means Bank of America in its capacity as provider of Swing Line Loans, or any successor swing line lender hereunder.

"Swing Line Loan" has the meaning specified in Section 2.04(a).

"Swing Line Loan Notice" means a notice of a Swing Line Borrowing pursuant to Section 2.04(b), which, if in writing, shall be substantially in the form of Exhibit B.

"Swing Line Sublimit" means an amount equal to the lesser of (a) $5,000,000 and (b) the Revolving Credit Facility. The Swing Line Sublimit is part of, and not in addition to, the Revolving Credit Facility.

"Co-Syndication Agents" means GE Capital Markets, Inc. and Wells Fargo Bank, National Association, in their capacities as co-syndication agents.

"Synthetic Debt" means, with respect to any Person as of any date of determination thereof, all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds (including any minority interest transactions that function primarily as a borrowing) but are not otherwise included in the definition of "Indebtedness" or as a liability on the consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP.

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including sale and leaseback transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Borrowing" means a borrowing consisting of simultaneous Term Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Term Lenders pursuant to Section 2.01(a) as may be adjusted pursuant to Section 2.17.

"Term Commitment" means, as to each Term Lender, its obligation to make Term Loans to the Borrower pursuant to Section 2.01(a) on the Closing Date in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Term Lender's name on Schedule 2.01 under the caption "Term Commitment" or opposite such caption in the Assignment and Assumption pursuant to which such Term Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement, including, without limitation, pursuant to Section 2.17.

"Term Facility" means, at any time, the aggregate principal amount of the Term Loans of all Term Lenders outstanding at such time. As of the Closing Date, the amount of the Term Facility is $75,000,000.

"Term Increase Effective Date" has the meaning specified in Section 2.17(d).

"Term Lender" means (a) at any time on or prior to the Closing Date, any Lender that has a Term Commitment at such time and (b) at any time after the Closing Date, any Lender that holds Term Loans at such time.

"Term Loan" means an advance made by any Term Lender under the Term Facility.

"Term Note" means a promissory note made by the Borrower in favor of a Term Lender evidencing Term Loans made by such Term Lender, substantially in the form of Exhibit C-1.

"Threshold Amount" means $3,000,000.

"Total Revolving Credit Outstandings" means the aggregate Outstanding Amount of all Revolving Credit Loans, Swing Line Loans and L/C Obligations.

"Total Outstandings" means the aggregate Outstanding Amount of all Loans and all L/C Obligations.

"Trademark Security Agreements" means, collectively, (i) that certain Trademark Security Agreement, executed and delivered on the Closing Date, between the Loan Parties and the Administrative Agent, and (ii) any other trademark property security agreements in respect of any trademark property that may be entered into after the Closing Date.

"Transaction" means, collectively, (a) the organization of Merger Sub and merger of Merger Sub into Noodles, with the Borrower as the surviving entity, (b) the Acquisition, (c) the Equity Investment, (d) the entering into by the Loan Parties and their applicable Subsidiaries of the Loan Documents and the funding of the Facilities, (e) refinancing of the Existing Credit Agreement and the subordinated loans advanced by the Sponsor Investors in connection with the Acquisition and (f) the payment of the fees and expenses incurred in connection with the consummation of the foregoing.

"Type" means, with respect to a Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"Unit Locations" means, collectively, the property comprising any Restaurant locations.

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.03(c)(i).

"U.S. Loan Party" means any Loan Party that is organized under the laws of one of the states of the United States of America and that is not a CFC.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document and shall include all exhibits, schedules, appendices, annexes and attachments thereto), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in any Loan

Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ACS 825 on financial liabilities shall be disregarded.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.04 Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the

other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

1.06 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 The Loans.

(a) The Term Borrowing. Subject to the terms and conditions set forth herein, each Term Lender severally agrees to make a single loan to the Borrower on the Closing Date (or pursuant to adjustments under Section 2.17) in an amount not to exceed such Term Lender's Applicable Percentage of the Term Facility. The Term Borrowing shall consist of Term Loans made simultaneously by the Term Lenders in accordance with their respective Applicable Percentage of the Term Facility. Amounts borrowed under this Section 2.01(a) and repaid or prepaid may not be reborrowed. At the Borrower's option, Term Loans may be Base Rate Loans or Eurodollar Rate Loans, as further provided herein.

(b) The Revolving Credit Borrowings. Subject to the terms and conditions set forth herein, each Revolving Credit Lender severally agrees to make loans (each such loan, a "Revolving Credit Loan") to the Borrower from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Revolving Credit Commitment; provided, however, that after giving effect to any Revolving Credit Borrowing, (i) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility, and (ii) the aggregate Outstanding Amount of the Revolving Credit Loans of any Lender, plus such Revolving Credit Lender's Applicable Revolving Credit Percentage of the Outstanding Amount of all L/C Obligations, plus such Revolving Credit Lender's Applicable Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Credit Lender's Revolving Credit Commitment. Within the limits of each Revolving Credit Lender's Revolving Credit Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01(b), prepay under Section 2.05, and reborrow under this Section 2.01(b). At the Borrower's option, Revolving Credit Loans may be Base Rate Loans or Eurodollar Rate Loans, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Each Term Borrowing, each Revolving Credit Borrowing, each conversion of Term Loans or Revolving Credit Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 12:00 p.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans. Not later than 12:00 p.m., three Business Days before the requested date of such Borrowing, conversion or continuation, the Administrative Agent shall notify the Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Lenders. Each telephonic notice by the Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of $250,000 or a whole multiple of $100,000 in excess thereof. Except as provided in Sections 2.03(c) and 2.04(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $250,000 or a whole multiple of $100,000 in excess thereof. Each Committed Loan Notice (whether telephonic or written) shall specify (i) whether the Borrower is requesting a Term Borrowing, a Revolving Credit Borrowing, a conversion of Term Loans or Revolving Credit Loans from one Type to the other, or a continuation of Eurodollar Rate Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Term Loans or Revolving Credit Loans are to be continued or converted, and (v) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of Loan in a Committed Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Term Loans or Revolving Credit Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. Notwithstanding anything to the contrary herein, a Swing Line Loan may not be converted to a Eurodollar Rate Loan.

(b) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage under the applicable Facility of the applicable Term Loans or Revolving Credit Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans described in Section 2.02(a). In the case of a Term Borrowing or a Revolving Credit Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the

account of the Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower; provided, however, that if, on the date a Committed Loan Notice with respect to a Revolving Credit Borrowing is given by the Borrower, there are L/C Borrowings outstanding, then the proceeds of such Revolving Credit Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the Borrower as provided above.

(c) Except as otherwise provided in Section 3.05, a Eurodollar Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than nine (9) Interest Periods in effect in respect of the Term Facility and the Revolving Credit Facility on a combined basis.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment. (i) Subject to the terms and conditions set forth herein, (A) the L/C Issuer agrees, in reliance upon the agreements of the Revolving Credit Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit for the account of the Borrower or its Subsidiaries, and to amend or extend Letters of Credit previously issued by it, in accordance with Section 2.03(b), and (2) to honor drawings under the Letters of Credit; and (B) the Revolving Credit Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (x) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility, (y) the aggregate Outstanding Amount of the Revolving Credit Loans of any Revolving Credit Lender, plus such Lender's Applicable Revolving Credit Percentage of the Outstanding Amount of all L/C Obligations, plus such Lender's Applicable Revolving Credit Percentage of the Outstanding Amount of all Swing Line Loans shall not exceed such Lender's Revolving Credit Commitment, and (z) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the L/C Credit

Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that

have been drawn upon and reimbursed. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Closing Date shall be subject to and governed by the terms and conditions hereof.

(ii) The L/C Issuer shall not issue any Letter of Credit if:

(A) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Required Revolving Lenders have approved such expiry date; or

(B) the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Revolving Credit Lenders have approved such expiry date.

(iii) The L/C Issuer shall not be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the L/C Issuer from issuing such Letter of Credit, or any Law applicable to the L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the L/C Issuer shall prohibit, or request that the L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of the L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and the L/C Issuer, such Letter of Credit is in an initial stated amount less than $100,000;

(D) such Letter of Credit is to be denominated in a currency other than Dollars;

(E) any Lender is at that time a Defaulting Lender, unless the L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the L/C Issuer (in its sole discretion) with the Borrower or such Lender to eliminate the L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which the L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion; or

(F) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(iv) The L/C Issuer shall not amend any Letter of Credit if the L/C Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(v) The L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) the L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vi) The L/C Issuer shall act on behalf of the Revolving Credit Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included the L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit. (i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to the L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower. Such Letter of Credit Application must be received by the L/C Issuer and the Administrative Agent not later than 2:00 p.m. at least two Business Days (or such later date and time as the Administrative Agent and the L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to the L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the L/C Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to the L/C Issuer (1) the Letter of Credit to be amended; (2) the proposed date of amendment thereof (which shall be a Business Day); (3) the nature of the proposed amendment; and (4) such other matters as the L/C Issuer may reasonably require. Additionally, the Borrower shall furnish to the L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the L/C Issuer or the Administrative Agent may reasonably require.

(ii) Promptly after receipt of any Letter of Credit Application, the L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, the L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the L/C Issuer has received written notice from any Revolving Credit Lender, the Administrative Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower (or the applicable Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Revolving Credit Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Revolving Credit Lender's Applicable Revolving Credit Percentage times the amount of such Letter of Credit.

(iii) If the Borrower so requests in any applicable Letter of Credit Application, the L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the L/C Issuer, the Borrower shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Credit Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that the L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted, or would have no obligation at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is five Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Revolving Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Credit Lender or the Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each such case directing the L/C Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the L/C Issuer will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations. (i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the L/C Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 12:00 p.m. on the date of any payment by the L/C Issuer under a Letter of Credit (each such date, an "Honor Date"), the Borrower shall reimburse the L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing. If the Borrower fails to so reimburse the L/C Issuer by such time, the Administrative Agent shall promptly notify each Revolving Credit Lender of the Honor Date, the amount of the unreimbursed drawing (the "Unreimbursed Amount"), and the amount of such Revolving Credit Lender's Applicable Revolving Credit Percentage thereof. In such event, the Borrower shall be deemed to have requested a Revolving Credit Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Revolving Credit Facility and the conditions set forth in Section 4.02 (other than the delivery of a Committed Loan Notice). Any notice given by the L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Revolving Credit Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral provided for this purpose) to the Administrative Agent for the account of the L/C Issuer at the Administrative Agent's Office in an amount equal to its Applicable Revolving Credit Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Revolving Credit Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Revolving Credit Borrowing of Base Rate Loans because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Revolving Credit Lender's payment to the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Revolving Credit Lender funds its Revolving Credit Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Revolving Credit Percentage of such amount shall be solely for the account of the L/C Issuer.

(v) Each Revolving Credit Lender's obligation to make Revolving Credit Loans or L/C Advances to reimburse the L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the L/C Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Revolving Credit Lender's obligation to make Revolving Credit Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Borrower of a Committed Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse the L/C Issuer for the amount of any payment made by the L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Revolving Credit Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), then, without limiting the other provisions of this Agreement, the L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving Credit Loan included in the relevant Revolving Credit Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of the L/C Issuer submitted to any Revolving Credit Lender (through the Administrative Agent) with respect to any amounts owing under this Section 2.03(c)(vi) shall be conclusive absent manifest error.

(d) Repayment of Participations. (i) At any time after the L/C Issuer has made a payment under any Letter of Credit and has received from any Revolving Credit Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will promptly distribute to such Lender its Applicable Revolving Credit Percentage thereof in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the L/C Issuer in its discretion), each Revolving Credit Lender shall pay to the Administrative Agent for the account of the L/C Issuer its Applicable Revolving Credit

Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of the Borrower to reimburse the L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower or any of its Subsidiaries.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will promptly (but in any event within one (1) Business Day thereafter) notify the L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against the L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the L/C Issuer shall not have any responsibility to obtain any

document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Revolving Credit Lenders or the Required Revolving Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (v) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against the L/C Issuer, and the L/C Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by the L/C Issuer's willful misconduct or gross negligence or the L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of

Credit. In furtherance and not in limitation of the foregoing, the L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(g) Applicability of ISP. Unless otherwise expressly agreed by the L/C Issuer and the Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), the rules of the ISP shall apply to each Letter of Credit.

(h) Letter of Credit Fees. The Borrower shall pay to the Administrative Agent for the account of each Revolving Credit Lender in accordance with its Applicable Revolving Credit Percentage a Letter of Credit fee (the "Letter of Credit Fee") for each Letter of Credit equal to the Applicable Rate for Letter of Credit Fees times the daily amount available to be drawn under such Letter of Credit; provided, however, any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the L/C Issuer pursuant to this Section 2.03 shall be payable, to the maximum extent permitted by applicable Law, to the other Revolving Credit Lenders in accordance with the upward adjustments in their respective Applicable Revolving Credit Percentages allocable to such Letter of Credit pursuant to Section 2.15(a)(iv), with the balance of such fee, if any, payable to the L/C Issuer for its own account. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (i) due and payable on the last Business Day of each March, June,

September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon any Event of Default under Section 8.01(a), Section 8.01(f) or Section 8.01(g), all Letter of Credit Fees shall accrue at the Default Rate and, upon all other Events of Default, all Letter of Credit Fees shall accrue at the Default Rate at the request of the Required Revolving Lenders.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Borrower shall pay directly to the L/C Issuer, for its own account, a fronting fee with respect to each Letter of Credit in an amount equal to 0.25% per annum times the face amount of each Letter of Credit. Such fronting fee shall be (i) due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, the Borrower shall pay directly to the L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

2.04 Swing Line Loans.

(a) The Swing Line. Subject to the terms and conditions set forth herein, the Swing Line Lender, in reliance upon the agreements of the other Lenders set forth in this Section 2.04, may in its sole discretion make loans (each such loan, a "Swing Line Loan") to the Borrower from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of the Swing Line Sublimit, notwithstanding the fact that such Swing Line Loans, when aggregated with the Applicable Revolving Credit Percentage of the Outstanding Amount of Revolving Credit Loans and L/C Obligations of the Lender acting as Swing Line Lender, may exceed the amount of such Lender's Revolving Credit Commitment; provided, however, that after giving effect to any Swing Line Loan, (i) the Total

Revolving Credit Outstandings shall not exceed the Revolving Credit Facility at such time, and (ii) the aggregate Outstanding Amount of the Revolving Credit Loans of any Revolving Credit Lender at such time, plus such Revolving Credit Lender's Applicable Revolving Credit Percentage of the Outstanding Amount of all L/C Obligations at such time, plus such Revolving Credit Lender's Applicable Revolving Credit Percentage of the Outstanding Amount of all Swing Line Loans at such time shall not exceed such Lender's Revolving Credit Commitment, and provided further that the Borrower shall not use the proceeds of any Swing Line Loan to refinance any outstanding Swing Line Loan. Within the foregoing limits, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.04, prepay under Section 2.05, and reborrow under this Section 2.04. Each Swing Line Loan shall bear interest only at a rate equal to the rate that would be applicable to a Base Rate Loan from time to time. Immediately upon the making of a Swing Line Loan, each Revolving Credit Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swing Line Lender a risk participation in such Swing Line Loan in an amount equal to the product of such Revolving Credit Lender's Applicable Revolving Credit Percentage times the amount of such Swing Line Loan.

(b) Borrowing Procedures. Subject to Section 2.04(a), each Borrowing of Swing Line Loans shall be made in accordance with the provisions of any agreement between the Swing Line Lender and the Borrower establishing an "Auto Borrower" plan for, among other things, the automatic advance to the Borrower for deposit into an account of the Borrower with the Swing Line Lender. Unless the Swing Line Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Revolving Credit Lender) on the date of any proposed Borrowing of Swing Line Loans (A) directing the Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, the Swing Line Lender will make the amount of its Swing Line Loan available to the Borrower.

(c) Refinancing of Swing Line Loans. (i) The Swing Line Lender at any time in its sole and absolute discretion may request, on behalf of the Borrower (which hereby irrevocably authorizes the Swing Line Lender to so request on its behalf), that each Revolving Credit Lender make a Base Rate Loan in an amount equal to such Lender's Applicable Revolving Credit Percentage of the amount of Swing Line Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Committed Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the unutilized portion of the Revolving Credit Facility and the conditions set forth in Section 4.02. The Swing Line Lender shall furnish the Borrower with a copy of the applicable Committed Loan Notice promptly after delivering such notice to the Administrative Agent. Each Revolving Credit Lender shall make an amount equal to its Applicable Revolving Credit Percentage of the amount specified in such Committed Loan Notice available to the Administrative Agent in immediately available funds (and the Administrative Agent may apply Cash Collateral available with respect to the applicable Swing Line Loan) for the account of the Swing Line Lender at the Administrative Agent's Office not later than 1:00 p.m. on the day specified in such Committed Loan Notice, whereupon, subject to Section 2.04(c)(ii), each Revolving Credit Lender that so

makes funds available shall be deemed to have made a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the Swing Line Lender.

(ii) If for any reason any Swing Line Loan cannot be refinanced by such a Revolving Credit Borrowing in accordance with Section 2.04(c)(i), the request for Base Rate Loans submitted by the Swing Line Lender as set forth herein shall be deemed to be a request by the Swing Line Lender that each of the Revolving Credit Lenders fund its risk participation in the relevant Swing Line Loan and each Revolving Credit Lender's payment to the Administrative Agent for the account of the Swing Line Lender pursuant to Section 2.04(c)(i) shall be deemed payment in respect of such participation.

(iii) If any Revolving Credit Lender fails to make available to the Administrative Agent for the account of the Swing Line Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(i), the Swing Line Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swing Line Lender at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the Swing Line Lender in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Swing Line Lender in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving Credit Loan included in the relevant Revolving Credit Borrowing or funded participation in the relevant Swing Line Loan, as the case may be. A certificate of the Swing Line Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Revolving Credit Lender's obligation to make Revolving Credit Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.04(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the Swing Line Lender, the Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Revolving Credit Lender's obligation to make Revolving Credit Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.02. No such funding of risk participations shall relieve or otherwise impair the obligation of the Borrower to repay Swing Line Loans, together with interest as provided herein.

(d) Repayment of Participations. (i) At any time after any Revolving Credit Lender has purchased and funded a risk participation in a Swing Line Loan, if the Swing Line Lender receives any payment on account of such Swing Line Loan, the Swing Line Lender will distribute to such Revolving Credit Lender its Applicable Revolving Credit Percentage thereof in the same funds as those received by the Swing Line Lender.

(ii) If any payment received by the Swing Line Lender in respect of principal or interest on any Swing Line Loan is required to be returned by the Swing Line Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the Swing Line Lender in its discretion), each Revolving Credit Lender shall pay to the Swing Line Lender its Applicable Revolving Credit Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Rate from time to time in effect. The Administrative Agent will make such demand upon the request of the Swing Line Lender. The obligations of the Revolving Credit Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Interest for Account of Swing Line Lender. The Swing Line Lender shall be responsible for invoicing the Borrower for interest on the Swing Line Loans. Until each Revolving Credit Lender funds its Base Rate Loan or risk participation pursuant to this Section 2.04 to refinance such Revolving Credit Lender's Applicable Revolving Credit Percentage of any Swing Line Loan, interest in respect of such Applicable Revolving Credit Percentage shall be solely for the account of the Swing Line Lender.

(f) Payments Directly to Swing Line Lender. The Borrower shall make all payments of principal and interest in respect of the Swing Line Loans directly to the Swing Line Lender.

2.05 Prepayments.

(a) Optional. (i) The Borrower may, upon notice to the Administrative Agent, at any time or from time to time voluntarily prepay Term Loans and Revolving Credit Loans in whole or in part without premium or penalty; provided that (A) such notice must be received by the Administrative Agent not later than 2:00 p.m. (1) three Business Days prior to any date of prepayment of Eurodollar Rate Loans and (2) on the date of prepayment of Base Rate Loans; (B) any prepayment of Eurodollar Rate Loans shall be in a principal amount of $250,000 or a whole multiple of $100,000 in excess thereof; and (C) any prepayment of Base Rate Loans shall be in a principal amount of $250,000 or a whole multiple of $100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if Eurodollar Rate Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Loan pursuant to this Section 2.05(a) shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Each

prepayment of the outstanding Term Loans pursuant to this Section 2.05(a) shall be applied to the principal installments thereof on a pro-rata basis, and each such prepayment shall be paid to the Lenders in accordance with their respective Applicable Percentages in respect of each of the relevant Facilities.

(ii) The Borrower may, upon notice to the Swing Line Lender (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swing Line Loans in whole or in part without premium or penalty; provided that (A) such notice must be received by the Swing Line Lender and the Administrative Agent not later than 1:00 p.m. on the date of the prepayment, and (B) any such prepayment shall be in a minimum principal amount of $100,000. Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(b) Mandatory. (i) For each Fiscal Year commencing with the Fiscal Year ending on or about December 31, 2011, within five Business Days after financial statements have been delivered pursuant to Section 6.01(a) and the related Compliance Certificate has been delivered pursuant to Section 6.02(a), (or, if not delivered when required hereunder, after such financial statements and Compliance Certificate are required to be delivered pursuant to Sections 6.01(a) and 6.02(a), respectively) the Borrower shall prepay an aggregate principal amount of Loans equal to the Excess Cash Flow Percentage of Excess Cash Flow for the Fiscal Year covered by such financial statements (such prepayments to be applied as set forth in clauses (vii), (ix) and (x) below).

(ii) If any Loan Party Disposes of any property or assets (other than any Disposition of any property permitted by Section 7.04(a), (b), (c), (d), or (e) or Section 7.05(a), (b), (d), (f), (h) or (i)) which results in the realization by such Person of Net Cash Proceeds in excess of $500,000 or such Loan Party receives cash proceeds from insurance (other than proceeds of business interruption insurance to the extent such proceeds constitute compensation for lost earnings) or condemnation or eminent domain proceeds, the Borrower shall prepay an aggregate principal amount of Loans equal to 100% of such Net Cash Proceeds promptly (but in any event within one (1) Business Day thereafter) upon receipt thereof by such Person (such prepayments to be applied as set forth in clauses (vii), (ix) and (x) below); provided, however, that, with respect to any Net Cash Proceeds realized under a Disposition or cash proceeds of insurance or condemnation or eminent domain described in this Section 2.05(b)(ii), at the election of the Borrower (as notified by the Borrower to the Administrative Agent on or prior to the date such payment would otherwise be due), and so long as no Event of Default shall have occurred and be continuing, the Borrower or such Subsidiary may reinvest all or any portion of such Net Cash Proceeds or proceeds of insurance or condemnation or eminent domain in operating assets or to replace or repair the equipment, fixed assets or real property in respect of which such cash proceeds were received so long as within three hundred and sixty-five (365) days after the receipt of such Net Cash Proceeds, (x) such purchase, replacement, repair or reimbursement shall have been consummated or (y) the Borrower or such Subsidiary shall have entered into a binding contract to consummate such purchase, replacement, repair or reimbursement within three hundred and sixty-five (365) days after the date of such binding agreement and shall thereafter complete such purchase, replacement, repair or reimbursement in such three hundred and sixty-five (365) day period (in each case, as certified by the Borrower in writing to the Administrative Agent); and provided further, however, that any Net Cash Proceeds not subject to such definitive agreement or so reinvested within such required time periods

shall be immediately applied to the prepayment of the Loans as set forth in this clause (ii) and clauses (vii), (ix) and (x) below.

(iii) Upon the sale or issuance by any Loan Party of any of its Equity Interests (other than Excluded Issuances), the Borrower shall prepay an aggregate principal amount of Loans equal to 50% of all Net Cash Proceeds received therefrom promptly (but in any event within one (1) Business Day thereafter) upon receipt thereof by such Loan Party (such prepayments to be applied as set forth in clauses (vii), (ix) and (x) below).

(iv) Upon the incurrence or issuance by any Loan Party of any Indebtedness (other than Indebtedness expressly permitted to be incurred or issued pursuant to Section 7.02), the Borrower shall prepay an aggregate principal amount of Loans equal to 100% of all Net Cash Proceeds received therefrom promptly (but in any event within one (1) Business Day thereafter) upon receipt thereof by such Loan Party (such prepayments to be applied as set forth in clauses (vii), (ix) and (x) below).

(v) Upon the receipt by any Loan Party or any of its Subsidiaries of any Specified Equity Contribution, the Borrower shall prepay an aggregate principal amount of Loans equal to 100% of all Net Cash Proceeds received therefrom within two (2) Business Days upon receipt thereof by such Loan Party or such Subsidiary (such prepayments to be applied as set forth in clauses (vii), (ix) and (x) below).

(vi) Upon any Extraordinary Receipt received by or paid to or for the account of any Loan Party, and not otherwise included in clause (ii), (iii), (iv) or (v) or of this Section 2.05(b), the Borrower shall prepay an aggregate principal amount of Loans equal to 100% of all Net Cash Proceeds in excess of $500,000 received therefrom immediately upon receipt thereof by such Loan Party (such prepayments to be applied as set forth in clauses (vi), (viii) and (ix) below); provided, however, that, with respect to any Net Cash Proceeds resulting from Extraordinary Receipts, at the election of the Borrower (as notified by the Borrower to the Administrative Agent on or prior to the date such payment would otherwise be due), and so long as no Event of Default shall have occurred and be continuing, the Borrower or such Subsidiary may reinvest all or any portion of such Net Cash Proceeds in operating assets so long as within three hundred and sixty-five (365) days after the receipt of such Net Cash Proceeds, (x) such reinvestment shall have been consummated or (y) the Borrower or such Subsidiary shall have entered into a binding contract to consummate such reinvestment within three hundred and sixty-five (365) days after the date of such binding agreement and shall thereafter complete such reinvestment in such three hundred and sixty-five (365) day period (in each case, as certified by the Borrower in writing to the Administrative Agent); and provided further, however, that any Net Cash Proceeds not subject to such definitive agreement or so reinvested within such required time periods shall be immediately applied to the prepayment of the Loans as set forth in this clause (vi) and clauses (vii), (ix) and (x) below.

(vii) Each prepayment of Loans pursuant to the foregoing provisions of this Section 2.05(b) shall be applied, first, to the Term Loan Facility (and the principal

installments thereof on a pro rata basis) and second to the Revolving Credit Facility in the manner set forth in clause (viii) of this Section 2.05(b). Each prepayment of Loans pursuant to the foregoing provisions of this Section 2.05(b) shall be (A) accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05, if applicable, and (B) paid to the Lenders in accordance with their respective Applicable Percentages in respect of each of the relevant Facilities.

(viii) If for any reason the Total Revolving Credit Outstandings at any time exceed the Revolving Credit Facility at such time, the Borrower shall immediately prepay Revolving Credit Loans, Swing Line Loans and L/C Borrowings and/or Cash Collateralize the L/C Obligations (other than the L/C Borrowings) in an aggregate amount equal to such excess.

(ix) Prepayments of the Revolving Credit Facility made pursuant to this Section 2.05(b), first, shall be applied ratably to the L/C Borrowings and Swing Line Loans, second, shall be applied ratably to the outstanding Revolving Credit Loans, and, third, shall be used to Cash Collateralize the remaining L/C Obligations; and, in the case of prepayments of the Revolving Credit Facility required pursuant to clause (i), (ii), (iii), (iv) or (v) of this Section 2.05(b), the amount remaining, if any, after the prepayment in full of all L/C Borrowings, Swing Line Loans and Revolving Credit Loans outstanding at such time and the Cash Collateralization of the remaining L/C Obligations in full may be retained by the Borrower for use in the ordinary course of its business (the sum of such prepayment amounts, cash collateralization amounts and remaining amounts being, collectively, the "Reduction Amount"). Upon the drawing of any Letter of Credit that has been Cash Collateralized, the funds held as Cash Collateral shall be applied (without any further action by or notice to or from the Borrower or any other Loan Party) to reimburse the L/C Issuer or the Revolving Credit Lenders, as applicable.

(x) Amounts to be applied as provided in this clause (b) to the prepayment of Loans of any Class shall be applied first to reduce outstanding Base Rate Loans of such Class. Any amounts remaining after each such application shall, at the option of the Borrower, be applied to prepay Eurodollar Rate Loans of such Class immediately and/or shall be deposited in a separate Prepayment Account (as defined below) for the Loans of such Class. The Administrative Agent shall apply any cash deposited in the Prepayment Account for any Class of Loans to prepay Eurodollar Rate Loans of such Class on the last day of their respective Interest Periods (or, at the direction of the Borrower, on any earlier date) until all outstanding Loans of such Class have been prepaid or until all the allocable cash on deposit in the Prepayment Account for such Class has been exhausted. For purposes of this Agreement, the term "Prepayment Account" for any Class of Loans shall mean an account established by the Borrower with the Administrative Agent and over which the Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal for application in accordance with this clause (b). The Administrative Agent will, at the request of the Borrower, invest amounts on deposit in the Prepayment Account for any Class of Loans in Cash Equivalents that mature prior to the last day of the applicable Interest Periods of the Eurodollar Rate Loans of such Class to be prepaid; provided, however, that (i) the Administrative Agent shall not be required to make any investment that, in its judgment, would require or cause the Administrative

Agent to be in, or would result in any, violation of any Law, (ii) such Cash Equivalents shall be subjected to a first priority perfected security interest in favor of the Administrative Agent and (iii) if any Event of Default shall have occurred and be continuing, the selection of such Cash Equivalents shall be in the sole discretion of the Administrative Agent. The Borrower shall indemnify the Administrative Agent for any losses relating to such investments in Cash Equivalents so that the amount available to prepay Eurodollar Rate Loans on the last day of the applicable Interest Periods is not less than the amount that would have been available had no investments been made pursuant thereto. Other than any interest or profits earned on such investments, the Prepayment Accounts shall not bear interest. Interest or profits, if any, on the investments in any Prepayment Account shall accumulate in such Prepayment Account. If the maturity of the Loans has been accelerated pursuant to Article VIII, the Administrative Agent may, in its sole discretion, apply such funds to satisfy any of the Obligations related to such Class of Loans. The Borrower hereby pledges and assigns to the Administrative Agent, for the benefit of the Secured Parties, to secure the Obligations each Prepayment Account so established.

2.06 Termination or Reduction of Commitments. (a) The Borrower may, upon notice to the Administrative Agent, terminate the Revolving Credit Facility, the Letter of Credit Sublimit, or the Swing Line Sublimit or from time to time permanently reduce the Revolving Credit Facility, the Letter of Credit Sublimit or the Swing Line Sublimit; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. five Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $1,000,000 or any whole multiple of $100,000 in excess thereof, (iii) any prepayment of a Revolving Credit Loan or a Swing Line Loan or termination, cancellation or cash collateralization of any L/C Obligations necessary to effectuate a reduction under this Section 2.06 shall be accompanied by payment of (A) accrued interest (or fees) on the amount prepaid to the date of prepayment and (B) any additional amounts required pursuant to Section 3.05 and (iv) the Borrower shall not terminate or reduce (A) the Revolving Credit Facility if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Credit Outstandings would exceed the Revolving Credit Facility, (B) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit or (C) the Swing Line Sublimit if, after giving effect thereto and to any concurrent prepayments hereunder, the Outstanding Amount of Swing Line Loans would exceed the Swing Line Sublimit. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Revolving Credit Facility, the Letter of Credit Sublimit or the Swing Line Sublimit. Any such reduction shall be applied to the Revolving Credit Commitment of each Appropriate Lender according to its Applicable Revolving Credit Percentage. All fees accrued until the effective date of any termination of the Aggregate Commitments shall be paid on the effective date of such termination.

(b) Mandatory. (i) The aggregate Term Commitments on the Closing Date shall be automatically and permanently reduced to zero immediately following the Term Borrowing on the Closing Date.

(ii) The Revolving Credit Facility shall be automatically and permanently reduced on each date on which the prepayment of Revolving Credit Loans outstanding thereunder is required to be made under Section 2.05(b)(vii) and (ix).

(iii) If after giving effect to any reduction or termination of Revolving Credit Commitments under this Section 2.06, the Letter of Credit Sublimit or the Swing Line Sublimit exceeds the Revolving Credit Facility at such time, the Letter of Credit Sublimit or the Swing Line Sublimit, as the case may be, shall be automatically reduced by the amount of such excess.

(c) Application of Commitment Reductions; Payment of Fees. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Letter of Credit Sublimit, Swing Line Sublimit or the Revolving Credit Commitment under this Section 2.06. Upon any reduction of the Revolving Credit Commitments, the Revolving Credit Commitment of each Revolving Credit Lender shall be reduced by such Lender's Applicable Revolving Credit Percentage of such reduction amount. All fees in respect of the Revolving Credit Facility accrued until the effective date of any termination or reduction of the Revolving Credit Facility shall be paid by the Borrower to the Administrative Agent on the effective date of such termination or reduction.

2.07 Repayment of Loans.

(a) Term Loans. The Borrower shall repay to the Term Lenders the aggregate principal amount of all Term Loans outstanding on the following dates in the respective amounts set forth opposite such dates (which amounts shall be reduced as a result of the application of prepayments in accordance with the order of priority set forth in Section 2.05):

Date	Amount
June 30, 2011	$ 187,500.00
September 30, 2011	$ 187,500.00
December 31, 2011	$ 187,500.00
March 31, 2012	$ 187,500.00
June 30, 2012	$ 187,500.00
September 30, 2012	$ 187,500.00
December 31, 2012	$ 187,500.00
March 31, 2013	$ 187,500.00
June 30, 2013	$ 187,500.00
September 30, 2013	$ 187,500.00
December 31, 2013	$ 187,500.00
March 31, 2014	$ 187,500.00
June 30, 2014	$ 187,500.00
September 30, 2014	$ 187,500.00
December 31, 2014	$ 187,500.00
March 31, 2015	$ 187,500.00
June 30, 2015	$ 187,500.00
September 30, 2015	$ 187,500.00
December 31, 2015	$ 187,500.00

provided, however, that the final principal repayment installment of the Term Loans shall be repaid on the Maturity Date and in any event shall be in an amount equal to the aggregate principal amount of all Term Loans outstanding on such date.

(b) Revolving Credit Loans. The Borrower shall repay to the Revolving Credit Lenders on the Maturity Date the aggregate principal amount of all Revolving Credit Loans outstanding on such date.

(c) Swing Line Loans. The Borrower shall repay each Swing Line Loan on the earlier to occur of (i) the date ten Business Days after such Loan is made and (ii) the Maturity Date for the Revolving Credit Facility

2.08 Interest.

(a) Subject to the provisions of Section 2.08(b), (i) each Eurodollar Rate Loan under a Facility shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurodollar Rate for such Interest Period plus the Applicable Rate for Eurodollar Rate Loans under such Facility; and (ii) each Base Rate Loan under a Facility shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for Base Rate Loans under such Facility and (iii) each Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for Base Rate Loans under the Revolving Credit Facility.

(b) If any Event of Default under Section 8.01(a), Section 8.01(f) or Section 8.01(g) arises the Borrower shall pay interest on the amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. If any other Event of Default occurs, upon the request of the Required Lenders, the Borrower shall pay interest on the amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the applicable Default Rate to the fullest extent permitted by applicable Laws.

(c) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable on demand.

(d) Interest on each Loan shall be due and payable in cash in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees. In addition to certain fees described in Sections 2.03(h) and (i):

(a) Commitment Fee. The Borrower shall pay to the Administrative Agent for the account of each Revolving Credit Lender in accordance with its Applicable Revolving Credit Percentage, a commitment fee equal to 0.625% per annum times the actual daily amount by

which the Revolving Credit Facility exceeds the sum of (i) the Outstanding Amount of Revolving Credit Loans and (ii) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15. The commitment fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The commitment fee shall be calculated quarterly in arrears. For purposes of clarification, Swing Line Loans shall not be considered outstanding for purposes of determining the Outstanding Amount of Revolving Credit Loans.

(b) Other Fees. The Borrower shall pay to each Co-Lead Arranger and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee Letters. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees. (a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurodollar Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.13(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) If, as a result of any restatement of or other adjustment to the financial statements of the Borrower or for any other reason, the Borrower or the Lenders determine that (i) the Consolidated Total Lease Adjusted Leverage Ratio as calculated by the Borrower as of any applicable date was inaccurate and (ii) a proper calculation of the Consolidated Total Lease Adjusted Leverage Ratio would have resulted in higher pricing for such period, the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders or the L/C Issuer, as the case may be, promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent, any Lender or the L/C Issuer), an amount equal to the excess of the amount of interest and fees that should have been paid for such period over the amount of interest and fees actually paid for such period. This paragraph shall not limit the rights of the Administrative Agent, any Lender or the L/C Issuer, as the case may be, under Section 2.03(c)(iii), 2.03(i) or 2.08(b) or under Article VIII. The Borrower's obligations under this paragraph shall survive the termination of the Aggregate Commitments and the repayment of all other Obligations hereunder.

2.11 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in Section 2.11(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swing Line Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage in respect of the relevant Facility (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected on computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurodollar Rate Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share

available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the L/C Issuer hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Appropriate Lenders or the L/C Issuer, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Appropriate Lenders or the L/C Issuer, as the case may be, severally agrees to

repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) promptly to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Term Loans and Revolving Credit Loans and Swing Line Loans, to fund participations in Letters of Credit and Swing Line Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) Insufficient Funds. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, L/C Borrowings, interest and fees then due hereunder, such funds shall be applied (i) first, toward payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, toward payment of principal and L/C Borrowings then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and L/C Borrowings then due to such parties.

2.13 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of (a) Obligations in respect of any the Facilities due and payable to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time to (ii) the aggregate amount of the Obligations in respect of the Facilities due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Facilities due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (b) Obligations in respect of any of the Facilities owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations owing (but not due and payable) to such Lender at such time to (ii) the aggregate amount of the Obligations in respect of the Facilities owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time) of payment on account of the Obligations in respect of the Facilities owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all of the Lenders at such time then the Lender receiving such greater proportion shall (A) notify the Administrative Agent of such fact, and (B) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations and Swing Line Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of Obligations in respect of the Facilities then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (A) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (B) the application of Cash Collateral provided for in Section 2.14 or (C) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations or Swing Line Loans to any assignee or participant, other than an assignment to the Borrower or any Subsidiary thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.14 Cash Collateral.

(a) Certain Credit Support Events. Upon the request of the Administrative Agent or the L/C Issuer (i) if the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the Borrower shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations. At any time that there shall exist a Defaulting Lender, immediately upon the request of the Administrative Agent, the L/C Issuer or the Swing Line Lender, the Borrower shall deliver to the Administrative Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America. The Borrower, and to the extent provided by any Lender, such Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuer and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent as herein provided, or that

the total amount of such Cash Collateral is less than the applicable Fronting Exposure and other obligations secured thereby, the Borrower or the relevant Defaulting Lender will, promptly upon

demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.04, 2.05 2.15 or 8.02 in respect of Letters of Credit or Swing Line Loans shall be held and applied to the satisfaction of the specific L/C Obligations, Swing Line Loans obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi))) or (ii) the Administrative Agent's good faith determination that there exists excess Cash Collateral; provided, however, (x) that Cash Collateral furnished by or on behalf of a Loan Party shall not be released during the continuance of a Default or Event of Default (and following application as provided in this Section 2.14 may be otherwise applied in accordance with Section 8.03), and (y) the Person providing Cash Collateral and the L/C Issuer or Swing Line Lender, as applicable may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 11.01.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 11.08), shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to the L/C Issuer or Swing Line Lender hereunder; *third*, if so determined by the Administrative Agent or requested by the L/C Issuer or Swing Line Lender, to be held as Cash Collateral for future funding obligations of that Defaulting Lender of any participation in any Letter of Credit or Swing Line Loan; *fourth*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting

Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; *sixth*, to the payment of any amounts owing to the Lenders, the L/C Issuer or Swing Line Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the L/C Issuer or the Swing Line Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Loans or L/C Borrowings were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Borrowings owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Borrowings owed to, that Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. A Defaulting Lender (x) shall not be entitled to receive any commitment fee pursuant to Section 2.09(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender) and (y) shall be limited in its right to receive Letter of Credit Fees as provided in Section 2.03(h).

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. During any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit or Swing Line Loans pursuant to Sections 2.03 and 2.04, the "Applicable Percentage" of each non-Defaulting Lender shall be computed without giving effect to the Commitment of that Defaulting Lender; provided, that, (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default or Event of Default exists; and (ii) the aggregate obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit and Swing Line Loans shall not exceed the positive difference, if any, of (1) the Revolving Credit Commitment of that non-Defaulting Lender minus (2) the aggregate Outstanding Amount of the Revolving Credit Loans of that Lender.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent, the Swing Line Lender and the L/C Issuer agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify

the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.16 Increase in Revolving Credit Facility.

(a) Request for Increase. Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Revolving Credit Lenders), the Borrower may on a one-time basis, request an increase in the Revolving Credit Facility by an amount not to exceed the difference between (i) $15,000,000 and (ii) the amount of any increase made pursuant to Section 2.17. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Revolving Credit Lender is requested to respond (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Revolving Credit Lenders).

(b) Lender Elections to Increase. Each Revolving Credit Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its Revolving Credit Commitment and, if so, whether by an amount equal to, greater than, or less than its Applicable Revolving Credit Percentage of such requested increase. Any Revolving Credit Lender not responding within such time period shall be deemed to have declined to increase its Revolving Credit Commitment. For the avoidance of doubt, no Revolving Credit Lender shall be obligated to participate in such increase and the decision to participate in such increase shall be in the sole discretion of the applicable Revolving Credit Lender.

(c) Notification by Administrative Agent; Additional Revolving Credit Lenders. The Administrative Agent shall notify the Borrower and each Revolving Credit Lender of the Revolving Credit Lenders' responses to each request made hereunder. To achieve the full amount of the requested increase, and subject to the approval of the Administrative Agent, the L/C Issuer and the Swing Line Lender (which approvals shall not be unreasonably withheld), the Borrower may also invite additional Eligible Assignees to become Revolving Credit Lenders pursuant to a joinder agreement in form and substance satisfactory to the Administrative Agent and its counsel.

(d) Effective Date and Allocations. If the Revolving Credit Facility is increased in accordance with this Section 2.16, the Administrative Agent and the Borrower shall determine the effective date (the "Revolving Credit Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify the Borrower and the Revolving

Credit Lenders of the final allocation of such increase and the Revolving Credit Increase Effective Date.

(e) Conditions to Effectiveness of Increase. As a condition precedent to such increase, (i) the Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Revolving Credit Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (B) in the case of the Borrower, certifying that, before and after giving effect to such increase, (y) the representations and warranties contained in Article V and the other Loan Documents are true and correct on and as of the Revolving Credit Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this Section 2.16, the representations and warranties contained in subsections (a), (b) and (c) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a), (b) and (c), respectively, of Section 6.01 and (z) no Default or Event of Default shall have occurred or be continuing or would result therefrom, (ii) commitments from applicable Lenders or Eligible Assignees shall have been received in an amount no less than the amount of such requested increase and (iii) the Borrower shall pay all reasonable and documented out of pocket expenses (including the reasonable and documented fees and costs of counsel to the Administrative Agent and Co-Lead Arrangers) incurred in connection with this Section 2.16. So long as the Borrower shall have complied with all other conditions contained in this Section 2.16, the Lenders hereby consent, without the need for further or subsequent consent but subject to Section 2.16(b), to an amendment to this agreement to the extent necessary to evidence and document an increase in the Revolving Credit Facility so long as any terms applicable to any such increase are on the same terms as the existing Revolving Credit Facility. Any such amendment shall only require the consent of the Loan Parties and the Administrative Agent and the Lenders or lenders participating in such increase. Each Loan Party shall acknowledge and agree that the Obligations of such Loan Party extend to and include the Obligations after giving effect to such increase. The Administrative Agent shall have received such other assurances, certificates, documents or opinions as the Administrative Agent reasonably may require, including such assurances, certificates, documents or opinions as may be required to evidence such increase, the validity and enforceability of the Obligations and the validity, perfection and first priority Lien securing the Obligations after giving effect to such increase. The Borrower shall prepay any Revolving Credit Loans outstanding on the Revolving Credit Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Revolving Credit Loans ratable with any revised Applicable Revolving Credit Percentages arising from any nonratable increase in the Revolving Credit Commitments under this Section 2.16.

(f) Conflicting Provisions. This Section 2.16 shall supersede any provisions in Sections 2.13 or 11.01 to the contrary.

2.17 Increase in Term Facility.

(a) Request for Increase. Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Term Lenders), the Borrower may, on a

one-time basis, request an increase in the Term Loans by an amount not to exceed the difference between (i) $15,000,000 and (ii) the amount of any increase made pursuant to Section 2.16. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Term Lender is requested to respond (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Term Lenders).

(b) Lender Elections to Increase. Each Term Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its Term Loans and, if so, whether by an amount equal to, greater than, or less than its ratable portion (based on such Term Lender's Applicable Percentage in respect of the Term Facility) of such requested increase. Any Term Lender not responding within such time period shall be deemed to have declined to increase its Term Loans. For the avoidance of doubt, no Term Lender shall be obligated to participate in such increase and the decision to participate in such increase shall be in the sole discretion of the applicable Term Lender

(c) Notification by Administrative Agent; Additional Term Lenders. The Administrative Agent shall notify the Borrower and each Term Lender of the Term Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, and subject to the approval of the Administrative Agent (which approval shall not be unreasonably withheld), the Borrower may also invite additional Eligible Assignees to become Term Lenders pursuant to a joinder agreement in form and substance satisfactory to the Administrative Agent and its counsel.

(d) Effective Date and Allocations. If the Term Loans are increased in accordance with this Section 2.17, the Administrative Agent and the Borrower shall determine the effective date (the "Term Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify the Borrower and the Term Lenders of the final allocation of such increase and the Term Increase Effective Date.

(e) Conditions to Effectiveness of Increase. As a condition precedent to such increase, (i) the Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Term Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (B) in the case of the Borrower, certifying that, before and after giving effect to such increase, (x) the representations and warranties contained in Article V and the other Loan Documents are true and correct on and as of the Term Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this Section 2.17, the representations and warranties contained in subsections (a), (b) and (c) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a), (b) and (c), respectively, of Section 6.01 and (y) no Default or Event of Default shall have occurred or be continuing or would result therefrom, (ii) commitments from Term Lenders or Eligible Assignees shall have been received in an amount no less than the amount of such requested increase and (iii) the Borrower shall pay all reasonable and documented out of pocket expenses (including the reasonable and documented fees and costs of counsel to the Administrative Agent and Co-Lead Arrangers) incurred in

connection with this Section 2.17. So long as the Borrower shall have complied with all other conditions contained in this Section 2.17, the Lenders hereby consent, without the need for further or subsequent consent but subject to Section 2.17(b), to an amendment to this agreement to the extent necessary to evidence and document an increase in the Term Loans so long as any terms applicable to any such increase are on the same terms as the existing Term Loans, except if the interest rate payable in respect of any increase in Term Loans made available pursuant to this Section 2.17 at any time exceeds the interest rate payable in respect of the existing Term Loans plus 0.50%, then the interest rate payable in respect of the existing Term Loans shall automatically be increased to a rate that is at all times equal to the rate payable with respect to such increase in Term Loans less 0.50% without the requirement of any further action or consent on the part of the Administrative Agent, any Lender or the Borrower; provided that any such increase in the Term Loans will not have a weighted average life to maturity earlier than the existing Term Loans. Any such amendment shall only require the consent of the Loan Parties and the Administrative Agent and the Lenders or lenders participating in such increase. Each Loan Party shall acknowledge and agree that the Obligations of such Loan Party extend to and include the Obligations after giving effect to such increase. The Administrative Agent shall have received such other assurances, certificates, documents or opinions as the Administrative Agent reasonably may require, including such assurances, certificates, documents or opinions as may be required to evidence such increase, the validity and enforceability of the Obligations and the validity, perfection and first priority Lien securing the Obligations after giving effect to such increase. The additional Term Loans shall be made by the Term Lenders participating therein pursuant to the procedures set forth in Section 2.02.

(f) Conflicting Provisions. This Section 2.17 shall supersede any provisions in Sections 2.13 or 10.01 to the contrary.

ARTICLE III
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. (i) Any and all payments by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall to the extent permitted by applicable Laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable Laws require the Borrower or the Administrative Agent to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Laws as determined by the Borrower or the Administrative Agent, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the Borrower or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with

the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent, Lender or L/C Issuer, as the case may be, receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Law.

(c) Tax Indemnifications. (i) Without limiting the provisions of subsection (a) or (b) above, the Borrower shall, and does hereby, indemnify the Administrative Agent, each Lender and the L/C Issuer, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section)

withheld or deducted by the Borrower or the Administrative Agent or paid by the Administrative Agent, such Lender or the L/C Issuer, as the case may be, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. The Borrower shall also, and does hereby, indemnify the Administrative Agent, and shall make payment in respect thereof within 10 days after demand therefor, for any amount which a Lender or the L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required by clause (ii) of this subsection. A certificate as to the amount of any such payment or liability delivered to the Borrower by a Lender or the L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or the L/C Issuer, shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, each Lender and the L/C Issuer shall, and does hereby, indemnify the Borrower and the Administrative Agent, and shall make payment in respect thereof within 10 days after demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the Borrower or the Administrative Agent) incurred by or asserted against the Borrower or the Administrative Agent by any Governmental Authority as a result of the failure by such Lender or the L/C Issuer, as the case may be, to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by such Lender or the L/C Issuer, as the case may be, to the Borrower or the Administrative Agent pursuant to subsection (e). Each Lender and the L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii). The agreements in this clause (ii) shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement

of, a Lender or the L/C Issuer, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all other Obligations.

(d) Evidence of Payments. Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Borrower and shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation. (i) Each Lender shall deliver to the Borrower and to the Administrative Agent, at the time or times prescribed by applicable Laws or when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable Laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower or the Administrative Agent, as the case may be, to determine (A) whether or not payments made hereunder or under any other Loan Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender by the Borrower pursuant to this Agreement or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the Borrower is resident for tax purposes in the United States,

(A) any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent, as the case may be, to determine whether or not such Lender is subject to backup withholding or information reporting requirements; and

(B) each Foreign Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of withholding tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such Foreign Lender is legally entitled to do so), whichever of the following is applicable:

(I) executed originals of Internal Revenue Service Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(II) executed originals of Internal Revenue Service Form W-8ECI,

(III) executed originals of Internal Revenue Service Form W-8IMY and all required supporting documentation,

(IV) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender is not (A) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in section 881(c)(3)(C) of the Code and (y) executed originals of Internal Revenue Service Form W-8BEN, or

(V) executed originals of any other form prescribed by applicable Laws as a basis for claiming exemption from or a reduction in United States Federal withholding tax together with such supplementary documentation as may be prescribed by applicable Laws to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(iii) Each Lender shall promptly (A) notify the Borrower and the Administrative Agent of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of such Lender, and as may be reasonably necessary (including the re-designation of its Lending Office) to avoid any requirement of applicable

Laws of any jurisdiction that the Borrower or the Administrative Agent make any withholding or deduction for taxes from amounts payable to such Lender.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or the L/C Issuer, or have any obligation to pay to any Lender or the L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or the L/C Issuer, as the case may be. If the Administrative Agent, any Lender or the L/C Issuer determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses incurred by the Administrative Agent, such Lender or the L/C Issuer, as the case may be, and without interest (other than any interest paid by the relevant

Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the Administrative Agent, such Lender or the L/C Issuer, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, such Lender or the L/C Issuer in the event the Administrative Agent, such Lender or the L/C Issuer is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent, any Lender or the L/C Issuer to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person.

3.02 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Eurodollar Rate Loans, or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue Eurodollar Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans shall be suspended, and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates. If the Required Lenders determine that for any reason in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof that (a) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, (b) adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan, or (c) the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will

promptly so notify the Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended and (y) in the event of a determination described in the preceding sentence with respect to the Eurodollar Rate component of the Base Rate, the utilization of the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case, until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans or, failing that, will be deemed to have converted such request into a request for a Base Rate Loan in the amount specified therein.

3.04 Increased Costs; Reserves on Eurodollar Rate Loans.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurodollar Rate or the L/C Issuer;

(ii) subject any Lender or the L/C Issuer to any tax of any kind whatsoever with respect to this Agreement, any Letter of Credit, any participation in a Letter of Credit or any Eurodollar Rate Loan made by it, or change the basis of taxation of payments to such Lender or the L/C Issuer in respect thereof (except for Indemnified Taxes or Other Taxes covered by Section 3.01 and the imposition of, or any change in the rate of, any Excluded Tax payable by such Lender or the L/C Issuer); or

(iii) impose on any Lender or the L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Loan the interest on which is determined by reference to the Eurodollar Rate Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or the L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or the L/C Issuer, the Borrower will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender or the L/C Issuer or any Lending Office of such Lender or such Lender's or the L/C Issuer's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the L/C Issuer's capital or on the capital of such Lender's or the L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in

Letters of Credit held by, such Lender, or the Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the L/C Issuer's policies and the policies of such Lender's or the L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or the L/C Issuer, as the case may be, the amount shown as due on any such certificate within 10 Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or the L/C Issuer's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or the L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or the L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Reserves on Eurodollar Rate Loans. The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Eurodollar Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, provided the Borrower shall have received at least 10 days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest shall be due and payable 10 days from receipt of such notice.

3.05 Compensation for Losses. Within ten (10) Business Days of a demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of (a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 11.13;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or the Borrower is required to pay any additional amount to any Lender, the L/C Issuer, or any Governmental Authority for the account of any Lender or the L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then such Lender or the L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or the L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or the L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer, as the case may be. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, the Borrower may replace such Lender in accordance with Section 11.13.

3.07 Survival. All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, and resignation of the Administrative Agent.

ARTICLE IV
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions of Initial Credit Extension. The obligation of the L/C Issuer and each Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent (unless the Administrative Agent, in its sole and absolute discretion, determines that the satisfaction of one or more of the following conditions precedent may be satisfied on a post-closing basis pursuant to a Post-Closing Agreement entered into by the Loan Parties and the Administrative Agent in form, scope and substance reasonably satisfactory to the Administrative Agent):

(a) The Administrative Agent's receipt of the following, each of which shall be originals, telecopies or electronic copies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) duly executed counterparts of this Agreement, sufficient in number for distribution to the Administrative Agent, each Lender and the Borrower;

(ii) a Note executed by the Borrower in favor of each Lender requesting a Note;

(iii) duly executed counterparts of each other Loan Document sufficient in number for distribution to the Administrative Agent and the Borrower, together with:

(A) certificates, if any, representing the pledge equity interest referred to in the Pledge Agreements accompanied by undated transfer powers executed in blank and instruments evidencing the any pledged debt indorsed in blank,

(B) proper Financing Statements in form appropriate for filing under the Uniform Commercial Code of all jurisdictions that the Administrative Agent may reasonably deem necessary or desirable in order to perfect the Liens created under the Security Agreement, covering the Collateral described in the Security Agreement,

(C) results of searches (including, without limitation, intellectual property and lien searches), dated on or before the date of the initial Credit Extension, together with copies of such other supporting documentation as may be necessary or desirable showing that the Liens created by the Collateral Documents are the only Liens upon the Collateral, except Permitted Liens and Liens to be discharged on or prior to the Closing Date,

(D) evidence of the completion of or arrangements reasonably satisfactory to the Administrative Agent for all other actions, recordings and filings of or with respect to the Collateral Documents that the Administrative Agent may reasonably deem necessary or desirable in order to perfect the Liens on the Collateral

(E) evidence that all other action that the Administrative Agent may reasonably deem necessary or desirable in order to perfect the Liens created under the Security Agreement, the Pledge Agreements and the Intellectual Property Security Agreements has been taken (including receipt of duly executed payoff letters, UCC-3 termination statements and landlords' and bailees' waiver and consent agreements); and

(F) the Account Control Agreements, duly executed by the appropriate parties;

(iv) certificates executed by a Responsible Officer of each Loan Party attaching resolutions or other action authorizing the actions under the Loan Documents, incumbency certificates, certified copies of the Organization Documents of such Loan Party, in each case, certified to be true, accurate and complete and in effect on the Closing Date and such other documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that each Loan Party is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(v) a favorable opinion of Gibson, Dunn & Crutcher LLP, counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, as to the matters concerning the Loan Parties and the Loan Documents as the Administrative Agent may reasonably request, in form, scope and substance reasonably satisfactory to the Administrative Agent;

(vi) a favorable opinion of (i) Dorsey & Whitney LLP local counsel to the Loan Parties in Minnesota, (ii) Hogan Lovells US LLP local counsel to the Loan Parties in Maryland, Colorado and Virginia, (iii) Bryan Cave LLP local counsel to the Loan Parties in Illinois and Kansas and (iv) Foley & Larnder LLP local counsel to the Loan Parties in Wisconsin, in each case, addressed to the Administrative Agent and each Lender, as to the matters concerning the Loan Parties and the Loan Documents as the Administrative Agent may reasonably request, in form, scope and substance reasonably satisfactory to the Administrative Agent;

(vii) a favorable opinion of Gibson, Dunn & Crutcher LLP as counsel to the Catterton Investor and the PSP Investor and Davies Ward Phillips & Vineberg S.E.N.C.R.L., s.r.l. as Canadian counsel to the PSP Investor in connection with that certain Pledge Agreement dated as of the Closing Date among the Administrative Agent and the Sponsor Investors pursuant to which each Sponsor Investor pledges its interest in the Borrower to the Administrative Agent for the benefit of the Secured Parties;

(viii) a certificate of a Responsible Officer of each Loan Party either (A) attaching copies of all material consents, licenses and approvals required in connection with the consummation by such Loan Party of the Transaction and/or deemed necessary by the Administrative Agent, and the execution, delivery and performance by such Loan

Party and the validity against such Loan Party of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (B) stating that no such consents, licenses or approvals are so required;

(ix) a certificate of a Responsible Officer of the Catterton Investor attaching a true, correct and complete copy of the Stockholders' Agreement.

(x) a certificate signed by a Responsible Officer of the Borrower certifying (A) that the conditions specified in Sections 4.02(a) and (b) have been satisfied, and (B) that there has been no event or circumstance since December 29, 2009 that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect;

(xi) certificates attesting to the Solvency of the Loan Parties on a consolidated basis before and after giving effect to the Transaction, from the chief financial officer of the Borrower;

(xii) binding certificates of insurance and endorsements demonstrating coverage reasonably satisfactory to the Administrative Agent and naming the Administrative Agent, on behalf of the Secured Parties, as an additional insured or loss payee, as the case may be, under all insurance policies maintained with respect to the assets and properties of the Loan Parties that constitute Collateral;

(xiii) certified copies of each of the Merger Agreement and the Management Agreement (including all exhibits and schedules thereto) duly executed by the parties thereto and certifying that such documents (including all exhibits and schedules thereto) have not been amended, updated, modified or varied, together with all agreements, instruments, bills of sale, opinions and other documents delivered in connection therewith as the Administrative Agent shall request;

(xiv) evidence that the Credit Agreement dated as of November 14, 2007 by and among Noodles, certain Subsidiaries of Noodles, Bank of America, N.A., JP Morgan Chase Bank, N.A., the lenders party thereto and Banc of America Securities LLC has been, or concurrently with the Closing Date is being, terminated and all Liens securing obligations under such Credit Agreement have been, or concurrently with the Closing Date are being, released;

(xv) a certificate of the Borrower signed by a Responsible Officer of the Borrower attaching financial statements for the fiscal month ending December 28, 2010, each reasonably satisfactory to the Administrative Agent;

(xvi) a certificate of the Borrower signed by a Responsible Officer of the Borrower attaching financial projections of the Loan Parties of balance sheets, income statements and cash flow statements prepared on a quarterly basis for the first year after the Closing Date and annually thereafter through the Maturity Date;

(xvii) a certificate of the Borrower signed by a Responsible Officer of the Borrower attaching pro forma consolidated balance sheets of the Borrower and its

Subsidiaries giving effect to all elements of the Transaction to be effected on or before the Closing Date based on the financial statements for the fiscal month ending December 28, 2010, in form and substance reasonably satisfactory to the Administrative Agent;

(xviii) executed copies of any relevant Committed Loan Notices and Letter of Credit Applications;

(xix) an executed copy of a disbursement letter, executed by the Borrower;

(xx) all accounting reports, financial reports and such other reports, audits, certificates and due diligence material provided to the Borrower or the Equity Investors by third parties in connection with the Transactions on or prior to the Closing Date, in all cases, in form and substance reasonably satisfactory to the Administrative Agent;

(xxi) a filed copy of the certificate of merger; and

(xxii) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, the L/C Issuer or any Lender reasonably may require.

(b) (i) All fees required to be paid to the Administrative Agent and the Co-Lead Arrangers on or before the Closing Date shall have been paid and (ii) all fees required to be paid to the Lenders on or before the Closing Date shall have been paid.

(c) All filing and recording fees and all taxes shall have been paid.

(d) The Borrower shall have paid all reasonable and documented fees, charges and disbursements of counsel to the Administrative Agent and the Co-Lead Arrangers (directly to such counsel if requested by the Administrative Agent) to the extent documented prior to or on the Closing Date (for the avoidance of doubt, a summary statement of such fees, charges and disbursements shall be sufficient documentation for the obligations set forth in this Section 4.01(d) provided that supporting documentation for such summary statement is provided promptly thereafter), plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent and counsel to the Administrative Agent).

(e) The Merger Agreement shall be in full force and effect and the Administrative Agent shall be satisfied that the Acquisition shall have been consummated in accordance with the terms of the Merger Agreement (without giving effect to any amendments, updates, changes or supplements thereto or any waivers adverse to the Administrative Agent and the Lenders and not approved in writing by the Administrative Agent and the Co-Lead Arrangers) and in compliance with all applicable requirements of Law.

(f) The Administrative Agent shall have received a funds flow memorandum and statement of sources and uses, detailing the flow of funds in respect of the Transactions on the Closing Date and in form and substance acceptable to the Administrative Agent.

(g) The capital structure of the Borrower shall be satisfactory to the Administrative Agent and the Co-Lead Arrangers.

(h) The Administrative Agent shall have received evidence reasonably satisfactory to the Lenders that the Sponsor Investors have made a cash equity contribution of at least $181,000,000 to the Borrower in exchange for common stock having terms reasonably acceptable to the Administrative Agent and shall have received a copy of the certificate of merger evidencing the consummation of the merger under the Merger Agreement, certified by the Secretary of State of Delaware. The terms and conditions of and documentation for such equity investment shall be reasonably satisfactory to the Administrative Agent.

(i) The Administrative Agent shall have received a certificate signed by a Responsible Officer of the Borrower certifying that the Consolidated Total Lease Adjusted Leverage Ratio calculated as of the twelve month period ending December 28, 2010 and calculated as if the Transaction had occurred on the first day of such twelve month period ending on such date, including the initial funding of the Facilities, does not exceed 4.75 to 1.00.

(j) The Administrative Agent and the Co-Lead Arrangers shall have received a certificate signed by a Responsible Officer of the Borrower certifying that the Consolidated Total Leverage Ratio calculated as of the twelve month period ending December 28, 2010 and calculated as if the Transaction had occurred on the first day of such twelve month period ending on such date, including the initial funding of the Facilities, does not exceed 2.90 to 1.00.

(k) Since December 29, 2009, there shall have been no events, circumstances, developments or other changes in facts that would, in the aggregate, have a Material Adverse Effect.

(l) Any and all approvals by any federal, state or local liquor authority necessary for the continued operation of any restaurant operated by Noodles or any of its Subsidiaries with any liquor service provided by such restaurant immediately prior to the Merger shall have been received by the Borrower as of the Closing Date and remain in full force and effect.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurodollar Rate Loans) is subject to the following conditions precedent:

(a) The representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on

and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in Sections 5.05(a), (b) and (c) shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a), (b) and (c), respectively.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the L/C Issuer or the Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) The Total Revolving Credit Outstandings shall not exceed the Revolving Credit Facility at such time, after giving effect to such Credit Extension

Each Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Loans to the other Type or a continuation of Eurodollar Rate Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to the Administrative Agent and the Lenders that:

5.01 Existence, Qualification and Power. Each Loan Party and each of its Subsidiaries (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents and the Merger Agreement and consummate the Transaction, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document and/or the Merger Agreement to which such Person is or is to be a party and the consummation of the Transactions have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents, (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any material Contractual Obligation (other than the creation of Liens under the Loan Documents) to which such Person is a party or affecting such Person or the properties of such

Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law, except to the extent that any such violation, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person that has not been obtained is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document or the Merger Agreement, or for the consummation of the Transaction, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the first priority nature thereof) except for filings completed on or prior to the Closing Date as contemplated hereby and by the Collateral Documents or (d) the exercise by the Administrative Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Collateral Documents, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally. All applicable waiting periods in connection with the Transaction have expired without any action having been taken by any Governmental Authority restraining, preventing or imposing materially adverse conditions upon the Transaction or the rights of the Loan Parties or their Subsidiaries freely to transfer or otherwise dispose of, or to create any Lien on, any properties now owned or hereafter acquired by any of them. The Acquisition has been consummated in accordance with the Merger Agreement and applicable Laws.

5.04 Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles, whether enforcement is sought by a proceeding in equity or at law.

5.05 Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present in all material respects the financial condition of Noodles and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of Noodles and its Subsidiaries as of the date thereof that are required by GAAP to be included in such Audited Financial Statements.

(b) The unaudited consolidated balance sheet of the Borrower and its Subsidiaries delivered in connection with Section 6.01(b), and the related consolidated statements of income

or operations, shareholders' equity and cash flows for the Fiscal Quarter ended on the date thereof (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) The unaudited consolidated balance sheet of the Borrower and its Subsidiaries delivered in connection with Section 6.01(c), and the related consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal month ended on the date thereof (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(d) Since the date of the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

(e) The consolidated forecasted balance sheet, statements of income and cash flows of the Borrower and its Subsidiaries delivered pursuant to Section 4.01 and Section 6.01(d) were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair in light of the conditions existing at the time of delivery of such forecasts, and represented, at the time of delivery, the Borrower's best estimate of its future financial condition and performance.

5.06 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any of its Subsidiaries or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement, any other Loan Document, the Merger Agreement, the Management Agreement or the consummation of the Transaction, or (b) except as specifically disclosed in Schedule 5.06 (the "Disclosed Litigation"), either individually or in the aggregate, if determined adversely, could reasonably be expected to have a Material Adverse Effect, and there has been no material adverse change in the status, or financial effect on any Loan Party or any Subsidiary thereof, of the matters described in Schedule 5.06.

5.07 No Default. Neither any Loan Party nor any Subsidiary thereof is in default under or with respect to, or a party to, any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.08 Ownership of Property.

(a) Each Loan Party and each of its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real and personal property necessary or used in the ordinary conduct of its business, including all leases relating to real property on which a Restaurant is situated, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) The property of each Loan Party and each of its Subsidiaries is subject to no Liens, other than Permitted Liens.

(c) As of the date hereof, Schedule 5.08(b) (as such Schedule may be updated from time to time pursuant to Section 6.02) sets forth a complete and accurate list of all real property owned and leased by each Loan Party and each of its Subsidiaries, except for such real property (whether owned or leased) acquired after the date on which such Schedule was most recently updated pursuant to Section 6.02 and for which the Borrower has delivered written notice of any Loan Party's acquisition thereof to the Administrative Agent pursuant to the terms of Section 6.12. Such Schedule shows as of the date on which it was most recently updated the street address, county or other relevant jurisdiction, state, and record owner or lessee with respect to all real property owned or leased and set forth thereon. Each Loan Party and each of its Subsidiaries has good and marketable fee simple title to the real property owned by such Loan Party or such Subsidiary, free and clear of all Liens, other than Liens created or permitted by the Loan Documents. Each real property lease in respect of which a Loan Party is lessee is the legal, valid and binding obligation of such Loan Party, and to the knowledge of the Loan Parties, the lessor thereof, enforceable in accordance with its terms.

5.09 Environmental Compliance. (a) The Loan Parties and their respective Subsidiaries have conducted in connection with the Transaction a review of the effect of existing Environmental Laws and claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof the Borrower has reasonably concluded that such Environmental Laws and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(a) Except as listed on Schedule 5.09, none of the properties currently or, to the knowledge of any Loan Party, formerly owned or operated by any Loan Party or any of its Subsidiaries is listed or proposed for listing on the NPL or on the CERCLIS or any analogous state or local list or, to the knowledge of any Loan Party, is adjacent to any such property; to the knowledge of any Loan Party, there are no and never have been any underground or above-ground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned or operated by any Loan Party or any of its Subsidiaries; to the knowledge of any Loan Party, there is no asbestos or asbestos-containing material on any property currently owned or operated by any Loan Party or any of its Subsidiaries except as is otherwise in compliance with applicable Environmental Law; and Hazardous Materials have not been released, discharged or disposed of by any Loan Party or, to the knowledge of any Loan Party, by any other Person on any property currently or, to the knowledge of any Loan Party, formerly owned or operated by any Loan Party or any of its Subsidiaries, except as could not reasonably be expected to have a Material Adverse Effect.

(b) Neither any Loan Party nor any of its Subsidiaries is undertaking, and has not completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or, to the knowledge of any Loan Party, formerly owned or operated by any Loan Party or any of its Subsidiaries have been disposed of in a manner not reasonably expected to result in material liability to any Loan Party or any of its Subsidiaries.

5.10 Insurance. The properties of the Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Borrower, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Borrower or the applicable Subsidiary operates.

5.11 Taxes. The Borrower and Noodles and their respective Subsidiaries (i) have filed all Federal and state income, workers' compensation and payroll taxes and all other material Federal, state and other tax returns and reports required to be filed, and (ii) have paid all Federal and state income, workers' compensation and payroll taxes and all other material Federal, state and other taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided as required by GAAP; provided, however, with respect to Federal and state workers' compensation and payroll taxes described in clause (ii) herein and arising from income constituting tips (i.e., non-wage income), such taxes have been paid to the extent that the Borrower and Noodles and their respective Subsidiaries have received the corresponding information from the employees of such Person for computation and payment of such taxes. There is no proposed tax assessment against the Borrower or any Subsidiary that could, if made, have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is party to any tax sharing agreement. The Merger was not taxable to the Borrower, Noodles or any of their respective Subsidiaries.

5.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other Federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Borrower, nothing has occurred that would prevent or cause the loss of such tax-qualified status. The Borrower and each ERISA Affiliate have made all required contributions to each Plan subject to Section 412 of the Code, and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Plan.

(b) There are no pending or, to the best knowledge of the Borrower, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred, and neither the Borrower nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) the Borrower and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is 60% or higher and neither the Borrower nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; (iv) neither the Borrower nor

any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither the Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) Neither the Borrower nor any ERISA Affiliate maintains or contributes to, or has any unsatisfied obligation to contribute to, or liability under, any active or terminated Pension Plan other than (A) on the Closing Date, those listed on Schedule 5.12(d) hereto and (B) thereafter, Pension Plans not otherwise prohibited by this Agreement.

5.13 Subsidiaries; Equity Interests; Loan Parties. No Loan Party has any Subsidiaries other than those specifically disclosed in Part (a) of Schedule 5.13 (as such Schedule may be updated from time to time pursuant to Section 6.02 or as disclosed in writing to the Administrative Agent pursuant to the terms of Section 6.12 from time to time), and all of the outstanding Equity Interests in such Subsidiaries have been validly issued, are fully paid and

non-assessable and are owned by a Loan Party in the amounts specified on Part (a) of Schedule 5.13 (as such Schedule may be updated from time to time pursuant to Section 6.02 or as disclosed in writing to the Administrative Agent pursuant to the terms of Section 6.12 from time to time) free and clear of all Liens except those created under the Collateral Documents. No Loan Party has any equity investments in any other corporation or entity other than those specifically disclosed in Part (b) of Schedule 5.13 (as such Schedule may be updated from time to time pursuant to Section 6.02 or as disclosed in writing to the Administrative Agent pursuant to the terms of Section 6.12 from time to time). All of the outstanding Equity Interests in the Borrower have been validly issued, are fully paid and non-assessable and are owned by the Equity Investors in the amounts specified on Part (c) of Schedule 5.13 (as such Schedule may be updated from time to time pursuant to Section 6.02 or as disclosed in writing to the Administrative Agent pursuant to the terms of Section 6.12 from time to time) free and clear of all Liens except those created under the Collateral Documents. Set forth on Part (d) of Schedule 5.13 (as such Schedule may be updated from time to time pursuant to Section 6.02 or as disclosed in writing to the Administrative Agent pursuant to the terms of Section 6.12 from time to time) is a complete and accurate list of all Loan Parties, showing as of the Closing Date (as to each Loan Party) the jurisdiction of its incorporation, the address of its principal place of business and its U.S. taxpayer identification number or, in the case of any non-U.S. Loan Party that does not have a U.S. taxpayer identification number, its unique identification number issued to it by the jurisdiction of its incorporation. The copy of the charter of each Loan Party and each amendment thereto provided pursuant to Section 4.01(a)(v) and a true and correct copy of the organizational documents of each Subsidiary formed or acquired after the Closing Date has been delivered to the Administrative Agent, each of which is valid and in full force and effect.

5.14 Margin Regulations; Investment Company Act.

(a) No Loan Party is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock.

(b) Neither a Loan Party, any Person Controlling a Loan Party, nor any Subsidiary of a Loan Party is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

5.15 Disclosure. No report, financial statement, certificate or other information furnished (whether in writing or orally) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact (known to such Loan Party, in the case of any document not furnished by it) necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

5.16 Compliance with Laws. Each Loan Party and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.17 Intellectual Property; Licenses, Etc. Each Loan Party and each of its Subsidiaries owns, or possesses the right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, "IP Rights") that are necessary for the operation of their respective businesses, without conflict with the rights of any other Person except, in each case or in the aggregate, as could not reasonably be expected to have a Material Adverse Effect, and Schedule 5.17 (as such Schedule may be updated from time to time pursuant to Section 6.02) sets forth a complete and accurate list of all such IP Rights owned or used by each Loan Party and each of its Subsidiaries (other than such IP Rights acquired after the date on which such Schedule was most recently updated). To the best knowledge of the Borrower, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by any Loan Party or any of its Subsidiaries infringes upon any rights held by any other Person, except, whether individually or in the aggregate, as could not reasonably be expected to have a Material Adverse Effect. No claim or litigation regarding any of the foregoing is pending or, to the best knowledge of the Borrower, threatened, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.18 Status of Liquor License Approvals and Filings. As of the Closing Date, any and all approvals and/or filings by any federal, state or local food or liquor authority necessary for the continued operation of any Restaurant operated by any Loan Party on the Closing Date with full food and liquor service have been received and/or filed, as applicable, and are in full force and effect. As of any date after the Closing Date, any and all approvals and/or filings by any federal, state or local food or liquor authority necessary for the continued operation of any Restaurant operated by any Loan Party with full food and liquor service have been received and/or filed, as applicable, and are in full force and effect, except where the failure to have been received and/or filed, as applicable, or be in full force and effect, could not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.19 Material Contracts. No default by any Loan Party or to the knowledge of any Loan Party, by any other party exists under any Material Contract, other than such defaults that could not, whether individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.20 Leases. There is a Lease in force for each Unit Location which is ground leased or space leased by any Loan Party; a correct and complete copy of each Lease has been delivered to the Administrative Agent and each Lease is in full force and effect without amendment or modification from the form or copy delivered to the Administrative Agent and the Lenders except for amendments that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. No default by any party exists under any such Lease

that could reasonably be expected to result in termination of such Lease, nor has any event occurred which, with the passage of time or the giving of notice, or both, would constitute such a default, except in each case, to the extent any such default, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. Schedule 5.20 (as such Schedule may be updated from time to time pursuant to Section 6.02) is a complete and correct listing of all Leases, except for any Leases acquired after the date on which such Schedule was most recently updated.

5.21 Unit Locations; Franchised Unit Locations.

Part (a) of Schedule 5.21 (as such Schedule may be updated from time to time pursuant to Section 6.02 or supplemented pursuant to the terms of Section 6.12) sets forth a complete and accurate list of all Unit Locations held by any Loan Party or any Subsidiary of a Loan Party as of the Closing Date or, if later, the most-recent date on which such Schedule has been updated. Part (b) of Schedule 5.21 (as such Schedule may be updated from time to time pursuant to Section 6.02) sets forth a complete and accurate list of all Franchised Unit Locations franchised by any Loan Party or any Subsidiary of a Loan Party as Franchisor to any Franchisee as of the Closing Date or, if later, the most-recent date on which such Schedule has been updated.

5.22 Franchise Agreements.

(a) Schedule 5.22 (as such Schedule may be updated from time to time pursuant to Section 6.02) sets forth a complete and accurate list of all Franchise Agreements as of the Closing Date or, if later, the most-recent date on which such Schedule has been updated.

(b) Each Franchise Agreement is in full force and effect except to the extent the failure to comply therewith, either individually or in the aggregate with all other failures to comply with any Franchise Agreement, could not reasonably be expected to have a Material Adverse Effect, without any amendment or modification from the form or copy delivered to the Administrative Agent and the Lenders except for amendments permitted hereunder and which do not materially and adversely affect the rights of the Lenders.

5.23 Solvency. Each Loan Party is, individually and together with its Subsidiaries on a consolidated basis, Solvent.

5.24 Labor Matters. There are no collective bargaining agreements or Multiemployer Plans covering the employees of the Borrower or any of its Subsidiaries as of the Closing Date and neither the Borrower nor any Subsidiary has suffered any strikes, walkouts, work stoppages or other material labor difficulty within the last five years.

5.25 Collateral Documents. The provisions of the Collateral Documents are effective to create in favor of the Administrative Agent for the benefit of the Secured Parties a legal, valid and enforceable first priority Lien (subject to Permitted Liens that are senior in priority under applicable Law) on all right, title and interest of the respective Loan Parties in the Collateral described therein. Except for filings completed on or prior to the Closing Date and as contemplated hereby and by the Collateral Documents, no filing or other action will be necessary to perfect or protect such Liens.

5.26 Compliance with OFAC Rules and Regulations. Neither Borrower, nor any Subsidiary or, to Borrower's knowledge, any Affiliate of Borrower (i) is a Sanctioned Person, (ii) has any of its assets in Sanctioned Countries, or (iii) derives any of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries. No part of the proceeds of any Loan hereunder will be used directly or indirectly to fund any operations in, finance any investments or activities in or make any payments to, a Sanctioned Person or a Sanctioned Country.

5.27 Foreign Assets Control Regulations, Etc. Neither Borrower nor any Subsidiary is an "enemy" or an "ally of the enemy" within the meaning of Section 2 of the Trading with the Enemy Act of the United States of America (50 U.S.C. App. §§ 1 et seq.), as amended. Neither Borrower nor any or Subsidiary is in violation of (a) the Trading with the Enemy Act, as amended, (b) any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or (c) the Act. No Borrower nor any Subsidiary (i) is a blocked person described in Section 1 of the Anti-Terrorism Order or (ii) to the best of Borrower's knowledge, engages in any dealings or transactions, or is otherwise associated, with any such blocked person.

5.28 Use of Proceeds.

The proceeds of the Loans shall be used in accordance with Section 6.11.

ARTICLE VI
AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation (other than inchoate indemnification liabilities arising under the Loan Documents for which a claim has not then been asserted) shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding (other than any Letter of Credit that is Cash Collateralized in accordance with the terms hereof), the Borrower shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02, 6.03 and 6.11) cause each Subsidiary to:

6.01 Financial Statements. Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) as soon as available, but in any event within 120 days (or, after the creation of a Public Market, such earlier date as required by the Securities and Exchange Commission) after the end of each Fiscal Year of the Borrower (commencing with the Fiscal Year ended December 28, 2010), (i) a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such Fiscal Year, and the related consolidated statements of income or operations, changes in shareholders' equity, and cash flows for such Fiscal Year, such consolidated statements to be audited and accompanied by a report and opinion of an independent

certified public accounting firm of nationally recognized standing reasonably acceptable to the Required Lenders, which report and opinion shall be prepared in accordance with generally accepted auditing standards, shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit and (ii) a statement detailing unit-level sales and

operating income, as of the end of and for such Fiscal Year then ended; in each case, setting forth in comparative form the corresponding information for the previous Fiscal Year (such comparisons to commence with the financial statements delivered in December 2011) and setting forth the corresponding information for the corresponding period set forth in the applicable Budget, in each case, in reasonable detail and prepared in accordance with GAAP;

(b) as soon as available, but in any event within (i) 45 days (or, after the creation of a Public Market, such earlier date as required by the Securities and Exchange Commission) after the end of each of the first three Fiscal Quarters of each Fiscal Year of the Borrower and (ii) 60 days (or, after the creation of a Public Market, such earlier date as required by the Securities and Exchange Commission) after the end of the fourth Fiscal Quarter of each Fiscal Year of the Borrower, a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such Fiscal Quarter, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such Fiscal Quarter and for the portion of the Borrower's Fiscal Year then ended, setting forth in comparative form the corresponding information for the corresponding Fiscal Quarter of the previous Fiscal Year and the corresponding portion of the previous Fiscal Year (such comparisons to commence with the financial statements delivered in December 2011), and setting forth in comparative form the corresponding information for the corresponding Fiscal Quarter set forth in the applicable Budget, in each case, in reasonable detail, such consolidated statements to be certified by the chief executive officer, chief financial officer, treasurer or controller of the Borrower as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Borrower and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes;

(c) as soon as available, but in any event within 30 days after the end of each of the first two fiscal months of each Fiscal Quarter of the Borrower following the Closing Date, a consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such fiscal month, and the related consolidated statements of income or operations, and cash flows for such fiscal month and for the portion of the Borrower's Fiscal Year then ended, setting forth in comparative form the corresponding information for the corresponding fiscal month of the previous Fiscal Year and the corresponding portion of the previous Fiscal Year (such comparisons to commence with the financial statements delivered in December 2011), and the corresponding information set forth in the applicable Budget, in each case, all in reasonable detail and duly certified by a Responsible Officer of the Borrower; provided that if the Consolidated Total Lease Adjusted Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a) is less than 4.00 to 1.00 then the Borrower shall not be required to deliver the financial statements required by this Section 6.01(c); and

(d) as soon as available, but in any event within 45 days after the end of each Fiscal Year of the Borrower, an annual business plan and budget (the "Budget") of the Borrower and its Subsidiaries on a consolidated basis, including (i) forecasts prepared by management of the Borrower setting forth such forecasts on a yearly and quarterly basis and (ii) assumptions made in the formulation of such budget, in form satisfactory to the Administrative Agent, of consolidated balance sheets and statements of income or operations and cash flows of the Borrower and its Subsidiaries for the immediately following Fiscal Year (the "Budget").

As to any information contained in materials furnished pursuant to Section 6.02(c), the Borrower shall not be separately required to furnish such information under Section 6.01(a), (b) or (c) above, but the foregoing shall not be in derogation of the obligation of the Borrower to furnish the information and materials described in Sections 6.01(a), (b) and (c) above at the times specified therein.

6.02 Compliance Certificates and Certain Reports Sent to Other Parties. Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b) and (c), (i) a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller of the Borrower, and (ii) a copy of management's discussion and analysis with respect to such financial statements delivered in connection with Section 6.01(b) in the form prepared by management consistent with past practices and to the extent such a discussion and analysis is prepared for the Borrower or the board of directors or equivalent governing body;

(b) promptly after any request by the Administrative Agent, copies of any detailed audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of any Loan Party by independent accountants in connection with the accounts or books of any Loan Party or any of its Subsidiaries, or any audit of any of them;

(c) promptly after the same are available, copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(d) to the extent applicable, promptly after the furnishing thereof, copies of any statement or report furnished to any holder of debt securities of any Loan Party or of any of its Subsidiaries pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to Section 6.01 or any other clause of this Section 6.02;

(e) promptly, such additional information regarding the business, financial, legal or corporate affairs of any Loan Party or any Subsidiary thereof, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request;

(f) as soon as available, but in any event within 120 days after the end of each Fiscal Year of the Borrower, a report summarizing the insurance coverage (specifying type, amount and carrier) in effect for each Loan Party and its Subsidiaries and containing such additional information as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably specify;

(g) promptly, and in any event within five Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof;

(h) not later than five Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of all notices, requests and other documents (including amendments, waivers and other modifications) so received under or pursuant to the Merger Agreement or the Management Agreement or instrument, indenture, loan or credit or similar agreement and, from time to time upon request by the Administrative Agent, such information and reports regarding the Merger Agreement or the Management Agreement and such instruments, indentures and loan and credit and similar agreements as the Administrative Agent may reasonably request;

(i) promptly after the assertion or occurrence thereof, notice of any action or proceeding against or of any noncompliance by any Loan Party or any of its Subsidiaries with any Environmental Law or Environmental Permit that could (i) reasonably be expected to have a Material Adverse Effect or (ii) cause any property described in the Mortgages to be subject to any material restrictions on ownership, occupancy, use or transferability under any Environmental Law; and

(j) as soon as available, but in any event within 120 days after the end of each Fiscal Year of the Borrower, (i) a report supplementing Schedules 5.08(b), 5.13, 5.17, 5.20 and 5.22 including an identification of all owned and leased real property disposed of by the Borrower or any Loan Party or any Subsidiary thereof during such Fiscal Year, a list and description (including the street address, county or other relevant jurisdiction, state, record owner, book value thereof and, in the case of leases of property, lessor, lessee, expiration date and annual rental cost thereof) of all real property acquired or leased during such Fiscal Year and a description of such other changes in the information included in such Schedules as may be necessary for such Schedules to be accurate and complete; (ii) a report supplementing Schedule 5.17, setting forth (A) a list of registration numbers for all patents, trademarks, service marks, trade names and copyrights awarded to the Borrower or any Loan Party or any Subsidiary thereof during such Fiscal Year and (B) a list of all patent applications, trademark applications, service mark applications, trade name applications and copyright applications submitted by the Borrower or any Loan Party or any Subsidiary thereof during such Fiscal Year and the status of each such application; and (iii) a report supplementing Schedules 5.08(b) and 5.13 containing a description of all changes in the information included in such Schedules as may be necessary for such Schedules to be accurate and complete as of the date such supplements are delivered, each such report to be signed by a Responsible Officer of the Borrower and to be in a form reasonably satisfactory to the Administrative Agent.

Documents required to be delivered pursuant to Section 6.01(a), (b) or (c) or Section 6.02(c) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if

any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Borrower shall notify the Administrative Agent and each Lender (by telecopier or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders and the L/C Issuer materials and/or information provided by or on behalf of the Borrower and its Subsidiaries hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Borrower or its securities) (each, a "Public Lender"). The Borrower hereby agrees that so long as the Borrower is the issuer of any outstanding debt or equity securities that are registered or issued pursuant to a private offering or is actively contemplating issuing any such securities it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (w) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Co-Lead Arrangers, the L/C Issuer and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Investor." Notwithstanding the foregoing, the Borrower shall be under no Obligation to mark any Borrower Materials "PUBLIC."

6.03 Notices. Promptly notify the Administrative Agent and each Lender:

(a) of the occurrence of any Default;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including (i) breach or non-performance of, or any default under, a Contractual Obligation of any Loan Party or any Subsidiary thereof; (ii) any dispute, litigation, investigation, proceeding or suspension between any Loan Party or any Subsidiary thereof and

any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting any Loan Party or any Subsidiary thereof, including pursuant to any applicable Environmental Laws;

(c) of the occurrence of any ERISA Event;

(d) of any material change in accounting policies or financial reporting practices by any Loan Party or any Subsidiary thereof;

(e) of the (i) occurrence of any Disposition of property or assets for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.05(b)(ii), (ii) occurrence of any sale of capital stock or other Equity Interests for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.05(b)(iii), (iii) incurrence or issuance of any Indebtedness for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.05(b)(iv), and (iv) receipt of any Extraordinary Receipt for which the Borrower is required to make a mandatory prepayment pursuant to Section 2.05(b)(vi);

(f) the termination or material amendment to any approval by any Federal, state or local food or liquor authority in respect of any liquor licenses held and maintained by any Loan Party or any of its Subsidiaries unless the termination or material amendment of such approval or license, whether individually or in the aggregate with any other terminations or material amendments of any approval or license, could not reasonably be expected to have a Material Adverse Effect;

(g) (x) any dispute, opposition, notice of opposition, litigation, investigation or proceeding in respect of any IP Rights or registration relating to the "Noodles & Company" mark, (y) any dispute, opposition, notice of opposition, litigation, investigation or proceeding in respect of any material IP Rights or registration relating to any material trademark or suspension of any other material IP Rights and (z) any institution of, or any final adverse determination in, any proceeding in the United States Patent and Trademark Office or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any IP Rights, and of any event that does or could reasonably be expected to materially adversely affect the value of any of the IP Rights, the ability of any Loan Party or the Administrative Agent to dispose of any of the IP Rights or the rights and remedies of the Administrative Agent in relation thereto (including but not limited to the levy of any legal process against any IP Rights); and

(h) any indemnification claim made by any party under the Merger Agreement.

Each notice pursuant to this Section 6.03 (other than Section 6.03(e)) shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower or the applicable Loan Party has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04 Payment of Obligations. Pay and discharge as the same shall become due and payable, all of its obligations and liabilities, including (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being

contested in good faith by appropriate proceedings diligently conducted and adequate reserves as required by GAAP are being maintained by the Borrower or such Subsidiary; (b) all lawful claims which, if unpaid, would by law become a Lien upon its property; and (c) all Indebtedness in excess of the Threshold Amount, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness.

6.05 Preservation of Existence, Permits, License, Etc.

(a) Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.04 or 7.05; provided, however, that the Borrower and its Subsidiaries may consummate the Acquisition and any other merger or consolidation permitted under Section 7.04, (b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect and (c) preserve or renew all of its registered patents, copyrights, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

6.06 Maintenance of Properties and Liquor Licenses.

(a) (i) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; (ii) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; and (iii) use the standard of care typical in the industry in the operation and maintenance of its facilities.

(b) Maintain, preserve and protect any and all approvals by any Federal, state or local food or liquor authority necessary for the continued operation of any Restaurant operated by any Loan Party with full food and liquor service except where failure could not reasonably be expected to have a Material Adverse Effect.

6.07 Maintenance of Insurance. Maintain with financially sound and reputable insurance companies not Affiliates of the Borrower, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons and providing for not less than 30 days' prior notice to the Administrative Agent of termination, lapse or cancellation of such insurance.

6.08 Compliance with Laws. Comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.09 Books and Records. Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of the Borrower or such Subsidiary, as the case may be; and (b) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over the Borrower or such Subsidiary, as the case may be.

6.10 Inspection Rights. Permit representatives and independent contractors of the Administrative Agent to visit and inspect any of its properties, to examine its organizational, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its

directors, officers, and independent public accountants (provided that so long as an Event of Default is not then continuing, a representative of the Borrower may be present during any discussions with such independent public accountants), all at the expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower; provided, however, that such visits shall be limited to two times per year unless an Event of Default shall have occurred and be continuing, and if an Event of Default shall have occurred and be continuing the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice.

6.11 Use of Proceeds. Use the proceeds of the Credit Extensions to (a) to refinance the Indebtedness of Noodles on the Closing Date, including existing senior credit facilities and any subordinated indebtedness advanced by the Sponsor Investors and used to consummate the Acquisition and (b) for working capital and general corporate purposes (including acquisitions and Capital Expenditures permitted by this Agreement), in all cases, not in contravention of any Law or of any Loan Document.

6.12 Additional Subsidiaries, Mortgaged Property and Collateral Generally.

(a) At any time that any Loan Party or any newly formed or acquired Subsidiary that is to become a Loan Party pursuant to clause (b) below acquires any real or personal property not subject to a perfected, first priority Lien in favor of the Administrative Agent pursuant to the Collateral Documents, within five (5) Business Days after the acquisition of such real or personal property by such Loan Party (other than any leasehold interests in real property) or the formation or acquisition of such Subsidiary, the Borrower shall furnish to the Administrative Agent, in detail satisfactory to the Administrative Agent, a written description of such real and personal property.

(b) Within forty-five (45) days of the formation or acquisition of a Subsidiary (other than a CFC which is addressed in clause (c) below or otherwise expressly provided in Section 7.03(k)) by any Loan Party, the Borrower shall, or cause such Loan Party and/or such Subsidiary to, at the Borrower's expense, (i) duly execute and deliver to the Administrative Agent a joinder to the Guaranty, the Security Agreement and the Pledge Agreements, and all other applicable Collateral Documents specified by and in form and substance reasonably satisfactory to the Administrative Agent; (ii) deliver appropriate UCC-1 financing statements or such other financing statements as may be necessary in the Administrative Agent's reasonable

determination to obtain a first priority Lien (subject to Permitted Liens); (iii) deliver to the Administrative Agent any Pledged Collateral, Pledged Debt or other instruments specified in the Collateral Documents (including delivery of all pledged Equity Interests in and of such Subsidiary (for the avoidance of doubt, such pledged Equity Interests shall not include any Minority Interests), and other instruments of the type specified in Section 4.01(a)(iii)(A)); (iv) deliver to the Administrative Agent, evidence reasonably satisfactory to the Administrative Agent that all taxes, filing fees and recording fees and other related transaction costs have been paid; (v) deliver to the Administrative Agent a copy of each Lease with respect to each Unit Location leased by such Loan Party or such Subsidiary; and (vi) provide to Administrative Agent all other documentation, including one or more legal opinions of counsel reasonably satisfactory to Administrative Agent with respect to the execution and delivery of the applicable documentation referred to herein; in each case, all in form and substance reasonably satisfactory to Administrative Agent.

(c) Within forty-five (45) days of the formation or acquisition of any new direct Subsidiary that is a CFC by any Loan Party that is a Domestic Subsidiary, the Borrower shall, at the Borrower's expense, (i) cause such Loan Party and such Subsidiary to enter into a Pledge Agreement to pledge 66% of the voting Equity Interests held by such Loan Party in such Subsidiary and 100% of any non-voting Equity Interests held by such Loan Party and to cause such Subsidiary to execute and/or deliver such documents, instruments or agreements as may be necessary in the Administrative Agent's reasonable determination to obtain a first priority Lien (subject to Permitted Liens) in such Equity Interests of such Subsidiary and held by such Loan Party; (ii) deliver to the Administrative Agent any Pledged Collateral, Pledged Debt or other instruments specified in the Collateral Documents to which such Loan Party and such Subsidiary is a party; and (iii) provide to Administrative Agent all other documentation, including one or more legal opinions of counsel reasonably satisfactory to Administrative Agent with respect to the execution and delivery of the applicable documentation referred to herein; in each case, all in form and substance reasonably satisfactory to Administrative Agent.

(d) Within forty-five (45) days of the acquisition (either directly or by virtue of acquiring a Subsidiary) of any real property owned by a Loan Party or a Subsidiary that is or is to become a Loan Party hereunder (other than a Loan Party or a Subsidiary of a Loan Party that is a CFC or a subsidiary of a CFC) as provided herein with a fair market value in excess of $1,000,000 in the case of a single property or $2,500,000 in the aggregate in the case of multiple properties, the Borrower shall, or shall cause the applicable Loan Party or such Subsidiary to, at the Borrower's expense, (i) duly execute and deliver to the Administrative Agent a Mortgage specified by and in form and substance satisfactory to the Administrative Agent; (ii) take whatever action (including the recording of Mortgages, the filing of Uniform Commercial Code financing statements, the giving of notices and the endorsement of notices on title documents) as may be necessary or advisable in the reasonable opinion of the Administrative Agent to vest in the Administrative Agent (or in any representative of the Administrative Agent designated by it) valid and subsisting first priority Liens (subject to Permitted Liens) on the properties purported to be subject to Collateral Documents delivered pursuant to this Section 6.12, enforceable against all third parties in accordance with their terms; (iii) with respect to such owned real property subject to a Mortgage, or to become subject to a Mortgage, deliver to the Administrative Agent Mortgage Policies in form and substance reasonably satisfactory to the Administrative Agent in respect of such owned real property; (iv) deliver to the Administrative Agent title reports,

surveys and engineering, soils and ether reports, and environmental assessments reports, each in scope, form and substance satisfactory to the Administrative Agent; and (v) deliver to the Administrative Agent evidence satisfactory to the Administrative Agent that all taxes, filing fees and recording fees and other related transaction costs have been paid.

(e) Within forty-five (45) days of the acquisition of any personal property not subject to a first priority, perfected Lien in favor of the Administrative Agent by a Loan Party, the Borrower shall, or shall cause the applicable Loan Party or such Subsidiary to, at the Borrower's expense, (i) deliver to the Administrative Agent any Pledged Collateral, Pledged Debt or other instruments specified in the Collateral Documents and (ii) take all such other action as the Administrative Agent may deem necessary or desirable in obtaining the full benefits of, or (as applicable) in perfecting and preserving the Liens of, the Collateral Documents; provided, however, that the Loan Parties shall not be obligated to grant leasehold mortgages in real property to the Administrative Agent.

(f) At any time upon request of the Administrative Agent, promptly execute and deliver any and all further instruments and documents and take all such other action as the Administrative Agent may reasonably deem necessary or desirable in obtaining the full benefits of, or (as applicable) in perfecting and preserving the Liens of, such guaranties, deeds of trust, trust deeds, deeds to secure the Mortgages and the other Collateral Documents.

(g) Any document, agreement, or instrument executed or issued pursuant to this Section 6.12 shall be a Loan Document.

6.13 Compliance with Environmental Laws. Comply, and cause all lessees and other Persons operating or occupying its properties to comply, in all material respects, with all applicable Environmental Laws and Environmental Permits; obtain and renew all Environmental Permits necessary for its operations and properties; and conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action necessary to remove and clean up all Hazardous Materials from any of its properties, in accordance with the requirements of all Environmental Laws; provided, however, that neither the Borrower nor any of its Subsidiaries shall be required to undertake any such cleanup, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

6.14 Further Assurances. Promptly upon the request by the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, may reasonably require from time to time in order to (i) carry out the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable Law, subject any Loan Party's or any of its Subsidiaries' properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (iv) convey, grant, assign, transfer, preserve, protect and confirm unto the Secured Parties the rights

granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other instrument executed in connection with any Loan Document to which any Loan Party or any of its Subsidiaries is or is to be a party, and cause each of its Subsidiaries to do so.

6.15 Compliance with Terms of Leaseholds. Make all payments and otherwise perform all material obligations in respect of all Leases and other leases of real property to which the Borrower or any of its Subsidiaries is a party, keep such leases in full force and effect and not allow such leases to lapse or be terminated or any rights to renew such leases to be forfeited or cancelled, notify the Administrative Agent of any default by any party with respect to such leases and cooperate with the Administrative Agent in all respects to cure any such default, and cause each of its Subsidiaries to do so, except, in any case, where the failure to do so, either individually or in the aggregate, could not be reasonably likely to have a Material Adverse Effect.

6.16 Interest Rate Hedging. Enter into within 120 days following the Closing Date, and maintain at all times thereafter until the date that is the later of two years after (i) the Closing Date and (ii) the date of entry into each Swap Contract, interest rate Swap Contracts on terms and with Persons acceptable to the Co-Lead Arrangers or as arranged by GE Capital, covering a notional amount of not less than 50% of the aggregate outstanding amount of the Term Facility, and each such Swap Contract providing for such Persons to make payments thereunder for an initial period of no less than two years from the date that is the later of (i) the Closing Date and (ii) the date of entry into such Swap Contract.

6.17 Material Contracts. Perform and observe all material terms and provisions of each Material Contract to be performed or observed by it, maintain each such Material Contract in full force and effect, enforce each such Material Contract in accordance with its terms and take all such action to such end as may be from time to time requested by the Administrative Agent, except, in each case, where the failure to do so, whether individually or in the aggregate, could not be reasonably expected to have a Material Adverse Effect.

6.18 Compliance with Terms of Franchise Agreements. Make all payments and otherwise perform all obligations in respect of Franchise Agreements to which the Borrower or any of its Subsidiaries is a party, keep such Franchise Agreements in full force and effect and not allow such Franchise Agreements to lapse or be terminated or any rights to renew such Franchise Agreements to be forfeited or cancelled, notify the Administrative Agent of any default by any party with respect to such Franchise Agreements and cooperate with the Administrative Agent in all respects to cure any such default, and cause each of its Subsidiaries to do so, other than, in any case, where the failure to do so, either individually or in the aggregate, would be reasonably expected not to have a Material Adverse Effect.

6.19 Cash Collateral Accounts. Maintain, and cause each of the other Loan Parties to maintain, all Cash Collateral Accounts with Bank of America or another commercial bank located in the United States, which has accepted the assignment of such accounts to the Administrative Agent for the benefit of the Secured Parties pursuant to the terms of the Security Agreement.

6.20 Cash Management Arrangements. Maintain, and cause each of the other Loan Parties to maintain all deposit accounts and securities accounts with Bank of America or any Affiliate of Bank of America, any Lender or any Affiliate of such Lender, or another commercial bank located in the United States and acceptable to the Administrative Agent, and shall, from and after the date that is 60 days after the Closing Date (or such later date as the Administrative Agent shall agree in its reasonable discretion upon notice to the Lenders; provided that such later date shall be no later than 120 days after the Closing Date), enter into deposit account control agreements, securities account control agreements and such other agreements, documents and instruments as may be necessary, in the Administrative Agent's determination, to grant to the Administrative Agent, for the benefit of the Secured Parties, a perfected, first-priority Lien and "control" (as defined in the UCC) on such deposit accounts and securities accounts, unless otherwise consented to in writing by the Administrative Agent in its sole discretion, provided that in respect of any deposit account over which the Administrative Agent does not have a perfected, first-priority Lien and "control" as provided herein, the Borrower shall cause, and cause each of the other Loan Parties, to, transfer no less frequently than once per calendar week all amounts in excess of $5,000 in each such deposit account to a deposit account over which the Administrative Agent has a perfected, first priority Lien and "control' as provided herein and provided further that the aggregate amount maintained in all such deposit accounts not subject to the "control" of the Administrative Agent shall not exceed $250,000 at any time immediately following such weekly sweep.

6.21 Landlord Waivers. Use commercially reasonable efforts to deliver within 90 days after the Closing Date landlord waivers in form, scope and substance reasonably acceptable to the Administrative Agent governing the Unit Locations (it being understood and agreed that the obligation to use commercially reasonable efforts to obtain such landlord waivers shall not require the Borrower to pay any fees to such landlords, other than de minimis out of pocket costs and expenses of such landlords (other than legal fees incurred by such landlords in connection therewith)).

ARTICLE VII
NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation (other than inchoate indemnification liabilities arising under the Loan Documents for which a claim has not then been asserted) hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding (other than any Letter of Credit Cash Collateralized in accordance with the terms hereof), no Loan Party shall directly or indirectly:

7.01 Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, or sign or file or suffer to exist under the Uniform Commercial Code of any jurisdiction a financing statement that names such Loan Party as debtor, or assign any accounts or other right to receive income, other than the following:

(a) Liens securing the Obligations pursuant to any Loan Document;

(b) Liens existing on the date hereof and listed on Schedule 7.01(b) and any renewals or extensions thereof, provided that (i) the property covered thereby is not changed, (ii) the amount secured or benefited thereby is not increased except as contemplated by Section 7.02(d), (iii) the direct or any contingent obligor with respect thereto is not changed, and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 7.02(d);

(c) Liens for taxes, assessments or government charges or levies not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person as required by GAAP;

(d) statutory landlord's, carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 30 days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(e) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(f) deposits to secure the performance of bids, trade contracts, leases and subleases (in each case, other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(h);

(i) Liens securing Indebtedness permitted under Section 7.02(e); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) the Indebtedness secured thereby does not exceed the cost or fair market value, whichever is lower, of the property being acquired on the date of acquisition;

(j) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Borrower or any Subsidiary of the Borrower or becomes a Subsidiary of the Borrower; provided that such Liens were not created in contemplation of such merger, consolidation or Investment, do not extend to any assets other than those of the Person merged into or consolidated with the Borrower or such Subsidiary or acquired by the Borrower or such Subsidiary and are not for Consolidated Funded Indebtedness;

(k) Liens arising under any equipment lease agreement entered into by any Loan Party in the ordinary course of business consistent with past practices, provided that such Liens do not extend to any assets other than those subject to the equipment lease;

(l) Liens arising in the ordinary course of business in favor of one or more financial institutions in which any Loan Party maintains one or more deposit accounts in the ordinary course of business securing usual and customary fees and expenses (but not attorneys fees and expenses) directly relating to such deposit accounts, provided that such Liens secure amounts outstanding for not more than thirty days from the date of incurrence;

(m) precautionary Liens arising from filing UCC financing statements in respect of operating leases, provided that such Liens do not extend to any assets other than those subject of such operating lease;

(n) Liens arising under licenses entered into by any Loan Party in the ordinary course of business; provided that such Liens (i) do not extend to any assets other than those subject to the license, (ii) do not interfere in any material respect with the business of the Loan Parties as conducted prior to giving effect to such license and (iii) are reasonably expected to be additive to Consolidated EBITDA for the Measurement Period ending immediately prior to the date on which any such license is entered into;

(o) Liens constituting leases or subleases of real property granted to others in the ordinary course of business consistent with past practices;

(p) Liens granted in connection with any Permitted Mortgage Financings; provided that such Liens do not extend to any assets other than those subject to the Permitted Mortgage Financings and do not secure an amount in excess of the Permitted Mortgage Financing; and

(q) other Liens with respect to obligations that do not exceed $1,500,000 at any one time outstanding.

7.02 Indebtedness. Create, incur, assume or suffer to exist any Indebtedness, except:

(a) obligations (contingent or otherwise) existing or arising under any Swap Contract, provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or foreign exchange rates and not for purposes of speculation or taking a "market view;" and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(b) Indebtedness of a Guarantor owed to the Borrower or a Guarantor, which Indebtedness shall (i) constitute pledged debt under the Pledge Agreements, (ii) be on terms (including subordination terms) acceptable to the Administrative Agent and (iii) be otherwise permitted under the provisions of Section 7.03;

(c) Indebtedness constituting the Obligations;

(d) Indebtedness outstanding on the date hereof and listed on Schedule 7.02 and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal

to any existing commitments unutilized thereunder and the direct or any contingent obligor with respect thereto is not changed, as a result of or in connection with such refinancing, refunding, renewal or extension; and provided, still further, that the terms relating to principal amount, amortization, maturity, collateral (if any) and subordination (if any), and other material terms taken as a whole, of any such refinancing, refunding, renewing or extending Indebtedness, and of any agreement entered into and of any instrument issued in connection therewith, are no less favorable in any material respect to the Loan Parties or the Lenders than the terms of any agreement or instrument governing the Indebtedness being refinanced, refunded, renewed or extended and the interest rate applicable to any such refinancing, refunding, renewing or extending Indebtedness does not exceed the then applicable market interest rate;

(e) Indebtedness in respect of Capitalized Leases and purchase money obligations arising in connection with the acquisition of equipment within the limitations set forth in Section 7.01(i); provided, however, that (i) the aggregate amount of all such Indebtedness at any one time outstanding shall not exceed $10,000,000 and (ii) the aggregate amount of the Permitted Transaction Amount at any one time outstanding and after giving effect to such transaction shall not exceed $20,000,000;

(f) Guarantees of the Borrower or any Guarantor in respect of Indebtedness otherwise permitted hereunder of the Borrower or any Guarantor;

(g) Indebtedness of the Borrower or any other Loan Party arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn by the Borrower or such Loan Party in the ordinary course of business against insufficient funds, so long as such Indebtedness is repaid within five (5) Business Days;

(h) Indebtedness in the form of (i) performance based earn-outs and purchase price adjustments and other similar contingent payment obligations in respect of any Permitted Acquisition and (ii) and (A) payments to the former stockholders of the Borrower pursuant to the Merger Agreement so long as such payments are made from funds allotted for such purpose and held in their own account, segregated from all other assets of the Borrower and (B) indemnification claims under the Merger Agreement;

(i) Indebtedness incurred by the Borrower or any other Loan Party (other than the Borrower) in respect of indemnification claims relating to adjustments of purchase price or similar obligations in any case incurred in connection with any Disposition permitted under Section 7.05;

(j) Indebtedness of any Loan Party in respect of workers' compensation claims, performance, bid and surety bonds and completion guaranties, in each case, in the ordinary course of business, which, in each case, is consistent with past practices;

(k) all obligations of the type described in clause (g) of the definition of "Indebtedness" so long as no such obligation shall require such purchase, redemption, retirement, defeasement, distribution in respect thereof or other similar payment to occur prior to the earlier to occur of (i) a date that is one calendar year following the Maturity Date or (ii) the payment in full in cash of the Obligations;

(l) Permitted Mortgage Financings;

(m) Executive Officer Employment Agreement Stock Put/Call Rights;

(n) the Class C Common Stock, subject to the terms of the Management Subordination Agreements; and

(o) other Indebtedness; provided, however, that (i) the aggregate principal amount of Indebtedness permitted under this Section 7.02(o) shall not exceed $5,000,000 at any time outstanding and (ii) the aggregate amount of the Permitted Transaction Amount at any one time outstanding shall not exceed $20,000,000.

7.03 Investments. Make or hold any Investments, except:

(a) Investments held by the Loan Parties in the form of Cash Equivalents, provided that such Cash Equivalents are maintained in an account with the Administrative Agent or, an account subject to an Account Control Agreement in form and substance satisfactory to the Administrative Agent, or an account permitted to exist pursuant to Section 6.20;

(b) advances to officers, directors and employees of the Borrower and Subsidiaries in an aggregate amount not to exceed $100,000 at any time outstanding, for travel, entertainment, relocation and analogous ordinary business purposes;

(c) (i) Investments by the Borrower and its Domestic Subsidiaries in their respective Domestic Subsidiaries outstanding on the date hereof, (ii) additional Investments by a Loan Party in another Loan Party that is a wholly owned Domestic Subsidiary and (iii) Investments not to exceed $15,000 to repurchase any Minority Interests; provided that Investments permitted by this clause (iii) shall not exceed $250,000 in the aggregate over the term of this Agreement;

(d) Investments consisting of accounts receivable from credit card companies in the ordinary course of business;

(e) Guarantees permitted by Section 7.02;

(f) Investments existing on the date hereof (other than those referred to in Section 7.03(c)(i)) and set forth on Schedule 7.03(f); and

(g) Investments by any Loan Party in Swap Contracts permitted under Section 7.02(a);

(h) Investments made in the ordinary course of business in connection with security deposits and prepayments of rents under Leases or prepayments of suppliers in the ordinary course of business, provided that in any case not more than one month's security deposit, rent or amounts paid to such suppliers in the ordinary course of business shall be so paid;

(i) Investments of any Person in existence at the time such Person becomes a Loan Party; provided such Investment was not made in connection with or anticipation of such Person becoming a Subsidiary of the Borrower;

(j) Subsidiaries may be established or created, if the Borrower and such Subsidiary complies with the provisions of Section 6.12 and, provided, that to the extent such new Subsidiary is created solely for the purpose of consummating a merger transaction pursuant to a Permitted Acquisition, and such new Subsidiary at no time holds any assets or liabilities other than any merger consideration contributed to it contemporaneously with the closing of such merger transactions, such new Subsidiary shall not be required to take the actions set forth in Section 6.12 until the respective acquisition is consummated (at which time the surviving entity of the respective merger transaction shall be required to so comply within ten Business Days);

(k) Investments that constitute a Permitted Acquisition;

(l) Investments that constitute Permitted Seller Notes;

(m) Investments that constitute loans to employees of the Borrower or its Subsidiaries, the proceeds of which are used to purchase Equity Interests in the Borrower; provided that the amount of such loans at any time outstanding shall not exceed $1,000,000; and

(n) other Investments; provided, however, that (i) the aggregate amount of Investments permitted under this Section 7.03(n) does not exceed $5,000,000 at any time outstanding and (ii) the aggregate amount of the Permitted Transaction Amount at any one time outstanding shall not exceed $20,000,000 (in each case determined as the amount originally advanced, loaned or otherwise invested).

7.04 Fundamental Changes. Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default or Event of Default shall have occurred and be continuing at the time of any action described below or would result therefrom:

(a) any Guarantor may merge with (i) the Borrower, provided that the Borrower shall be the continuing or surviving Person, or (ii) any one or more other Guarantors;

(b) any Guarantor may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Borrower or to another Loan Party;

(c) any Subsidiary that is not a Loan Party may dispose of all or substantially all its assets (including any Disposition that is in the nature of a liquidation) to (i) another Subsidiary that is not a Loan Party or (ii) to a Loan Party;

(d) the Borrower and its Subsidiaries may consummate the Acquisition;

(e) in connection with any Permitted Acquisition, any Subsidiary of the Borrower may merge into or consolidate with any other Person or permit any other Person (other than the Borrower) to merge into or consolidate with it; provided that the Person surviving such merger shall be a Loan Party;

(f) Dispositions expressly permitted by Section 7.05 may be consummated; and

(g) any Restricted Payment expressly permitted by Section 7.06 may be consummated.

7.05 Dispositions. Make any Disposition or enter into any agreement to make any Disposition, except:

(a) Dispositions of obsolete or worn out property, whether now owned or hereafter acquired, in the ordinary course of business;

(b) Dispositions of inventory in the ordinary course of business;

(c) Dispositions of equipment or real property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the Net Cash Proceeds of such Disposition either (A) are applied to the purchase price of such replacement property; or (B) are applied to prepay the Loans, in each case pursuant to Section 2.05(b)(ii);

(d) Dispositions of property by any Subsidiary to the Borrower or to a Guarantor;

(e) Dispositions expressly permitted by Section 7.04;

(f) non-exclusive licenses of IP Rights in the ordinary course of business in connection with Franchise Agreements and substantially consistent with past practice;

(g) other Dispositions of assets in arms-length transactions so long as the aggregate proceeds from assets Disposed of pursuant to this clause (g) during the term of this Agreement does not exceed $5,000,000; provided, however, that should any Disposition cause the aggregate proceeds from all assets

Disposed of pursuant to this clause (g) to exceed $2,000,000, then such Disposition (and any subsequent Disposition thereafter made pursuant to this clause (g)) shall be permitted only to the extent that the Consolidated Total Lease Adjusted Leverage Ratio as set forth in the most recent Compliance Certificate received prior to such Disposition by the Administrative Agent pursuant to Section 6.02(a) is less than 4.00 to 1.00;

(h) the sale or issuance of (i) any Subsidiary's Equity Interests to the Borrower or any Guarantor or (ii) any Minority Interest;

(i) the leasing or sub-leasing of real property or entering into occupancy agreements with respect thereto, in each case, that would not materially interfere with the required use of such real property by the Borrower or its Subsidiaries and is in the ordinary course of business at arm's length and on market terms;

(j) Dispositions of restaurants or other assets acquired pursuant to Permitted Acquisitions that have not been rebranded as "Noodles & Company" restaurant; and

(k) any transfer of assets of any Loan Party to any Person other than a Loan Party in exchange for assets of such Person as part or all of the purchase price in a Permitted Acquisition; provided, that (i) such exchange is consummated on an arm's length basis for fair consideration, (ii) to the extent applicable, the Borrower complies with Section 2.05(b)(ii) if any Net Cash

Proceeds received from such exchange are not credited to the purchase price of such Permitted Acquisition and (iii) the provisions relating to a Permitted Acquisition shall otherwise have been complied with, including with respect to Section 6.12 hereof;

provided, however, that any Disposition pursuant to Section 7.05(a) through Section 7.05(k) shall be for fair market value.

7.06 Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that, so long as no Default or Event of Default shall have occurred and be continuing other than in respect of Restricted Payments made under paragraphs (a), (b), (e) which shall not be subject to the requirement that no Default be then continuing) at the time of any action described below or would result therefrom:

(a) each Subsidiary may make Restricted Payments to the Borrower or any Guarantors;

(b) the Borrower and each Guarantor may declare and make dividend payments or other distributions payable solely in the common stock or other common Equity Interests of such Person so long as no Change of Control would result therefrom;

(c) except to the extent the Net Cash Proceeds thereof are required to be applied to the prepayment of the Loans pursuant to Section 2.05(b)(iii), the Borrower and each Guarantor may purchase, redeem or otherwise acquire Equity Interests issued by it with the proceeds received from the substantially concurrent issue of new Equity Interests so long as no Change of Control would result therefrom;

(d) the Borrower may make (i) Restricted Payments under the Management Agreement constituting management fees in an aggregate amount not to exceed $500,000 in the aggregate in any Fiscal Year, and (ii) Restricted Payments to the PSP Investor in respect of its Class C Common Stock in an aggregate amount not to exceed $500,000 in the aggregate in any Fiscal Year (such Restricted Payments, the "Class C Common Stock Dividend") plus, in each case, any accrued amounts permitted to be paid pursuant to the Management Subordination Agreements, in each case, so long as the Borrower demonstrates pro forma compliance with the financial covenants set forth in Section 7.11;

(e) the Borrower may declare and pay cash dividends to the Sponsor Investors not to exceed an amount necessary for the Sponsor Investors to pay (i) reasonable and customary corporate and operating expenses; provided that the aggregate amount of dividends under this clause (i) in any Fiscal Year shall not exceed $250,000 and (ii) franchise fees or similar taxes and fees required to maintain its corporate existence;

(f) Borrower may redeem Equity Interests acquired pursuant to the exercise of options by employees issued pursuant to an option plan approved by the board of directors or equivalent governing body of the Borrower in the ordinary course of business; provided that no Default or Event of Default shall have occurred and be continuing before or after giving effect to any such redemption and the Restricted Payments made pursuant to this Section 7.06(f) shall not exceed $1,000,000 in the aggregate over the term of this Agreement;

(g) the Borrower may purchase, redeem or otherwise retire Equity Interests in an aggregate amount not to exceed $5,000,000 during the term of this Agreement; provided that, before or after giving effect to any such purchase, redemption or acquisition of Equity Interests, (i) no Default or Event of Default shall have occurred and be continuing, and (ii) should any Restricted Payment cause the aggregate Restricted Payments permitted under this clause (g) to exceed $2,000,000, then such Restricted Payment (and any subsequent Restricted Payment thereafter made pursuant to this clause (g)) shall be permitted only to the extent that the Consolidated Total Lease Adjusted Leverage Ratio as set forth in the most recent Compliance Certificate received prior to such Disposition by the Administrative Agent pursuant to Section 6.02(a) is less than 4.00 to 1.00;

(h) the Borrower may make Restricted Payments required in connection with the Executive Officer Employment Agreement Stock Put/Call Rights in an aggregate amount not to exceed $5,000,000 over the life of this Agreement; provided that, before or after giving effect to any such Restricted Payment the Borrower is in compliance with the terms of this Agreement; and

(i) the Borrower may purchase fractional shares of the Borrower's common stock arising out of stock dividends, splits or combinations or business combinations.

7.07 Change in Nature of Business. Engage in any material line of business substantially different from those lines of business conducted by the Borrower and its Subsidiaries on the date hereof or any business substantially related or incidental thereto. Own, operate or franchise any restaurant concept other than a "Noodles & Company" restaurant concept, except, in each case, for the temporary ownership, operation or franchise of other restaurant concepts in connection with a Permitted Acquisition prior to re-branding or disposing of such Acquired Assets in accordance with the terms of the Permitted Acquisition definition.

7.08 Transactions with Affiliates. Enter into any transaction of any kind with any Affiliate of the Borrower, whether or not in the ordinary course of business, other than on terms which are fair and reasonable and comparable to the terms which would be obtainable by the Borrower or such Subsidiary at the time in a comparable arm's length transaction with a Person other than an Affiliate and other than Restricted Payments permitted by Section 7.06.

7.09 Burdensome Agreements. Enter into or permit to exist any Contractual Obligation (other than this Agreement or any other Loan Document) that (a) limits the ability (i) of any Subsidiary to make Restricted Payments to the Borrower or any Guarantor or to otherwise transfer property to or invest in the Borrower or any Guarantor, except for any agreement in effect (A) on the date hereof and set forth on Schedule 7.09 or (B) at the time any Subsidiary becomes a Subsidiary of the Borrower, so long as such agreement was not entered into solely in contemplation of such Person becoming a Subsidiary of the Borrower, (ii) of any Subsidiary to Guarantee the Indebtedness of the Borrower or (iii) of the Borrower or any Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person; provided, however, that this clause (iii) shall not prohibit any negative pledge incurred or provided in favor of any holder of Indebtedness permitted under Section 7.02(e) or any licenses of software and other Intellectual Property in connection with which the Borrower is the licensee solely, in each case, to the extent any such negative pledge relates to the property financed by or the subject of such Indebtedness;

or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person.

7.10 Use of Proceeds. Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11 Financial Covenants.

(a) Consolidated Total Lease Adjusted Leverage Ratio. Permit the Consolidated Total Lease Adjusted Leverage Ratio as of the end of any four Fiscal Quarters of the Borrower ending during the periods set forth below to be greater than the ratio set forth below opposite the applicable period:

Period	Maximum Consolidated Total Lease Adjusted Leverage Ratio
Closing Date through the ending date of the Third Fiscal Quarter of 2012	5.50:1.00
The first day of the Fourth Fiscal Quarter of 2012 through the ending date of the Third Fiscal Quarter of 2014	5.25:1.00
The first day of the Fourth Fiscal Quarter of 2014 through the ending date of each Fiscal Quarter thereafter	5.00:1.00

; provided that at all times after the creation of a Public Market, the Consolidated Total Lease Adjusted Leverage Ratio as of the end of any four Fiscal Quarters of the Borrower shall be less than or equal to 5.00:1.00.

(b) Consolidated Total Leverage Ratio. Permit the Consolidated Total Leverage Ratio as of the end of any four Fiscal Quarters of the Borrower ending during the periods set forth below to be greater than the ratio set forth below opposite the applicable period:

Period	Maximum Consolidated Total Leverage Ratio
Closing Date through the ending date of the Third Fiscal Quarter of 2011	3.50:1.00
The first day of the Fourth Fiscal Quarter of 2011 through the ending date of the Third Fiscal Quarter of 2012	3.25:1.00
The first day of the Fourth Fiscal Quarter of 2012 through the ending date of the Third Fiscal Quarter of 2013	3.00:1.00
The first day of the Fourth Fiscal Quarter of 2013 through the ending date of the Third Fiscal Quarter of 2014	2.75:1.00
The first day of the Fourth Fiscal Quarter of 2014 through the ending date of each Fiscal Quarter thereafter	2.50:1.00

; provided that at all times after the creation of a Public Market, the Consolidated Total Leverage Ratio as of the end of any four Fiscal Quarters of the Borrower shall be less than or equal to 2.50:1.00.

(c) Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio as of the end of any Fiscal Quarter of the Borrower to be less than 1.50:1.00.

7.12 Capital Expenditures. Make or become legally obligated to make any Capital Expenditure, except for Capital Expenditures in the ordinary course of business not exceeding, in the aggregate for the Borrower and it Subsidiaries during each Fiscal Year, the amount set forth below opposite such Fiscal Year:

Fiscal Year	Maximum Capital Expenditures
2011	$ 35,000,000
2012	$ 40,000,000
2013	$ 47,000,000
2014	$ 53,000,000

2015	$	60,000,000

; provided, however, that if at any time, the Consolidated Total Lease Adjusted Leverage Ratio, as demonstrated in a Compliance Certificate reasonably satisfactory to the Administrative Agent, is less than 4.00 to 1.00 for the Measurement Periods ended as at the end of the two immediately prior Fiscal Quarter end dates, the restrictions set forth in this Section 7.12 shall not apply until the earlier of (i) the end of the applicable Fiscal Year or (ii) the date on which the Consolidated Total Lease Adjusted Leverage Ratio, as the end of a Measurement Period for any successive Fiscal Quarters as demonstrated in a compliance certificate reasonably satisfactory to the Administrative Agent, is equal to or greater than 4.00 to 1.00; and

; provided further, however, that if as of the last day of any Fiscal Year, the Borrower and its Subsidiaries have made Capital Expenditures in the period consisting of four Fiscal Quarters then ended in an aggregate amount less than the applicable amount set forth above, then so long as no Event of Default is then continuing, an amount equal the lesser of (i) fifty percent (50%) of the unused portion of such permitted Capital Expenditures for such Fiscal Year (excluding any unused amounts carried over from Fiscal Year prior to such Fiscal Year) and (ii) twenty-five

percent (25%) of the maximum amount of Capital Expenditures permitted for such Fiscal Year (excluding any unused amounts carried over from the Fiscal Year prior to such Fiscal Year) as reflected in the table set forth above may be carried over for expenditure in the immediately following Fiscal Year.

Notwithstanding the foregoing, the Borrower will not enter into any new lease arrangements and will not permit any of its Subsidiaries to enter into any new lease arrangements (other than leases which are subject to a binding written commitment on the Closing Date), and will not make, and will not permit any of its Subsidiaries to make, any uncommitted Capital Expenditures, unless the Consolidated Total Lease Adjusted Leverage Ratio for the Measurement Period most recently completed, after giving pro forma effect to such lease or Capital Expenditure, is 0.25 less than the Consolidated Total Lease Adjusted Leverage Ratio required for such Measurement Period, such compliance to be determined on the financial information most recently delivered to the Administrative Agent pursuant to Section 6.01(a) or (b), and no Default or Event of Default then exists or would result therefrom.

7.13 Amendments of Organization Documents. (a) Amend any of its Organization Documents, except to the extent any such amendment could not reasonably be expected to have a Material Adverse Effect or, notwithstanding the foregoing to the contrary, without the prior written consent of the Administrative Agent, the Organization Documents of any Loan Party shall not be amended (i) to create any class of Equity Interests that (x) is required to be repurchased, redeemed, retired, defeased or otherwise similarly acquired or discharged or (y) the holders of which are entitled to receive mandatory dividend, distributions or other similar payments in respect of such Equity Interests or (z) permits the acceleration of any such rights acquired (whether automatically or upon demand of the holder thereof); in each case, at any time prior to the date that is one calendar year following the Maturity Date unless all Obligations (other than inchoate indemnification liabilities arising under the Loan Documents for which a claim has not been asserted) have been paid in full in cash, the Commitments hereunder have been terminated and the Loan Documents have been terminated or (ii) to change the name of any Loan Party or its type of organization or (b) in addition to the provisions of clause (a) above, amend, modify or change in any manner any term or condition of the Organization Documents of the Borrower in a manner that provides any voting or consent rights or negative covenants to any shareholders unless the Administrative Agent shall have, for the benefit of the Secured Parties, pursuant to the Sponsor Pledge Agreement, a pledge of an amount of the shares held by such shareholders so as to have control over such voting or consent rights.

7.14 Accounting Changes. Make any change in (a) accounting policies or reporting practices, except as required by GAAP, or (b) Fiscal Year.

7.15 Prepayments, Etc. of Indebtedness. Prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any Indebtedness, except (a) the prepayment of the Credit Extensions in accordance with the terms of this Agreement and (b) regularly scheduled or required repayments or redemptions of Indebtedness set forth in Schedule 7.02 and refinancings and refundings of such Indebtedness in compliance with Section 7.02(d).

7.16 Amendment, Etc. of Merger Agreement, the Management Agreement and Indebtedness.

(a) Cancel or terminate the Merger Agreement or consent to or accept any cancellation or termination thereof (b) amend, modify or change in any manner any term or condition of the Merger Agreement or the Management Agreement or give any consent, waiver or approval thereunder, (c) waive any default under or any breach of any term or condition of the Merger Agreement, or (d) take any other action in connection with the Merger Agreement or the Management Agreement, in each case, that would materially impair the value of the interest or rights of any Loan Party thereunder or that would impair the rights or interests of the Administrative Agent or any Lender.

7.17 Equity Issuances. The Borrower shall not issue any Equity Interests if as a result of such issuance (and assuming the exercise of all outstanding options and warrants for all Equity Interests of the Borrower and after giving effect to all transfers of Equity Interests of the Borrower made by the Sponsor Investors), the Lien of the Administrative Agent for the benefit of the Secured Parties, pursuant to the Sponsor Pledge Agreement shall result in a pledge of Equity Interests of the Borrower in an amount less than the Required Pledged Stock Amount or if such issuance would result in a breach of Section 10 (b) or (d) of the Sponsor Pledge Agreement.

ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to (i) pay when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation or deposit any funds as Cash Collateral in respect of L/C Obligations, or (ii) pay within three days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) pay within five days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. (i) The Borrower fails to perform or observe any term, covenant or agreement contained in any of Section 6.01, 6.02(a), (b), (c) and (j), 6.03, 6.05, 6.07, 6.10, 6.11, 6.12, 6.19, 6.20, 6.22 or Article VII, (ii) any of the Guarantors fails to perform or observe any term, covenant or agreement contained in the Guaranty or (iii) any of the Loan Parties fails to perform or observe any term, covenant or agreement contained any Collateral Document to which it is a party; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower or any other Loan Party herein or in any other Loan Document that is not qualified by materiality shall be materially

incorrect or misleading when made or deemed made; or any other representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower or any other Loan Party herein or in any other Loan Document shall be incorrect or misleading when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary thereof (A) fails to make any payment when due (after the expiration of any applicable grace or cure periods set forth therein) (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which a Loan Party or any Subsidiary thereof is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as defined in such Swap Contract) under such Swap Contract as to which a Loan Party or any Subsidiary thereof is an Affected Party (as defined in such Swap Contract) and, in either event, the Swap Termination Value owed by such Loan Party or such Subsidiary as a result thereof is greater than the Threshold Amount; or

(f) Stock Pledge Release Certificate. Any certificate delivered pursuant to the Sponsor Pledge Agreement in connection with the Administrative Agent's release of any portion of its Lien pursuant to Section 10 of the Sponsor Pledge Agreement shall be incorrect and if such certificate had accurately reflected all outstanding Equity Interests of the Borrower (assuming the exercise of all outstanding options and warrants for Equity Interests of the Borrower and after giving effect to all issuances of Equity Interests by the Borrower and all transfers of Equity Interests of the Borrower made by the Sponsor Investors, including the issuances, transfers or exercise giving rise to the delivery of such certificate), such certificate would have reflected a breach of Section 6(e) of the Sponsor Pledge Agreement.

(g) Insolvency Proceedings, Etc. Any Loan Party or any Subsidiary thereof institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for 60 calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its

property is instituted without the consent of such Person and continues undismissed or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(h) Inability to Pay Debts; Attachment. (i) Any Loan Party or any Subsidiary thereof becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within 45 days after its issue or levy; or

(i) Judgments. There is entered against any Loan Party or any Subsidiary thereof (i) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer is rated at least "A" by A.M. Best Company, has been notified of the potential claim and does not dispute coverage), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of 10 consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(j) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of the Borrower or an ERISA Affiliate under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(k) Invalidity of Loan Documents. Any provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any Equity Investor contests in any manner the validity or enforceability of any provision of any Loan Document; or any other Person contests in writing in any judicial proceeding in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party or any Equity Investor denies that it has any or further liability or obligation under any provision of any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or

(l) Change of Control. There occurs any Change of Control; or

(m) Collateral Documents. Any Collateral Document after delivery thereof pursuant to Section 4.01 or 6.12 shall for any reason (other than pursuant to the terms thereof) cease to create a valid and perfected first priority Lien (subject to Permitted Liens that are senior in priority under applicable Law) on the Collateral purported to be covered thereby; or

(n) Subordination. (i) The subordination provisions of the documents evidencing or governing any subordinated Indebtedness (the "Subordination Provisions") or the provisions of the Management Subordination Agreements shall, in whole or in part, terminate (other than explicitly pursuant to the terms of such Subordination Provisions or the Management Subordination Agreements, as applicable), cease to be effective or cease to be legally valid, binding and enforceable against any holder of the applicable subordinated Indebtedness or the Management Subordination Agreements, as applicable; or (ii) the Borrower or any other Loan Party shall, directly or indirectly, disavow or contest in any manner (A) the effectiveness, validity or enforceability of any of the Subordination Provisions or the Management Subordination Agreements, (B) that the Subordination Provisions and the Management Subordination Agreements exist for the benefit of the Administrative Agent, the Lenders and the L/C Issuer or (C) that all payments of principal of or premium and interest on the applicable subordinated Indebtedness, or realized from the liquidation of any property of any Loan Party, shall be subject to any of the Subordination Provisions or the Management Subordination Agreements; or

(o) Material Franchisee Agreement Default. Any (i) event of default (howsoever defined under any Franchise Agreement) under any Franchise Agreement as it relates to the failure by such Franchisee to make any material payment required thereunder if such payment is not made within thirty (30) days of the date on which it was originally due, (ii) any Franchisee instituting or consenting to the institution of any proceeding under any Debtor Relief Law or making an assignment for the benefit of creditors, or (iii) any Franchisee applying for or consenting to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or substantially all of its property; in each case, which, either individually or in the aggregate with all other such similar events under any Franchise Agreement, could reasonably be expected to have a Material Adverse Effect.

8.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(d) exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents and under applicable Law;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

8.03 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall, subject to the provisions of Sections 2.13, 2.14 and 2.15, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuer (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuer) arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Borrowings and other Obligations arising under the Loan Documents, ratably among the Lenders and the L/C Issuer in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans, L/C Borrowings and Obligations then owing under Secured Hedge Agreements and Secured Cash Management Agreements, ratably among the Lenders, the L/C Issuer, the Hedge Banks and the Cash Management Banks in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuer, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Subject to Sections 2.03(c) and 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings

under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

Notwithstanding the foregoing, Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements shall be excluded from the application described above if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may reasonably request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Cash Management Bank or Hedge Bank not a party to the Credit Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX hereof for itself and its Affiliates as if a "Lender" party hereto.

8.04 Borrower's Right to Cure Financial Covenants. In the event that for any Measurement Period, the Loan Parties fail to comply with one or more of the financial covenants contained in Section 7.11(a), Section 7.11(b) or Section 7.11(c) (in each such case, a "Financial Covenant Event of Default" and if more than one, the "Financial Covenant Events of Default), the Loan Parties shall have the right to cure any or all of the Financial Covenant Events of Default occurring as at the end of such Measurement Period on the following terms and conditions (the "Equity Cure Right"):

(a) In the event the Loan Parties desire to cure a Financial Covenant Event of Default, the Loan Parties shall deliver to the Administrative Agent irrevocable written notice of the Loan Parties' intent to cure (a "Cure Notice") no later than three (3) Business Days following the date on which financial statements under Section 6.01(b) should have been delivered for the last Fiscal Quarter in such Measurement Period (the "Notice Date") as to which the Financial Covenant Event of Default occurred (such last Fiscal Quarter, the "Test Fiscal Quarter"). The Cure Notice shall set forth the calculation of the applicable "Specified Equity Contribution" (as hereinafter defined).

(b) In the event the Loan Parties deliver a Cure Notice as required pursuant to Section 8.04(a), the Equity Investors shall purchase Qualified Securities issued by the Borrower for cash consideration or make a cash contribution to the Borrower in an amount not less than the Specified Equity Contribution, no later than five (5) days after receipt by the Administrative Agent of the Cure Notice (the "Required Contribution Date"). The "Specified Equity Contribution" shall equal an amount by which Consolidated EBITDA and/or Consolidated EBITDAR, as applicable, for such Measurement period would have to be increased in order to have prevented the occurrence of any Financial Covenant Event of Default for such Measurement Period; provided that in no event shall such Specified Equity Contribution exceed such required amount and such Specified Equity Contribution shall be treated as an increase in Consolidated EBITDA or Consolidated EBITDAR, as applicable, solely for such Test Fiscal Quarter. For each Measurement Period ending thereafter which includes such Test Fiscal Quarter, such Specified Equity Contribution, subject to compliance with Section 2.05(b)(v), shall be treated as reducing Consolidated Funded Indebtedness (and any prior increase in Consolidated EBITDA or Consolidated EBITDAR on account of such Specified Equity Contribution shall be disregarded).

(c) The Loan Parties may exercise the Equity Cure Right no more frequently than (i) two (2) times during any Measurement Period (provided that the Equity Cure Right shall not be exercised in two consecutive Fiscal Quarters) and (ii) four (4) times during the term of this Agreement. Subject to the limitations set forth in the definition of Specified Equity Contribution, the Specified Equity Contribution may not exceed (i) more than $3,000,000 with regard to any single exercise of the Equity Cure Right and (ii) no more than $5,000,000 in aggregate cash consideration with regard to all exercises of the Equity Cure Right during the term of this Agreement.

(d) Between the Notice Date and the Required Contribution Date, neither the Administrative Agent nor any Lender shall exercise any enforcement remedy pursuant to Section 8.02 of this Agreement or any other Loan Document against any Loan Parties or any of their respective properties solely with respect to any such Financial Covenant Event of Default but shall not be restricted from doing any of the foregoing with respect to any other Event of Default and each other Default or Event of Default that may exist at such time shall continue to exist (unless cured or waived in accordance with the terms of this Agreement) and shall not be affected by the exercise of such Equity Cure Right; provided that, until timely receipt of the Specified Equity Contribution, an Event of Default shall be deemed to exist for all other purposes of the Loan Documents.

(e) Upon receipt by the Borrower in cash of the Specified Equity Contribution on or before the Required Contribution Date and the making of the required mandatory prepayment pursuant to Section 2.05(b)(v), the applicable Financial Covenant Events of Default for the Measurement Period ending on the Test Fiscal Quarter shall be deemed cured and shall no longer be considered continuing for all purposes hereunder.

This Section 8.04 may not be relied on for any purposes other than demonstrating compliance with Section 7.11(a), (b) or (c), as applicable, for purposes of determining whether an Event of Default exists and shall not result in any adjustment to Consolidated EBITDA or Consolidated EBITDAR for any other purpose hereunder, including, without limitation, the calculation of Excess Cash Flow, the Excess Cash Flow Percentage and the Applicable Rate.

ARTICLE IX
ADMINISTRATIVE AGENT

9.01 Appointment and Authority.

(a) Each of the Lenders and the L/C Issuer hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuer, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions.

(b) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each of the Lenders (including in its capacities as a potential Hedge Bank and a potential Cash Management Bank) and the L/C Issuer hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the L/C Issuer for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 9.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the

direction of the Administrative Agent), shall be entitled to the benefits of all provisions of this Article IX and Article XI (including Section 11.04(c), as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents) as if set forth in full herein with respect thereto.

9.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

9.03 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(d) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower, a Lender or the L/C Issuer.

(e) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or the sufficiency of any Collateral, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

9.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) reasonably believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or the L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or the L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts reasonably selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more co-agents, sub-agents and attorneys in fact appointed by the Administrative Agent. The Administrative Agent and any such co-agent, sub-agent and attorney in fact may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such co-agent, sub-agent and attorney in fact and to the Related Parties of the Administrative Agent and any such co-agent, sub-agent, and attorney in fact and shall apply to their respective

activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

9.06 Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders and the L/C Issuer, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuer under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the L/C Issuer directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring

Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Any resignation by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as L/C Issuer and Swing Line Lender. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer and Swing Line Lender, (ii) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of its respective duties and obligations hereunder or under the other Loan Documents, and (iii) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

9.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and the L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent, the L/C Issuer or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other Loan Documents. Each Lender and the L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Joint Book Managers, Co-Lead Arrangers, Co-Syndication Agents or the Documentation Agent listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or the L/C Issuer hereunder.

9.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under Sections 2.03(h) and (i), 2.10 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and the L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuer, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.10 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or the L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of

any Lender or the L/C Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or the L/C Issuer or in any such proceeding.

9.10 Collateral and Guaranty Matters. Each of the Lenders (including in its capacities as a potential Cash Management Bank and a potential Hedge Bank) and the L/C Issuer irrevocably authorize the Administrative Agent, at its option and in its discretion,

(a) to release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) upon termination of the Aggregate Commitments and payment in full of all Obligations (other than (A) contingent indemnification obligations for which no claim has then been asserted and (B) obligations and liabilities under Secured Cash Management Agreements and Secured Hedge Agreements as to which arrangements satisfactory to the applicable Cash Management Bank or Hedge Bank shall have been made) and the expiration or termination of all Letters of Credit (other than Letters of Credit as to which other arrangements satisfactory to the Administrative Agent and the L/C Issuer shall have been made), (ii) that is sold or to be sold as part of or in connection with any sale permitted hereunder or under any other Loan Document, or (iii) if approved, authorized or ratified in writing in accordance with Section 11.01;

(b) to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted hereunder; and

(c) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 7.01(i).

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 9.10. In each case as specified in this Section 9.10, the Administrative Agent will, at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under

the Collateral Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 9.10.

9.11 Secured Cash Management Agreements and Secured Hedge Agreements. No Cash Management Bank or Hedge Bank that obtains the benefits of Section 8.03, the Guaranty or any Collateral by virtue of the provisions hereof or of the Guaranty or any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents or with respect to rights expressly afforded to a Hedge Bank that is not a Lender under the second to last paragraph of Section 11.01. Notwithstanding any other provision of this Article IX to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory

arrangements have been made with respect to, Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may reasonably request, from the applicable Cash Management Bank or Hedge Bank, as the case may be.

ARTICLE X
CONTINUING GUARANTY

10.01 Guaranty. Each Guarantor hereby absolutely and unconditionally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, jointly and severally with the other Guarantors, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all of the Obligations, whether for principal, interest, premiums, fees, indemnities, damages, costs, expenses or otherwise, of the Borrower to the Secured Parties, arising hereunder and under the other Loan Documents (including all renewals, extensions, amendments, refinancings and other modifications thereof and all costs, attorneys' fees and expenses incurred by the Secured Parties in connection with the collection or enforcement thereof). The Administrative Agent's books and records showing the amount of the Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor, and conclusive absent manifest error for the purpose of establishing the amount of the Obligations. This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any instrument or agreement evidencing any Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Obligations which might otherwise constitute a defense to the obligations of any Guarantor under this Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

10.02 Rights of Lenders. Each Guarantor consents and agrees that the Secured Parties may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Guaranty or any Obligations; (c) apply such security and direct the order or manner of sale thereof as the Administrative Agent, the L/C Issuer and the Lenders in their sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Guaranty or which, but for this provision, might operate as a discharge of such Guarantor.

10.03 Certain Waivers. Each Guarantor waives (a) any defense arising by reason of any disability or other defense of the Borrower or any other guarantor, or the cessation from any cause whatsoever (including any act or omission of any Secured Party) of the liability of the Borrower; (b) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of the Borrower; (c) the benefit of any statute of limitations affecting such Guarantor's liability hereunder; (d) any right to proceed against the Borrower,

proceed against or exhaust any security for the Obligations, or pursue any other remedy in the power of any Secured Party whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by any Secured Party; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Obligations. Each Guarantor waives any rights and defenses that are or may become available to such Guarantor by reason of §§ 2787 to 2855, inclusive, and §§ 2899 and 3433 of the California Civil Code. As provided below, this Guaranty shall be governed by, and construed in accordance with, the laws of the State of New York. The foregoing waivers and the provisions hereinafter set forth in this Guaranty which pertain to California law are included solely out of an abundance of caution, and shall not be construed to mean that any of the above-referenced provisions of California law are in any way applicable to this Guaranty or the Obligations.

10.04 Obligations Independent. The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Obligations and the obligations of any other guarantor, and a separate action may be brought against such Guarantor to enforce this Guaranty whether or not the Borrower or any other person or entity is joined as a party.

10.05 Subrogation. No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty until all of the Obligations and any amounts payable under this Guaranty have been indefeasibly paid and performed in full and the Commitments and the Facilities are terminated. If any amounts are paid to any Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Secured Parties to reduce the amount of the Obligations, whether matured or unmatured.

10.06 Termination; Reinstatement. This Guaranty is a continuing and irrevocable guaranty of all Obligations now or hereafter existing and shall remain in full force and effect until all Obligations and any other amounts payable under this Guaranty are indefeasibly paid in full in cash and the Commitments and the Facilities with respect to the Obligations are terminated. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of the Borrower or any Guarantor is made, or any of the Secured Parties exercises its right of setoff, in respect of the Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any of the Secured Parties in their discretion) to be repaid to a trustee, receiver or any other

party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Secured Parties are in possession of or have released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under the preceding sentence shall survive termination of this Guaranty.

10.07 Subordination. Each Guarantor hereby subordinates the payment of all obligations and indebtedness of the Borrower owing to such Guarantor, whether now existing or hereafter arising, including but not limited to any obligation of the Borrower to such Guarantor as subrogee of the Secured Parties or resulting from such Guarantor's performance under this Guaranty, to the indefeasible payment in full in cash of all Obligations. If the Secured Parties so request, any such obligation or indebtedness of the Borrower to any Guarantor shall be enforced and performance received by any Guarantor as trustee for the Secured Parties and the proceeds thereof shall be paid over to the Secured Parties on account of the Obligations, but without reducing or affecting in any manner the liability of the Guarantors under this Guaranty.

10.08 Stay of Acceleration. If acceleration of the time for payment of any of the Obligations is stayed, in connection with any case commenced by or against any Guarantor or the Borrower under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by such Guarantor immediately upon demand by the Secured Parties.

10.09 Condition of Borrower. Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrower and any other guarantor such information concerning the financial condition, business and operations of the Borrower and any such other guarantor as such Guarantor requires, and that none of the Secured Parties has any duty, and such Guarantor is not relying on the Secured Parties at any time, to disclose to such Guarantor any information relating to the business, operations or financial condition of the Borrower or any other Guarantor (such Guarantor waiving any duty on the part of the Secured Parties to disclose such information and any defense relating to the failure to provide the same).

10.10 Contribution. To the extent any Guarantor makes a payment hereunder in excess of the aggregate amount of the benefit received by such Guarantor in respect of the extensions of credit under the Credit Agreement (the "Benefit Amount"), then such Guarantor, after the payment in full, in cash, of all of the Obligations, shall be entitled to recover from each other Guarantor of the Obligations such excess payment, pro rata, in accordance with the ratio of the Benefit Amount received by each such other Guarantor to the total Benefit Amount received by all Guarantors, and the right to such recovery shall be deemed to be an asset and property of such Guarantor so funding; provided, that all such rights to recovery shall be subordinated and junior in right of payment, without any limitation as to the increases in the Obligations arising hereunder or thereunder, to the prior final and indefeasible payment in full in cash of all of the Obligations and, in the event of the application of any Debtor Relief Laws relating to any Guarantor, its debts or assets, whether voluntary or involuntary, all such Obligations shall be paid in full in cash before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Guarantor therefor.

10.11 Concerning Joint and Several Liability of the Guarantors. In addition to and not in limitation of the provisions set forth herein, each of the Guarantors hereby agrees to the following:

(a) The obligations of each Guarantor under the provisions of this Guaranty constitute full recourse obligations of each Guarantor enforceable against each such Guarantor to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability

of this Agreement, any other Loan Documents or any other agreement or document relating to the Obligations or any other circumstance whatsoever.

(b) Until all Obligations shall have been indefeasibly paid in full in cash and all of the lending and other credit commitments under this Agreement and Loan Documents have been terminated, the Guarantors will not, and will not cause or permit any of their Subsidiaries to, commence or join with any other creditor or creditors of any of their Subsidiaries in commencing the application of any Debtor Relief Laws against any of their Subsidiaries.

10.12 Guarantors' Agreement to Pay Enforcement Costs, etc. Each Guarantor further jointly and severally agrees, as a principal obligor and not as a guarantor only, to pay to the Administrative Agent, on demand, all costs and expenses set forth in Section 11.04. The obligations of each Guarantor under this paragraph shall survive the payment in full of the Obligations and termination of this Guaranty.

ARTICLE XI

MISCELLANEOUS

11.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.02 as to any Credit Extension under a particular Facility without the written consent of the Required Revolving Lenders plus the Required Lenders;

(b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under such other Loan Document without the written consent of each Lender entitled to such payment;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to such amount; provided, however, that only the consent of the Required Lenders shall be necessary (i) to amend the definition of "Default Rate" or to waive any

obligation of the Borrower to pay interest or Letter of Credit Fees at the Default Rate or (ii) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing or to reduce any fee payable hereunder.

(e) change (i) Section 2.13 or Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender or (ii) the order of application of any reduction in the Commitments or any prepayment of Loans among the Facilities from the application thereof set forth in the applicable provisions of Sections 2.05(a) and 2.05(b) in any manner that materially and adversely affects the Lenders under a Facility without the written consent of (i) if such Facility is the Term Facility, the Required Term Lenders, and (ii) if such Facility is the Revolving Credit Facility, the Required Revolving Lenders;

(f) change (i) any provision of this Section 11.01 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder (other than the definitions specified in clause (ii) of this Section 11.01(f)), without the written consent of each Lender or (ii) the definition of "Required Revolving Lenders," or "Required Term Lenders" without the written consent of each Lender under the applicable Facility;

(g) release all or substantially all of the Collateral in any transaction or series of related transactions, without the written consent of each Lender;

(h) release all or substantially all of the value of the Guaranty, without the written consent of each Lender, except to the extent the release of any Subsidiary from the Guaranty is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone); or

(i) impose any greater restriction on the ability of any Lender under a Facility to assign any of its rights or obligations hereunder without the written consent of (i) if such Facility is the Term Facility, the Required Term Lenders and (ii) if such Facility is the Revolving Credit Facility, the Required Revolving Lenders;

and provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuer in addition to the Lenders required above, affect the rights or duties of the L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it, (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swing Line Lender in addition to the Lenders required above, affect the rights and duties of the Swing Line Lender under the Agreement, (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document, and (iv) the Fee Letters may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders

or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

Subject to compliance with the last paragraph of Section 8.03, no amendment, waiver or consent with respect to this Agreement or any other Loan Document shall (i) alter the ratable treatment of the Obligations owing under Secured Hedge Agreements in right of payment to principal on the Loans or (ii) result in the Obligations owing under Secured Hedge Agreements becoming unsecured (other than releases of Liens applicable to all Lenders and otherwise permitted in accordance with the terms hereof), in each case, in a manner adverse to the applicable Hedge Bank unless such amendment waiver or consent has been consented to in writing by such Hedge Bank (or in the case of a Secured Hedge Agreement provided or arranged by a Lender or an Affiliate of a Lender, such Lender or Affiliate).

If any Lender does not consent to a proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of such Lender and that has been approved by the Required Lenders, the Borrower may replace such non-consenting Lender in accordance with Section 11.13; provided that such amendment, waiver, consent or release can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrower to be made pursuant to this paragraph).

11.02 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier or electronic mail as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower, the Administrative Agent, the L/C Issuer or the Swing Line Lender to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuer hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices to any Lender or the L/C Issuer pursuant to Article II if such Lender or the L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, the L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender, the L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each of the Borrower, the Administrative Agent and the L/C Issuer and the Swing Line Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other

communications hereunder by notice to the Borrower, the Administrative Agent and the L/C Issuer and the Swing Line Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities Laws.

(e) Reliance by Administrative Agent, L/C Issuer and Lenders. The Administrative Agent, the L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices and Swing Line Loan Notices) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, the L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender, the L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) the L/C Issuer or the Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swing Line Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff

rights in accordance with Section 11.08 (subject to the terms of Section 2.12), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.12, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrower shall pay (i) the reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable and documented fees, charges and disbursements and other charges of counsel for the Administrative Agent (including all costs and expenses incurred by the Administrative Agent and its counsel in connection with the perfection and priority of the security interests and Liens granted to the Administrative Agent pursuant to the Loan Documents, including, without limitation, complete UCC and other lien searches and requests for information listing the financing statements referenced in Section 4.01(a)(iii)(B) and post filing confirmatory searches and any amendments or modifications thereto), in each case, in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications, waivers or other supplements of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), the due diligence undertaken in connection therewith and any other aspect of the Transaction, (ii) all reasonable out-of-pocket expenses incurred by the L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, any Lender or the L/C Issuer (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender or the L/C Issuer), and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent, any Lender or the L/C Issuer in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 11.04, or (B) in connection with Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), the Co-Lead Arrangers each Lender and the L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and expenses arising out of or relating to the Transaction (including, without limitation, the reasonable fees, charges and disbursements of any counsel for any Indemnitee and any settlement costs), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party arising out of, in connection with, or as a result of

(i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party or any of the Borrower's or such Loan Party's directors, shareholders or creditors, and regardless of whether any Indemnitee is a party thereto, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNITEE**; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee for a material breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), the L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the L/C Issuer or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the

proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section shall survive the resignation of the Administrative Agent and the L/C Issuer and the Swing Line Lender, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to the Administrative Agent, the L/C Issuer or any Lender, or the Administrative Agent, the L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, the L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor

Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and the L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders and the L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder (other than, in the case of a Loan Party, pursuant to a transaction expressly permitted under Section 7.04(a), (b), (d), (e), or 7.05(h) without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of Section 11.06(b), (ii) by way of participation in accordance with the provisions of Section 11.06(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 11.06(f) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto,

their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment(s) and the Loans (including for purposes of this Section 11.06(b), participations in L/C Obligations and Swing Line Loans) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and the Loans at the time owing to it under such Facility or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $1,000,000, in the case of any assignment in respect of the Revolving Credit Facility, or $1,000,000, in the case of any assignment in respect of the Term Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met;

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, except that this clause (ii) shall not (A) apply to the Swing Line Lender's rights an obligations in respect of Swing Line Loans or (B) prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within fifteen (15) Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of (1) any Term Commitment or Revolving Credit Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of the applicable Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender or (2) any Term Loan to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) the consent of the L/C Issuer and the Swing Line Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment under the Revolving Credit Facility.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries, or (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) to a natural person.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event

that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.06(d).

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower (such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations and/or Swing Line Loans) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Lenders and the L/C Issuer shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this

Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 11.01 that affects such Participant. Subject to subsection (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.06(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.04 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 3.01 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 3.01(e) as though it were a Lender.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Resignation as L/C Issuer or Swing Line Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its Revolving Credit Commitment and Revolving Credit Loans pursuant to Section 11.06(b), Bank of America may, (i) upon 30 days' notice to the Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon 30 days' notice to the Borrower, resign as Swing Line Lender. In the event of any such resignation as L/C Issuer or Swing Line Lender, the Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swing Line Lender hereunder; provided, however, that no failure by the Borrower to appoint any such successor shall affect the resignation of Bank of America as L/C Issuer or Swing Line Lender, as the case may be. If Bank of America resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto

(including the right to require the Lenders to make Revolving Credit Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). If Bank of America resigns as Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(c). Upon the appointment of a successor L/C Issuer and or Swing Line Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be, and (b) the successor L/C Issuer shall issue

letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

11.07 Treatment of Certain Information; Confidentiality. Each of the Administrative Agent, the Lenders and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or any Eligible Assignee invited to be a Lender pursuant to Sections 2.16(c) or 2.17(c) (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section by such Lender, (ii) was or becomes available to the Administrative Agent, any Lender, the L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower or (iii) was independently developed by the Administrative Agent, such Lender or L/C Issuer.

For purposes of this Section, "Information" means all information received from the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the L/C Issuer on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary, provided that, in the case of information received from the Borrower or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent, the Lenders and the L/C Issuer acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

11.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, the L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply

any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the L/C Issuer or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such other Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or the L/C Issuer, irrespective of whether or not such Lender or the L/C Issuer shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such other Loan Party may be contingent or unmatured or are owed to a branch or office of such Lender or the L/C Issuer different from the branch or office holding such deposit or obligated on such indebtedness; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the L/C Issuer or their respective Affiliates may have. Each Lender and the L/C Issuer agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

11.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic

imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

11.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent, the L/C Issuer and each Lender, regardless of any investigation made by the Administrative Agent, the L/C Issuer or any Lender or on their behalf and notwithstanding that the Administrative Agent, the L/C Issuer or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

11.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent and the L/C Issuer or the Swing Line Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, if any Lender is a Defaulting Lender or if any other circumstance exists hereunder that gives the Borrower the right to replace a Lender as a party hereto, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to 100% of the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter; and

(d) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN

INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent and the Co-Lead Arrangers and the Joint Book Managers are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent and the Co-Lead Arrangers and the Joint Book Managers, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Administrative Agent, the Co-Lead Arrangers and the Joint Book Managers each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent nor any Co-Lead Arranger nor any Joint Book Manager has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Co-Lead Arrangers, the Joint Book Managers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent nor any Co-Lead Arranger nor any Joint Book Manager has any obligation to disclose any of such interests to the Borrower or any of its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any

claims that it may have against the Administrative Agent, the Co-Lead Arrangers and the Joint Book Managers with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.17 Electronic Execution of Assignments and Certain Other Documents. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

11.18 USA PATRIOT Act. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" an anti-money laundering rules and regulations, including the Act.

11.19 **ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

NOODLES & COMPANY,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

TNSC, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY SERVICES CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY FINANCE CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — COLORADO, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — WISCONSIN, INC.,
a Wisconsin corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MINNESOTA, INC.,
a Minnesota corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

THE NOODLE SHOP, CO. — ILLINOIS, INC.,
an Illinois corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — VIRGINIA, INC.,
a Virginia corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MARYLAND, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — COLLEGE PARK, LLC,
a Maryland limited liability company

By: **Noodles & Company**, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — BALTIMORE COUNTY, LLC,
a Maryland limited liability company

By: **Noodles & Company**, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — ANNAPOLIS, LLC,
a Maryland limited liability company

By: **Noodles & Company**, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — MONTGOMERY COUNTY, MARYLAND,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — CHARLES COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — HOWARD COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — KANSAS, LLC,
a Kansas limited liability company

By: **TNSC, Inc.**, a Colorado corporation, its member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — DELAWARE, INC.,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Erik M. Truette
Name: Erik M. Truette
Title: Assistant Vice President

BANK OF AMERICA, N.A.,
as a Lender, L/C Issuer and Swing Line Lender

By: /s/ John H. Schmidt
Name: John H. Schmidt
Title: Director

GE CAPITAL FINANCIAL INC., a Utah industrial loan corporation, as a Lender

By: /s/ Thomas Moro
Name: Thomas Moro
Its: Authorized Signatory

Golub Capital BDC 2010-1 LLC
By: GC Advisors LLC, its Collateral Manager, as a Lender

By: /s/ Gregory Cashman
Name: Gregory Cashman
Its: Authorized Signatory

GC Advisors LLC as Agent for The Phoenix Insurance Company,
as a Lender

By: /s/ Gregory Cashman
Name: Gregory Cashman
Its: Authorized Signatory

GC FINANCE 2010 LLC,
as a Lender

By: /s/ Heather Jousma
Name: Heather Jousma
Its: Authorized Signatory

COÖPERATIEVE CENTRALE RAIFFEISEN — BOERENLEENBANK B.A., "RABOBANK NEDERLAND", NEW YORK BRANCH,
as a Lender

By: /s/ Lissy Smit
Name: Lissy Smit

Its: Executive Director

By: /s/ Brett Delfino
Name: Brett Delfino
Its: Executive Director

REGIONS BANK,
as a Lender

By: /s/ Daniel R. Holland
Name: Daniel R. Holland
Its: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Tim G. Loyd
Name: Tim G. Loyd
Title: Managing Director

Schedule 1.01(a)

Existing Letters of Credit

Bank of America

Beneficiary	Amount	LOC Number	Description	Renewal/Expiration Date
Arch Insurance	$ 668,000	68033879	Worker's Comp	Adjusted Annually
Zurich American	$ 200,000	68018478	Worker's Comp	Adjusted Annually
Wakarusa Development	$ 100,000	68047320	Landlord	Expires 8/10/12
Totals	$ 968,000			

Schedule 1.01(c)

Consolidated Adjusted Cash Rental Expense; Consolidated EBITDA; Consolidated EBITDAR

Consolidated Adjusted Cash Rental Expense for the Fiscal Quarter ending:	June 15, 2010	$	28,576,984
	September 7, 2010	$	26,300,704
	December 28, 2010	$	33,697,984
Consolidated Cash Rental Expense for the Fiscal Quarter ending:	June 15, 2010	$	3,572,123
	September 7, 2010	$	3,287,588
	December 28, 2010	$	4,212,248
Consolidated EBITDA for the Fiscal Quarter ending:	June 15, 2010	$	8,222,142
	September 7, 2010	$	8,175,650
	December 28, 2010	$	9,394,042
Consolidated EBITDAR for the Fiscal Quarter ending:	June 15, 2010	$	11,794,265
	September 7, 2010	$	11,463,238
	December 28, 2010	$	13,606,290
Consolidated Maintenance Capital Expenditures for the Fiscal Quarter ending:	June 15, 2010	$	1,117,080
	September 7, 2010	$	773,286
	December 28, 2010	$	750,250

Schedule 2.01

Lender Commitments and Applicable Percentages

Lender	Revolving Credit Commitment	Revolving Credit Facility Commitment Percentage	Term Loan Facility Commitment	Term Loan Facility Commitment	Aggregate Commitments	Commitment Percentage
Bank of America, N.A.	$ 10,000,000	22.222222222%	$ 15,000,000	20.000000000%	$ 25,000,000	20.833333333%
GE Capital Financial Inc.	$ 10,000,000	22.222222222%	$ 15,000,000	20.000000000%	$ 25,000,000	20.833333333%
Wells Fargo Bank, National Association	$ 10,000,000	22.222222222%	$ 15,000,000	20.000000000%	$ 25,000,000	20.833333333%
Regions Bank	$ 9,000,000	20.000000000%	$ 13,500,000	18.000000000%	$ 22,500,000	18.750000000%
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank Nederland", New York Branch	$ 6,000,000	13.333333333%	$ 9,000,000	12.000000000%	$ 15,000,000	12.500000000%
GC Finance 2010	$ 0	0.000000000%	$ 5,223,000	6.964000000%	$ 5,223,000	4.352500000%
Golub Capital BDC 2010-1 LLC	$ 0	0.000000000%	$ 1,629,000	2.172000000%	$ 1,629,000	1.357500000%
The Phoenix Insurance Company	$ 0	0.000000000%	$ 648,000	0.864000000%	$ 648,000	0.540000000%
Total	**$ 45,000,000**	**100.000000000%**	**$ 75,000,000**	**100.000000000%**	**$ 120,000,000**	**100.000000000%**

Schedule 5.06

Material Litigation

None.

Schedule 5.08(b)

Fee and Leased Properties

Fee Property

None.

Leased Property

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
101	Cherry Creek	2360 E. 3rd Avenue	Denver	Denver	CO	80206	Noodles & Company
102	North Boulder	1245 Alpine Avenue	Boulder	Boulder	CO	80304	The Noodle Shop, Co. — Colorado, Inc.
103	Applewood	3294 Youngfield, Unit F	Wheat Ridge	Jefferson	CO	80033	Noodles & Company
105	Broomfield	1100 Hwy. 287, #100	Broomfield	Broomfield	CO	80020	Noodles & Company
106	6th and Broadway	550 Broadway, Unit B	Denver	Denver	CO	80203	Noodles & Company
107	Highlands Ranch	9563 South University Blvd	Highlands Ranch	Douglas	CO	80126	The Noodle Shop, Co. — Colorado, Inc.
108	Interlocken	635A Flatiron Marketplace Drive	Broomfield	Broomfield	CO	80021	Noodles & Company
109	16th and Market	1460 16th Street	Denver	Denver	CO	80202	The Noodle Shop, Co. — Colorado, Inc.
110	Louisville	1100 West Dillon Road, Suite 1	Louisville	Boulder	CO	80027	Noodles & Company
111	Fort Collins	4733 S. Timberline Road, Suite 104	Fort Collins	Larimer	CO	80528	Noodles & Company
112	Lakewood	7740 West Alameda Avenue	Lakewood	Jefferson	CO	80226	Noodles & Company

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Unit #	Restaurant	Address	City	County	State	Zip	Lessee
113	South Boulder	2850 Baseline Road	Boulder	Boulder	CO	80303	Noodles & Company
114	C470 & Kipling	9956 Remington, Space A-5	Littleton	Jefferson	CO	80128	The Noodle Shop, Co. — Colorado, Inc.
115	Aurora	12101K East Iliff Avenue	Aurora	Arapahoe	CO	80014	Noodles & Company
116	Lone Tree	9400 Heritage Hills Circle, Suite 100	Littleton	Douglas	CO	80124	Noodles & Company
117	Parker	11153A South Parker Road	Parker	Douglas	CO	80134	Noodles & Company
118	Arvada	8071 Wadsworth Blvd., Unit 1-C	Arvada	Jefferson	CO	80003	Noodles & Company
119	Colorado Springs	7234 North Academy Blvd	Colorado Springs	El Paso	CO	80920	Noodles & Company
120	Arapahoe & Peoria	12023 East Arapahoe Road, Unit 100	Centennial	Arapahoe	CO	80112	Noodles & Company

121	Aspen Grove	7301 South Santa Fe Drive	Littleton	Arapahoe	CO	80120	Noodles & Company
122	Westminster	10355 Federal Blvd, Unit H	Westminster	Adams	CO	80260	Noodles & Company
123	Colorado Blvd	1502 S. Colorado Blvd	Denver	Denver	CO	80222-3700	Noodles & Company
125	Longmont	1087 S. Hover Street, Unit D	Longmont	Boulder	CO	80501	Noodles & Company
126	Stapleton	7401 E. 29th Avenue, Bldg 13	Denver	Denver	CO	80238	Noodles & Company
127	Broadmoor	1812 Southgate Road	Colorado Springs	El Paso	CO	80906	Noodles & Company
128	Greeley	4318 West 9th Street Road, Suite 7	Greeley	Weld	CO	80634	Noodles & Company
129	I 25 Hampden	6300 East Hampden, Suite K	Denver	Denver	CO	80222	Noodles & Company
130	Powers & Barnes	5844 Barnes Road	Colorado Springs	El Paso	CO	80922	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
131	College Avenue	648 S. College Avenue	Fort Collins	Larimer	CO	80524	Noodles & Company
132	Englewood	697 West Hampden Avenue	Englewood	Arapahoe	CO	80110	Noodles & Company
133	Loveland	1550 Fall River Drive, Suite 190	Loveland	Larimer	CO	80534	Noodles & Company
134	Fitzsimons	13700 E. Colfax, Suite D	Aurora	Adams	CO	80011	Noodles & Company
135	Southlands	6200 South Main Street, Suite 101	Aurora	Arapahoe	CO	80016	Noodles & Company
136	Highlands Ranch Town Center	1601 Mayberry Dr, Space 104	Highlands Ranch	Douglas	CO	80129	The Noodle Shop, Co. — Colorado, Inc.
137	Broomfield Corners	4530 W 121st St Ave	Broomfield	Broomfield	CO	80020	The Noodle Shop, Co. — Colorado, Inc.
138	Quincy Place	4261 S Buckley Road	Aurora	Arapahoe	CO	80013	The Noodle Shop, Co. — Colorado, Inc.
139	Southglenn	2370 E Arapahoe, Ste 926	Centennial	Arapahoe	CO	80122	The Noodle Shop, Co. — Colorado, Inc.
140	University Village	5166 N. Nevada Ave	Colorado Springs	El Paso	CO	80918	The Noodle Shop, Co. — Colorado, Inc.
141	Havana	10550 E. Garden Dr, Ste 106	Aurora	Arapahoe	CO	80012	The Noodle Shop, Co. — Colorado, Inc.
142	University of Denver	1737 E Evans Ave	Denver	Denver	CO	80210	The Noodle Shop, Co. — Colorado, Inc.
146	29th Street	1600 28th St, Ste 1208	Boulder	Boulder	CO	80301	Noodles & Company
147	Dillon	265 Dillon Ridge Rd	Dillon	Summit	CO	80435	The Noodle Shop, Co. — Colorado, Inc.

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
148	16th & Court	303 16th St, Ste 150	Denver	Denver	CO	80202	Noodles & Company
150	Basemar	2602 Baseline Road	Boulder	Boulder	CO	80305	The Noodle Shop, Co. — Colorado, Inc.
151	Belleview	8000 E Belleview	Denver	Denver	CO	80237	The Noodle Shop, Co. — Colorado, Inc.
152	Central Colfax	2205 East Colfax Avenue	Denver	Denver	CO	80206	Noodles & Company
153	Castle Rock	Founders Parkway and Allen Way	Castle Rock	Douglas	CO	80108	Noodles & Company
201	State Street	232 State Street	Madison	Dane	WI	53703	Noodles & Company
202	Westside	7050 Mineral Point	Madison	Dane	WI	53717	Noodles & Company
203	Monona	6520 Monona Drive	Monona	Dane	WI	53716	Noodles & Company
204	Fox Point	8781 N. Port Washington Road	Milwaukee	Milwaukee	WI	53217	Noodles & Company
205	Pewaukee	1390 Capitol Drive, Suite 2	Pewaukee	Waukesha	WI	53072	Noodles & Company
206	Oakland	3121 North Oakland Avenue	Milwaukee	Milwaukee	WI	53211	The Noodle Shop, Co. — Wisconsin, Inc.
207	Fitchburg	2981 Triverton Pike Drive	Fitchburg	Dane	WI	53711	Noodles & Company
208	Brookfield	17000 W. Bluemound Road, Unit H	Brookfield	Waukesha	WI	53005-5960	Noodles & Company
209	Menomonee Falls	W 176 N 9336 Rivercrest Drive	Menomonee Falls	Waukesha	WI	53051	Noodles & Company
210	Wauwatosa	7700 West State Street	Wauwatosa	Milwaukee	WI	53213-2640	Noodles & Company
211	Eastside	4280 East Towne Blvd	Madison	Dane	WI	53704	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
212	Green Bay	2665 South Oneida Street	Green Bay	Brown	WI	54303	Noodles & Company
213	University Avenue	3600 University Avenue	Madison	Dane	WI	53705	Noodles & Company
214	New Berlin	15630 West National Avenue	New Berlin	Waukesha	WI	53151	Noodles & Company
215	28th & Oklahoma	2729 West Oklahoma Avenue	Milwaukee	Milwaukee	WI	53215-4326	Noodles & Company
216	Hales Corners	5794 S. 108th Street	Hales Corners	Milwaukee	WI	53130	Noodles & Company
217	Appleton	4333 Wisconsin Avenue	Appleton	Outgamie	WI	54913	Noodles & Company
218	West Bend	425 West Paradise Drive	West Bend	Washington	WI	53095	Noodles & Company
219	Janesville	2259 Humes Road	Janesville	Rock	WI	53545-0258	Noodles & Company
220	Mt. Pleasant	5720 Washington Avenue	Mt. Pleasant	Racine	WI	53406-4018	Noodles & Company
221	Delafield	3260 Golf Road	Delafield	Waukesha	WI	53018	Noodles & Company
222	Kenosha	7201 120th Avenue, Suite A	Kenosha	Kenosha	WI	53142	Noodles & Company
223	Wauwatosa - W. Capitol	12132 West Capitol, Suite O	Wauwatosa	Milwaukee	WI	53222	Noodles & Company
224	Grafton	1351 North Port Washington Rd	Grafton	Ozaukee	WI	53024	Noodles & Company
225	Greenfield	4859 S. 76th Street	Greenfield	Milwaukee	WI	53220	Noodles & Company
226	Waukesha	1210 W Sunset Dr	Waukesha	Waukesha	WI	53189	Noodles & Company
227	East Appleton	3719 E. Calumet St	Appleton	Outagamie	WI	54915	Noodles & Company
301	Calhoun	3040 Excelsior Blvd, #101	Minneapolis	Hennepin	MN	55416	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
302	Maple Grove	7840 Main Street	Maple Grove	Hennepin	MN	55369	Noodles & Company
303	Plymouth Center	3425 Vicksburg Lane N, Suite 200	Plymouth	Hennepin	MN	55447	Noodles & Company
304	Woodbury	7455 Currell Blvd., Space 101	Woodbury	Washington	MN	55125	Noodles & Company
305	West Bank	233 Cedar Avenue South	Minneapolis	Hennepin	MN	55454-1054	Noodles & Company
306	Rochester	3944 Marketplace Drive NW	Rochester	Olmsted	MN	55901	Noodles & Company
307	Highland Park	2110 Ford Parkway	St. Paul	Ramsey	MN	55116-1813	Noodles & Company
308	Coon Rapids	3479 River Rapids Drive	Coon Rapids	Anoka	MN	55448	Noodles & Company
309	Apple Valley	14879 Florence Trail	Apple Valley	Dakota	MN	55124	Noodles & Company
310	Eden Prairie	13300 Technology Drive, Suite 100	Eden Prairie	Hennepin	MN	55344	Noodles & Company
311	Eagan	1340 Town Centre Drive	Eagan	Dakota	MN	55123	Noodles & Company
312	Stadium Village	616 Washington Avenue	Minneapolis	Hennepin	MN	55414	Noodles & Company
313	Maplewood	2865 White Bear Avenue	St. Paul	Ramsey	MN	55109	Noodles & Company
314	Mankato	1600 Warren Street, Suite 15	Mankato	Blue Earth	MN	56001-4966	Noodles & Company
315	Richfield	7630 Lyndale Avenue South, Suite 100	Richfield	Hennepin	MN	55423	Noodles & Company
316	Edina - Southdale	6531 York Avenue South	Edina	Hennepin	MN	55435-2356	Noodles & Company
317	Golden Valley	7808 Olson Memorial Highway	Golden Valley	Hennepin	MN	55427	Noodles & Company
318	West St. Paul	1590 Robert Street South	West St. Paul	Dakota	MN	55118	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
320	St. Cloud	4011 West Division Street, Suite 1	St. Cloud	Stearns	MN	56301	Noodles & Company
321	South Rochester	4607 Main Avenue SE, Suite 201	Rochester	Olmsted	MN	55904	Noodles & Company
322	Rogers	13590 Northdale Blvd	Rogers	Hennepin	MN	55374	Noodles & Company
323	Bloomington	7600 France Avenue, Suite 106	Bloomington	Hennepin	MN	55435	Noodles & Company
324	St. Louis Park	5326 16th St West	St Louis Park	Hennepin	MN	55416	Noodles & Company
325	Mall of America	60 E. Broadway, Ste S342	Bloomington	Hennepin	MN	55425	Noodles & Company
326	Roseville	1655 County Rd B-2, Ste D	Roseville	Ramsey	MN	55113	Noodles & Company
327	Burnsville	901 County Rd 42, Ste	Burnsville	Dakota	MN	58306	Noodles & Company

		220					
328	Blaine	10340 Baltimore St, Ste 180	Blaine	Anoka	MN	55449	Noodles & Company
329	Minnetonka	12977 Ridgedale Drive	Minnetonka	Hennepin	MN	55343	Noodles & Company
401	Pentagon Row	1201 S. Joyce Street, Suite C-3	Arlington	Arlington	VA	22202	Noodles & Company
402	Fairfax	10296 Main Street	Fairfax	Fairfax	VA	22030	Noodles & Company
403	College Park	7320 Baltimore Avenue	College Park	Prince Georges	MD	20740-3206	Noodles & Company
404	Kentlands	177 Kentlands Blvd, Suite 100	Gaithersburg	Montgomery	MD	20878	Noodles & Company
405	Silver Spring	905 Ellsworth Drive	Silver Spring	Montgomery	MD	20910	Noodles & Company
406	Hunt Valley	114 Shawan Road, Suite 2	Hunt Valley	Baltimore	MD	21030	Noodles & Company
408	Pikesville	3755 Old Court Road	Pikesville	Baltimore	MD	21208	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
409	Vienna	201 Maple Avenue East	Vienna	Fairfax	VA	22181	Noodles & Company
410	Columbia	6191 Old Dobbin Lane, Suite 930	Columbia	Howard	MD	21045	Noodles & Company
411	Alexandria	3105 Duke Street	Alexandria	Alexandria	VA	22314	Noodles & Company
413	Rockville - Congressional Plaza	1609-B Rockville Pike	Rockville	Montgomery	MD	20852	Noodles & Company
414	Waldorf	3055 Waldorf Market Place, #10	Waldorf	Charles	MD	20603	Noodles & Company
415	Kingstowne	5900 Kingstowne Blvd, Suite 130	Alexandria	Fairfax	VA	22315	The Noodle Shop, Co. — Virginia, Inc.
416	Cosner's Corner	10013 Jefferson Davis Hwy	Fredericksburg	Fredericksburg	VA	22401	The Noodle Shop, Co. — Virginia, Inc.
417	Manassas	9646 Liberia Ave	Manassas	Spotsylvania	VA	20110	The Noodle Shop, Co. — Virginia, Inc.
418	White Marsh	5350 Campbell Blvd, Suite H	Baltimore	Baltimore	MD	21236	Noodles & Company
419	Central Park	1212 Carl D. Silver Parkway	Fredericksburg	Fredericksburg	VA	22401	Noodles & Company
420	Merrifield	8190 Strawberry Lane, Suite 4	Falls Church	Fairfax	VA	22042	The Noodle Shop, Co. — Virginia, Inc.
421	Owings Mills	10450 Owings Mills Blvd	Owings Mills	Baltimore	MD	21117	Noodles & Company
423	Annapolis	2323 Annapolis Mall, Unit 1713	Annapolis	Anne Arundel	MD	21401	Noodles & Company
425	Crystal City	2011 Crystal Drive	Arlington	Arlington	VA	22202	The Noodle Shop, Co. — Virginia, Inc.
426	Mechanicsville	7291 Battle Hill Drive, Suite A	Mechanicsville	Hanover	VA	23111	The Noodle Shop, Co. — Virginia, Inc.

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
427	Ballston Commons	4238 Wilson Blvd, Unit 1130	Arlington	Arlington	VA	22203	The Noodle Shop, Co. — Virginia, Inc.
432	Rockville Town Square	101 Gibbs St	Rockville	Montgomery	MD	20850	Noodles & Company
434	West Chester	15785 WC Main St	Midlothian	Chesterfield	VA	23113	The Noodle Shop, Co. — Virginia, Inc.
436	Willow Lawn	1601 Willow Lawn Dr	Richmond	Henrico	VA	23230	The Noodle Shop, Co. — Virginia, Inc.
437	Towson	825 Goucher Blvd, Space 100B	Towson	Baltimore	MD	21286	Noodles & Company
438	Largo	2801 Campus Way North	Lanham	Prince George's	MD	20706	Noodles & Company
439	Mt. Vernon	7702 B Richmond Hwy, Ste A	Alexandria	Fairfax	VA	22306	The Noodle Shop, Co. — Virginia, Inc.
441	Harbor Place	301 Light St, Ste 1517	Baltimore	Baltimore	MD	21202	Noodles & Company
442	Leesburg	1607 Village Market Rd, Ste L-112	Leesburg	Loudoun	VA	20178	The Noodle Shop, Co. — Virginia, Inc.
443	Montgomery Mall	7101 Democracy Blvd, Ste 2464	Bethesda	Montgomery	MD	20817	Noodles & Company
446	Bowie Town Center	3916 Town Center Blvd	Bowie	Prince George's	MD	20716	Noodles & Company
447	Springfield	7020 Old Keene Mill Ct	Springfield	Fairfax	VA	22152	Noodles & Company
448	Sterling	46038 Cranston St, Ste 100	Sterling	Loudoun	VA	20165	The Noodle Shop, Co. — Virginia, Inc.
510	Valparaiso	71 Silhavy Rd, Ste A-1	Valparaiso	Porter	IN	46383	Noodles & Company
531	Ames	400 S. Duff Avenue	Ames	Story	IA	50010	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
532	Coralville	2451 2nd Street	Coralville	Johnson	IA	52241	Noodles & Company
533	Cedar Rapids	310 Collins Road, NE	Cedar Rapids	Linn	IA	52402	Noodles & Company
551	Encinitas	260-C North El Camino Real	Encinitas	San Diego	CA	92024-2852	The Noodle Shop, Co. — Colorado, Inc.
552	San Marcos	591 Grand Avenue, Suite G102	San Marcos	San Diego	CA	92069	The Noodle Shop, Co. — Colorado, Inc.
554	The Fountains	1186 Roseville Pkwy	Roseville	Placer	CA	95678	Noodles & Company
559	Sports Arena	3650 Rosecrans Street	San Diego	San Diego	CA	92110	Noodles & Company
563	Elk Grove	7405 Laguna Blvd, Ste 170	Elk Grove	Sacramento	CA	95758	Noodles & Company
564	University Town Center	4545 La Jolla Village Dr, Space 201E	San Diego	San Diego	CA	92122	Noodles & Company
565	Loehmann's Plaza	2435 Fair Oaks Blvd	Sacramento	Sacramento	CA	95825	Noodles & Company
601	Naperville	207 South Washington	Naperville	DuPage	IL	60540	Noodles & Company
602	Wheaton	2019 South Naperville Road	Wheaton	DuPage	IL	60187	Noodles & Company
603	Deer Park	20530 North Rand Road, #201	Deer Park	Lake	IL	60010-7239	Noodles & Company
604	Geneva	1310 Commons Drive	Geneva	Kane	IL	60134	Noodles & Company
605	Arlington Heights	66 S. Arlington Heights Road	Arlington Heights	Cook	IL	60005	Noodles & Company
606	Evanston	930 Church Street	Evanston	Cook	IL	60201-3126	Noodles & Company
607	Orland Park	14662 La Grange Road, Unit B-1	Orland Park	Cook	IL	60462	Noodles & Company
608	Bolingbrook	137 N. Weber Road	Bolingbrook	Will	IL	60440	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
610	Elgin	895 South Randall Road	Elgin	Kane	IL	60123	Noodles & Company
611	LaGrange	1 East Burlington Avenue	LaGrange	Cook	IL	60525	Noodles & Company
612	Lake in the Hills	315 N. Randall Road	Lake in the Hills	McHenry	IL	60156	Noodles & Company
613	Glenview	1851 Tower Drive	Glenview	Cook	IL	60026-7783	Noodles & Company
615	Crystal Lake	4912 Northwest Highway	Crystal Lake	McHenry	IL	60014	Noodles & Company
616	Niles	5681 West Touhy Avenue	Niles	Cook	IL	60714	Noodles & Company
617	OakBrook Terrace	18 W 64 West 22nd Street	Oakbrook Terrace	DuPage	IL	60181	Noodles & Company
621	Lincolnshire	900 Milwaukee Avenue, Ste A	Lincolnshire	Lake	IL	60069	Noodles & Company
622	Park Ridge	510 W. Touhy	Park Ridge	Cook	IL	60068	The Noodle Shop, Co. — Colorado, Inc.
623	Gurnee	6681 Grand Avenue	Gurnee	Lake	IL	60031	Noodles & Company
624	Lakeview	2813 N Broadway Street	Chicago	Cook	IL	60657	The Noodle Shop, Co. — Colorado, Inc.
626	South Naperville	2727 W 75th Street	Naperville	DuPage	IL	60565	Noodles & Company
627	Old Orchard	4999 Old Orchard Center, Ste F-26	Skokie	Cook	IL	60077	The Noodle Shop, Co. — Colorado, Inc.
628	Schaumburg	1400 N. Meacham Road, Ste A	Schamburg	Cook	IL	60173	The Noodle Shop, Co. — Illinois, Inc.
629	Michigan Ave	180 North Michigan Avenue, Ste 104	Chicago	Cook	IL	60601	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
630	South Barrington	100 W. Higgins Rd, Ste I-60	South Barrington	Lake	IL	60010	The Noodle Shop, Co. — Colorado, Inc.
631	Woodridge	1001 75th Street, Ste 189A	Woodridge	DuPage	IL	60517	The Noodle Shop, Co. — Colorado, Inc.
634	Glen Ellyn	706 Roosevelt Rd	Glen Ellyn	DuPage	IL	60137	The Noodle Shop, Co. — Colorado, Inc.
636	Rockford	6430 E. State St, Ste 118	Rockford	Winnebago	IL	61108	The Noodle Shop, Co. — Colorado, Inc.
638	River Forest	7215 Lake St	River Forest	Cook	IL	60305	The Noodle Shop, Co. — Colorado, Inc.
639	DeKalb	2561 Sycamore Rd	DeKalb	DeKalb	IL	60115	The Noodle Shop, Co. — Colorado, Inc.
640	Clybourn	2000 N Clybourn	Chicago	Cook	IL	60614	Noodles & Company

641	Vernon Hills	700 N. Milwaukee Avenue	Vernon Hills	Lake	IL	60061	Noodles & Company
643	Rolling Meadows	1327 Golf Road	Rolling Meadows	Cook	IL	60008	Noodles & Company
701	Murray	5207 South State Street	Murray	Salt Lake	UT	84107-4813	Noodles & Company
702	Sugarhouse	1152 East 2100 South	Salt Lake City	Salt Lake	UT	84106	Noodles & Company
703	Fort Union	6901 South 1300 East	Midvale	Salt Lake	UT	84047	Noodles & Company
704	400 South	358 South 700 East, Ste A	Salt Lake City	Salt Lake	UT	84102	Noodles & Company
705	Orem	293 East University Parkway	Orem	Utah	UT	84058-7639	Noodles & Company
706	Layton	748 West Antelope Drive, Ste E	Layton	Davis	UT	84041-1631	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
707	Draper	191 East 12300 South, Ste M-7	Draper	Salt Lake	UT	84020	Noodles & Company
708	Sandy	10340 S. State Street	Sandy	Salt Lake	UT	84070	Noodles & Company
751	Grandview	1390 W. 5th Ave	Columbus	Franklin	OH	43212	Noodles & Company
752	Upper Arlington	4740 Reed Road, Ste 109	Upper Arlington	Franklin	OH	43220	The Noodle Shop, Co. — Colorado, Inc.
753	Lane & High	2124 North High Street	Columbus	Franklin	OH	43201	Noodles & Company
754	Polaris	1528 Gemini Place	Columbus	Delaware	OH	43240	The Noodle Shop, Co. — Colorado, Inc.
756	Hyde Park	3707 Isabella Avenue	Cincinnati	Hamilton	OH	45208	Noodles & Company
757	Tylersville Rd	7791 Cox Lane	West Chester	Butler	OH	45069	Noodles & Company
758	Clintonville	5032 North High Street	Columbus	Franklin	OH	43214	Noodles & Company
760	Reynoldsburg	2166 Baltimore-Reynoldsburg Rd	Reynoldsburg	Franklin	OH	43068	Noodles & Company
762	Westerville	630 N. State St	Westerville	Delaware	OH	43082	The Noodle Shop, Co. — Colorado, Inc.
763	Tuttle	6104 Parkcenter Circle	Dublin	Franklin	OH	43017	The Noodle Shop, Co. — Colorado, Inc.
764	Kenwood	7800 Montgomery Road, #7	Cincinnati	Hamilton	OH	45236	The Noodle Shop, Co. — Colorado, Inc.
765	Florence	4960 Houston Rd, Ste I	Florence	Boone	KY	41022	The Noodle Shop, Co. — Colorado, Inc.
766	Powell	9733 Sawmill Pkwy, Ste D2-1	Powell	Delaware	OH	43065	The Noodle Shop, Co. — Colorado, Inc.

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
767	The Greene	11 Greene Blvd	Beavercreek	Greene	OH	45440	Noodles & Company
768	Hamilton & Morse	5065 N. Hamilton Rd	Columbus	Franklin	OH	43230	The Noodle Shop, Co. — Colorado, Inc.
810	Beaverton	4655 SW Griffith Drive, Ste 135	Beaverton	Washington	OR	97005	Noodles & Company
811	10th & Couch	100 NW 10th Avenue	Portland	Multnomah	OR	97209	Noodles & Company
812	Hillsboro	7216 NE Cornell Road	Hillsboro	Washington	OR	97124	Noodles & Company
815	Clackamas	12190 SE 82nd Avenue	Clackamas	Clackamas	OR	97086	Noodles & Company
830	Turkey Creek	11083 Parkside Drive	Knoxville	Knox	TN	37934	The Noodle Shop, Co. — Colorado, Inc.
831	Green Hills Mall	2116 Green Hills Village Drive	Nashville	Davidson	TN	37215	The Noodle Shop, Co. — Colorado, Inc.
851	Pavilion	2608 Erwin Road	Durham	Durham	NC	27705	The Noodle Shop, Co. — Colorado, Inc.
852	South End	2201 South Blvd, Ste 110	Charlotte	Mecklenburg	NC	28203	The Noodle Shop, Co. — Colorado, Inc.
853	Chapel Hill	214 W Franklin Street	Chapel Hill	Orange	NC	27514	The Noodle Shop, Co. — Colorado, Inc.
854	Arboretum	8016 Providence Road, Ste 150	Charlotte	Mecklenburg	NC	28277	The Noodle Shop, Co. — Colorado, Inc.
855	Cameron Village	403 Daniels St	Raleigh	Wake	NC	27605	The Noodle Shop, Co. — Colorado, Inc.
856	Cary	200 Crossroads Blvd, Ste 110	Cary	Wake	NC	27518	The Noodle Shop, Co. — Colorado, Inc.

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
857	Brier Creek	8411 Brier Creeek Pkwy	Raleigh	Wake	NC	27617	The Noodle Shop, Co. —

							Colorado, Inc.
910	U of T - Austin	2402 Guadalupe Street	Austin	Travis	TX	78705	Noodles & Company
911	Burnett/Anderson - Austin	2525 W. Anderson Lane, Suite 265	Austin	Travis	TX	78757	Noodles & Company
951	Olathe	15208 West 119th Street	Olathe	Johnson	KS	66062-5604	Noodles & Company
952	Overland Park	13448 Metcalf Avenue	Overland Park	Johnson	KS	66213	Noodles & Company
954	Zona Rosa	8538 NW Prairie View Rd	Kansas City	Platte	MO	64153	The Noodle Shop, Co. — Kansas, LLC
955	Lee's Summit	659 NW Blue Pkwy, Space 4B	Lee's Summit	Jackson	MO	64086	Noodles & Company
956	Lawrence	8 West 8th St	Lawrence	Douglas	KS	66044	The Noodle Shop, Co. — Kansas, LLC
957	Independence	2140 Independence Center Dr	Independence	Jackson	MO	64057	The Noodle Shop, Co. — Kansas, LLC
958	Plaza	540 Nichols Rd	Kansas City	Jackson	MO	64112	The Noodle Shop, Co. — Kansas, LLC
959	Oak Park Mall	11339 95th St	Overland Park	Johnson	KS	66214	The Noodle Shop, Co. — Kansas, LLC
960	State Line	7600 State Line Rd, Ste 208B	Prairie Village	Johnson	KS	66208	The Noodle Shop, Co. — Kansas, LLC
961	91st & Metcalf	91st St & Metcalf Ave.	Overland Park	Johnson	KS	66212	Noodles & Company
964	Town East - Wichita	7700 E. Kellogg, Suite 2105	Wichita	Sedgwick	KS	67207	Noodles & Company

Unit #	Restaurant	Address	City	County	State	Zip	Lessee
965	Rock Road	3300 North Rock Road	Wichita	Sedgwick	KS	67226	The Noodle Shop, Co. — Kansas, LLC
966	Manhattan	N 4th & Leavenworth Street	Manhattan	Riley	KS	66502	Noodles & Company

Schedule 5.09

Environmental Compliance

None.

Schedule 5.12(d)

ERISA Compliance

None.

Schedule 5.13

Subsidiaries and Other Equity Investments

(a) Subsidiaries

Issuer	Holder	Equity Interest Owned	Percentage of Total Equity Interest
TNSC, Inc.	Noodles & Company	1,000 shares	100%
Noodles & Company Finance Corp.	Noodles & Company	1,000 shares	100%
Noodles & Company Services Corp.	Noodles & Company	1,000 shares	100%
The Noodle Shop, Co. — Colorado, Inc.	TSNC, Inc.	1,000 shares	100%
The Noodle Shop, Co. — Wisconsin, Inc.	Noodles & Company	1,000 shares	100%
The Noodle Shop, Co. — Illinois, Inc.	Noodles & Company	1,000 shares	100%
The Noodle Shop, Co. — Minnesota, Inc.	Noodles & Company	1,000 shares	100%
The Noodle Shop, Co. — Virginia, Inc.	Noodles & Company	1,000 shares	100%
The Noodle Shop, Co. — Maryland, Inc.	Noodles & Company	1,000 shares	100%
The Noodle Shop Co. — College Park, LLC	Noodles & Company	Membership Interest	75%

The Noodle Shop Co. — Montgomery County, Maryland	Noodles & Company	100 shares	100%
The Noodle Shop, Co. — Howard County, Inc,	Noodles & Company	90 shares	90%
The Noodle Shop, Co. — Charles County, Inc.	Noodles & Company	60 shares	60%
The Noodle Shop, Co. — Annapolis, LLC	Noodles & Company	Membership Interest	99%
The Noodle Shop, Co. — Baltimore County, LLC	Noodles & Company	Membership Interest	98%
The Noodle Shop, Co. — Kansas, LLC	TSNC, Inc.	Membership Interest	100%
The Noodle Shop, Co. — Delaware, Inc.	The Noodle Shop, Co. — Colorado, Inc.	1,000 shares	100%

(b) Equity Investments

None.

(c) Equity Interests of the Borrower

Investor	Class	Shares
Catterton-Noodles, LLC-A Voting	Class A-Voting Stock	18,200,000
Argentia Private Investments Inc.-A Voting	Class A-Voting Stock	7,094,211
Argentia Private Investments Inc.-B Non-Voting	Class B-Non-Voting	10,905,789
Argentia Private Investments Inc.-C Non-Voting	Class C-Non-Voting	1
Andrew Boness	Class A-Voting Stock	4,082
Ann Patton	Class A-Voting Stock	4,439
Barbara B Javaras, as Trustee of the Barbara B. Javaras Revocable Trust dated June 1, 2006	Class A-Voting Stock	40,816

Investor	Class	Shares
Benjamin H. Foster, Jr.	Class A-Voting Stock	61,224
Boulder Investment Trust	Class A-Voting Stock	136,053
Bradley David Brown	Class A-Voting Stock	65,333
Carrie Hart	Class A-Voting Stock	1,729
Charles L. Roberts	Class A-Voting Stock	14,996
Dan Fogarty	Class A-Voting Stock	12,023
Daniel S. and Graziela S. Cooper	Class A-Voting Stock	5,782
Darren Sipe	Class A-Voting Stock	2,152
Davco Management LLC	Class A-Voting Stock	102,040
Dave Boennighausen	Class A-Voting Stock	9,886
Dave Lehn	Class A-Voting Stock	7,784
David and Kristin Mahon (David & Kristine E. Mahon) (David & Kristine Mahon)	Class A-Voting Stock	17,007
David Duncan	Class A-Voting Stock	34,013
Dawn Voss	Class A-Voting Stock	51,838
Domingo P. Such III	Class A-Voting Stock	19,306
Donald E. Rocap	Class A-Voting Stock	11,082
Donna Lynn Lamb	Class A-Voting Stock	1,122
Dwight and Pam	Class A-Voting Stock	3,401
E.D. David	Class A-Voting Stock	68,027
Edgar B. Roesch, III (Edgar Roesch III)	Class A-Voting Stock	15,986
Edgar Roesch, Jr.	Class A-Voting Stock	103,060
Edgar Roesch, Jr. - IRA Delaware Charter Guarantee & Trust As custodian U/A dtd 2/9/98	Class A-Voting Stock	102,040
Elizabeth McLaughlin	Class A-Voting Stock	11,112
Eric Bevins	Class A-Voting Stock	1,657
Faye Shealy	Class A-Voting Stock	263,943
Fran Morel	Class A-Voting Stock	11,950
Fred (“Wayne”) Humphrey	Class A-Voting Stock	5,771
Gaylaine Kosloske	Class A-Voting Stock	1,701
Gregor A. Moe	Class A-Voting Stock	24,490
Gregory W. Gallagher	Class A-Voting Stock	3,401
Hedrick Children’s Irrevocable Trust	Class A-Voting Stock	4,252
Hugo Brooks	Class A-Voting Stock	17,939
James P. and Carol L. Walsh	Class A-Voting Stock	60,816
James R. and Janet Miller	Class A-Voting Stock	10,459
Jason and Randi Albright	Class A-Voting Stock	34,013
Jeff Harrison	Class A-Voting Stock	10,721

Investor	Class	Shares
Jenine Winesuff Rubin	Class A-Voting Stock	40,816
Jill Preston	Class A-Voting Stock	1,380

Jim Rand	Class A-Voting Stock	15,608
Joe Gordon	Class A-Voting Stock	9,490
John Lehew, III and Katherine A. Serafin, joint tenants with rights in common	Class A-Voting Stock	34,013
John P. Doley	Class A-Voting Stock	23,809
Judy Messenger	Class A-Voting Stock	1,380
Karen Merriam	Class A-Voting Stock	34,013
Karynne O'Connell Duncan	Class A-Voting Stock	19,388
Kathy Lockhart	Class A-Voting Stock	7,633
Keith Kinsey	Class A-Voting Stock	161,245
Kennedy Holdings	Class A-Voting Stock	238,093
Kevin Reddy	Class A-Voting Stock	353,189
Larry D. Jacobson	Class A-Voting Stock	60,806
Lauren Russell-Wood (Pugliese)	Class A-Voting Stock	1,104
Lee & Judith Weldon Family Trust U/T/A 4-29-88	Class A-Voting Stock	102,040
Lis Schackinger Doley (Lis S. Doley)	Class A-Voting Stock	10,204
Louis Bart Holtzman, Trustee of the Louis Bart Holtzman Revocable Trust dated 12/2/96	Class A-Voting Stock	43,479
Marcie Ann Pregulman	Class A-Voting Stock	16,643
Martin H. Herzog	Class A-Voting Stock	8,503
Mary Beth Pfeifer	Class A-Voting Stock	2,334
Mary Orlando	Class A-Voting Stock	8,877
MCK Financial Interests, LLC	Class A-Voting Stock	21,496
Meyers Family Investments LLC	Class A-Voting Stock	23,809
Michael James Duncan (Michael J. Duncan)	Class A-Voting Stock	34,013
Michael Miller (Michael Jacob Miller)	Class A-Voting Stock	34,013
Middleburg Trust Company, Custodian for John P. Doley IRA	Class A-Voting Stock	136,053
Mike Finnin	Class A-Voting Stock	34,013
Nancy Cervini	Class A-Voting Stock	3,401
Odette Assouad and Nicolas Assouad	Class A-Voting Stock	7,503
Old Head Investment Management, LLC	Class A-Voting Stock	13,996
Patricia ("Ruth") Jones	Class A-Voting Stock	815
Paul A. Dresser, Jr. Trustee of the Living Trust Agreement of Paul A. Dresser, Jr., dated July 13, 1999	Class A-Voting Stock	10,204
Paul L. Richards and Carol Ann Richards	Class A-Voting Stock	3,003
Paul Strasen	Class A-Voting Stock	21,009
Peter S. and Carolyn A. Lynch	Class A-Voting Stock	68,238
Plumb Trust Company trustee, Larry D. Jacobson SEP IRA	Class A-Voting Stock	123,666

Investor	Class	Shares
Plumb Trust Company trustee, Pamela J. Jacobson IRA	Class A-Voting Stock	85,033
Randolph Street Partners V	Class A-Voting Stock	65,255
Raymond T. Duncan Revocable Trust	Class A-Voting Stock	340,201
Robert W. Moore	Class A-Voting Stock	6,803
Ross Kamens (W. Ross Kamens)	Class A-Voting Stock	27,194
Sam Herston	Class A-Voting Stock	8,350
Scott M. Sax and Laurie A. Sax (Scott & Lauri Sax)	Class A-Voting Stock	24,490
Scott Martin	Class A-Voting Stock	1,657
Sopris Holdings, LLC Attn: Phil Walton	Class A-Voting Stock	85,033
Stephen A. LeBlang (Stephen LeBlang)	Class A-Voting Stock	6,207
Steven Castle Sanders and Cheryl Elaine Sanders	Class A-Voting Stock	3,401
Stewart Kume	Class A-Voting Stock	3,401
Susan M. Cervini	Class A-Voting Stock	17,007
Susan R. McIntyre	Class A-Voting Stock	4,082
The Lynch Foundation	Class A-Voting Stock	68,238
Tim Mosbacher	Class A-Voting Stock	16,087
Tina Gini and J. Mark Larter	Class A-Voting Stock	25,510
Todd Farlow Maynes (Todd F. Maynes)	Class A-Voting Stock	16,449
Tom McCallum	Class A-Voting Stock	10,204
Tom Weigand (Thomas Frank Weigand)	Class A-Voting Stock	17,007
USB Paine Webber CDN FBO John Cervini, Jr.	Class A-Voting Stock	14,483
Victor Frandsen II	Class A-Voting Stock	8,503
Victor M. Pizzuto and Mary M. Pizzuto (Victor and Mary)	Class A-Voting Stock	34,694
W. Scott Hedrick	Class A-Voting Stock	7,333
William J. Brodbeck	Class A-Voting Stock	34,013
William J. Walsh and Phillis T. Leftin	Class A-Voting Stock	19,316
William W. Watkinson Jr. and Linnea R. Watkinson	Class A-Voting Stock	20,408
William Blair & Company (John E. Kirkpatrick)	Class A-Voting Stock	15,306
Total		**40,272,391**

(d)

Loan Party	Jurisdiction of Incorporation	Address of Principal Place of Business	US Taxpayer ID Number	Organizational ID Number
Noodles & Company	Delaware	520 Zang Street	84-1303469	3596638

		Suite D Broomfield, CO 80021		
TNSC, Inc.	Colorado	520 Zang Street Suite D Broomfield, CO 80021	16-1682122	20031269058
Noodles & Company Finance Corp.	Colorado	520 Zang Street Suite D Broomfield, CO 80021	56-2392490	20021352998
Noodles & Company Services Corp.	Colorado	520 Zang Street Suite D Broomfield, CO 80021	38-3685439	20021353007
The Noodle Shop, Co. — Colorado, Inc.	Colorado	520 Zang Street Suite D Broomfield, CO 80021	84-1471163	19981121528
The Noodle Shop, Co. — Wisconsin, Inc.	Wisconsin	520 Zang Street Suite D Broomfield, CO 80021	84-1471164	N026262

Loan Party	Jurisdiction of Incorporation	Address of Principal Place of Business	US Taxpayer ID Number	Organizational ID Number
The Noodle Shop, Co. — Illinois, Inc.	Illinois	520 Zang Street Suite D Broomfield, CO 80021	91-2064938	61107347
The Noodle Shop, Co. — Minnesota, Inc.	Minnesota	520 Zang Street Suite D Broomfield, CO 80021	84-1508153	10Q-468
The Noodle Shop, Co. — Virginia, Inc.	Virginia	520 Zang Street Suite D Broomfield, CO 80021	84-1602985	F153485-0
The Noodle Shop, Co. — Maryland, Inc.	Maryland	520 Zang Street Suite D Broomfield, CO 80021	84-1602984	D06337513
The Noodle Shop Co. — College Park, LLC	Maryland	520 Zang Street Suite D Broomfield, CO 80021	43-1965293	W06821623
The Noodle Shop Co. — Montgomery County, Maryland	Maryland	520 Zang Street Suite D Broomfield, CO 80021	72-1535566	D06990790

Loan Party	Jurisdiction of Incorporation	Address of Principal Place of Business	US Taxpayer ID Number	Organizational ID Number
The Noodle Shop, Co. — Howard County, Inc,	Maryland	520 Zang Street Suite D Broomfield, CO 80021	14-1912324	D07907397
The Noodle Shop, Co. — Charles County, Inc.	Maryland	520 Zang Street Suite D Broomfield, CO 80021	75-3169541	D10226587
The Noodle Shop, Co. — Annapolis, LLC	Maryland	520 Zang Street Suite D Broomfield, CO 80021	26-0786515	W12035739
The Noodle Shop, Co. — Baltimore County, LLC	Maryland	520 Zang Street Suite D Broomfield, CO 80021	20-8450505	W11704319
The Noodle Shop, Co. — Kansas, LLC	Kansas	520 Zang Street Suite D	26-0290515	6180335

		Broomfield, CO 80021		
The Noodle Shop, Co. — Delaware, Inc.	Delaware	520 Zang Street Suite D Broomfield, CO 80021	72-1535566	4899495

Schedule 5.17

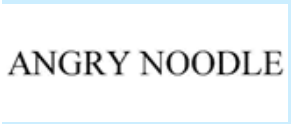
Intellectual Property Matters:
Patents, Trademarks, Trade Names, Service Marks, and Copyrights

I. Patents

None.

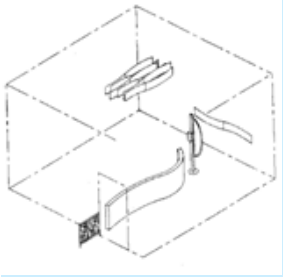
II. Trademarks*, Trade Names, Service Marks

*All trademarks used by Noodles & Company are held by Noodles & Company, a Delaware corporation

Trademark/SN/RN	Status/Key Dates
ANGRY NOODLE  SN:77-947776	Allowed - Intent to Use Notice of Allowance Issued January 4, 2011 Int'l Class: 30 Filed: March 1, 2010 Published: November 9, 2010
CRAVE CARD  SN:77-454019 RN:3,553,349	Registered December 30, 2008 Int'l Class: 36 First Use: April 1, 2003 Filed: April 21, 2008 Published: October 14, 2008

Trademark/SN/RN	Status/Key Dates
CRAVE CARD  SN:77-302744 RN:3,487,650	Registered August 19, 2008 Int'l Class: 43 First Use: April 1, 2003 Filed: October 12, 2007 Published: June 3, 2008
CRAVE CARD SN:78-157417 RN:3,319,319	Registered October 23, 2007 Int'l Class: 43 First Use: April 1, 2003 Filed: August 23, 2002 Published: April 8, 2003 Allowed: May 24, 2005
EVERY GUEST, EVERY BOWL, EVERY TIME. SN:76-230481 RN:2,612,158	Registered 8 Accepted September 15, 2008 Int'l Class: 42 First Use: May, 1997 Filed: March 23, 2001 Published: June 4, 2002 Registered: August 27, 2002
FEED THE WHOLE GROUP  SN:77-363806 RN:3,480,259	Registered August 5, 2008 Int'l Class: 43 First Use: January 2, 2008 Filed: January 3, 2008 Published: May 20, 2008
FRESH SAUTE & GRILL	Registered Supplemental Register March 18, 2008

Fresh Sauté & Grill SN:76-631356 RN:3,400,230	Int'l Class: 43 First Use: March 1, 2005 Filed: February 15, 2005

Trademark/SN/RN	Status/Key Dates
JAPANESE PAN NOODLES SN:76-248151 RN:2,894,090	Registered Principal Register - Sec. 2(F) 8 & 15 October 20, 2010 Int'l Class: 42 First Use: October, 1995 Filed: April 5, 2001 Published: July 27, 2004 Registered: October 19, 2004
LUNCH BUDDY LUNCH BUDDY SN:77-860655 RN:3,799,450	Registered June 8, 2010 Int'l Class: 16 First Use: November 23, 2009 Filed: October 29, 2009 Published: March 23, 2010
MAC & MEATBALLS MAC & MEATBALLS SN:77-711803	Pending - Final Refusal Mailed Principal Register - Sec. 2(F) Int'l Class: 29 August 29, 2010 Filed: April 10, 2009
MISCELLANEOUS DESIGN  SN:76-334791 RN:2,955,809	Registered Supplemental Register May 24, 2005 Int'l Class: 42 First Use: November 17, 1998 Filed: October 24, 2001

Trademark/SN/RN	Status/Key Dates
MISCELLANEOUS DESIGN  SN:76-536590 RN:2,907,868	Registered 8 & 15 March 6, 2010 Int'l Class: 43 First Use: September 22, 1999 Filed: July 2, 2003 Published: September 14, 2004 Registered: December 7, 2004
MULTITOODLES MULTITOODLES SN:77-363812 RN:3,484,203	Registered August 12, 2008 Int'l Class: 43 First Use: January 2, 2008 Filed: January 3, 2008 Published: May 27, 2008
NOODLEGRAM NOODLEGRAM SN:77-657005 RN:3,660,851	Registered July 28, 2009 Int'l Class: 35 First Use: February, 2006 Filed: January 26, 2009 Published: May 12, 2009
NOODLES & COMPANY	Registered Principal Register

SN:76-230756 RN:2,547,018	March 12, 2002 Int'l Class: 42 First Use: September, 1995 Filed: March 23, 2001 Published: December 18, 2001
NOODLES & COMPANY NOODLES & COMPANY SN:77-674355 RN:3,663,655	Registered Principal Register — Sec. 2(F) August 4, 2009 Int'l Class: 29, 30 First Use: January 1, 2000 Filed: February 20, 2009 Published: May 19, 2009

Trademark/SN/RN	Status/Key Dates
NOODLES & COMPANY and Design noodles &company SN:76-661267 RN:3,333,189	Registered Principal Register — Sec. 2(F) November 13, 2007 Int'l Class: 43 First Use: September 1, 2004 Filed: June 8, 2006 Published: August 28, 2007
NOODLES & COMPANY and Design noodles &company SN:76-026711 RN:2,651,073	Registered Principal Register — Sec. 2(F) In Part November 19, 2002 Int'l Class: 42 First Use: September, 1995 Filed: April 14, 2000 Published: August 27, 2002
NOODLES & COMPANY and Design noodles &company SN:77-452703 RN:3,594,116	Registered Principal Register - Sec. 2(F) March 24, 2009 Int'l Class: 29, 30 First Use: September 1, 2004 Filed: April 19, 2008 Published: January 6, 2009
NOODLEVILLE NOODLEVILLE SN:77-172403 RN:3,437,320	Registered May 27, 2008 Int'l Class: 43 First Use: June 20, 2007 Filed: May 3, 2007 Published: October 30, 2007 Allowed: January 22, 2008
NOODLEWEAR (Stylized) noodlewear SN:78-157429 RN:2,893,106	Registered October 12, 2004 Int'l Class: 25, 26 First Use: May 30, 2002 Filed: August 23, 2002 Published: July 20, 2004

Trademark/SN/RN	Status/Key Dates
PESTO CAVATAPPI SN:76-248150 RN:2,907,496	Registered Principal Register - Sec. 2(F) 8 & 15 March 6, 2010 Int'l Class: 42 First Use: October, 2000 Filed: April 5, 2001 Published: September 14, 2004 Registered: December 7, 2004
PUDDIN' COOKIE Puddin' Cookie SN:76-591372 RN:2,953,812	Registered Supplemental Register May 17, 2005 Int'l Class: 30 First Use: October 1, 2000 Filed: May 6, 2004

REAL FOOD. REAL QUICK. REAL FOOD. REAL QUICK. SN:77-813518	Pending - Suspended January 12, 2011 Int'l Class: 43 Filed: August 26, 2009
SQUARE BOWL SQUARE BOWL SN:77-814246	Allowed - Intent to Use 1st Extension of Time Granted December 18, 2010 Int'l Class: 29, 30 Filed: August 27, 2009 Published: April 27, 2010 Allowed: June 22, 2010
STOP AND TASTE THE NOODLES STOP AND TASTE THE NOODLES SN:77-716533	Allowed - Intent to Use 2nd Extension of Time Granted November 15, 2010 Int'l Class: 43 Filed: April 17, 2009 Published: August 11, 2009 Allowed: November 3, 2009
WISCONSIN MAC & CHEESE SN:76-248152 RN:2,894,091	Registered Principal Register - Sec. 2(F) 8 & 15 August 23, 2010 Int'l Class: 42 First Use: October, 1995 Filed: April 5, 2001 Published: July 27, 2004 Registered: October 19, 2004

Trademark/SN/RN	Status/Key Dates
NOODLES & COMPANY Australian Registration AN: 986834 RN: 986834	Registered September 13, 2004 Int'l Class: 25, 30, 43 Filed: January 30, 2004
NOODLES & COMPANY Canadian Application AN:1204755-00	Pending - Extension of Time December 2, 2010 Pending - Extension of Time December 2, 2010 Filed: January 30, 2004 Published: September 10, 2008
NOODLES & COMPANY European Community Registration AN: 003637881 RN: 003637881	Registered April 26, 2005 Int'l Class: 25, 30, 43 Filed: January 29, 2004
NOODLES & COMPANY Mexican Application AN: 1105434	Filed: July 20, 2010

III. Copyrights

None.

Schedule 5.20

Restaurant Leases

Lease Date	Property ID	Location	County	Lease Document	Landlord
06/16/2006	090/CSO	520 Zang Street, Ste. D Broomfield, CO 80021	Broomfield	Lease	NNN Mainstreet at Flatiron Dept 2250 Denver, CO 80291
02/12/2001	101	2360 E. 3rd Avenue Denver, CO 80206	Denver	Lease	Offices at University, LLC 620 Newport Center Drive, Suite 1300 Newport Beach, CA 92660
11/06/1996	102	1245 Alpine Avenue Boulder, CO 80304	Boulder	Lease	Broadway-Ideal Management 729 Walnut #2D Boulder, CO 80302
07/15/1996	103	3294 Youngfield, Unit F	Jefferson	Lease	GMB Applewood

		Wheat Ridge, CO 80033			1201 Galapago Street, TH-101 Denver, CO 80204
07/27/1999	105	1100 Hwy. 287, #100 Broomfield, CO 80020	Broomfield	Lease	Broomfield Shopping Center 09 A, LLC c/o ACF Property Management, Inc. 12411 Ventura Blvd. Studio City, CA 91604
05/25/1999	106	550 Broadway, Unit B Denver, CO 80203	Denver	Lease	Denver Broadway Central LLC 23420 Lyons Ave. Newhall, CA 91321
09/30/2001	106	550 Broadway, Unit B Denver, CO 80203	Denver	Storage Lease	Denver Broadway Central LLC 23420 Lyons Ave. Newhall, CA 91321
02/22/2000	107	9563 South University Blvd. Highlands Ranch, CO 80126	Douglas	Lease	Village Westwood Corp c/o Westwood Financial Corp. 11440 San Vincente Blvd. #200 Los Angeles, CA 90049
05/31/2000	108	635A Flatiron Marketplace Drive Broomfield, CO 80021	Broomfield	Lease	DDR Flatiron LLC Department 105204-20286-7748 P.O. Box 931650 Cleveland, OH 44193

Lease Date	Property ID	Location	County	Lease Document	Landlord
10/13/2005	108	635A Flatiron Marketplace Drive Broomfield, CO 80021	Broomfield	Monument Sign Agreement	DDR New Business Development 3300 Enterprise Parkway Beachwood, OH 44122
01/10/2000	109	1460 16th Street Denver, CO 80202	Denver	Lease	TR 16 Market Square Corp - 067 c/o KBS Realty Advisors, LLC 620 Newport Center Drive Suite 1300 Newport Beach, CA 92660
09/13/1999	110	1100 West Dillon Road, Suite 1 Louisville, CO 80027	Boulder	Lease	MG Real Estate, LLC c/o Prime West Suite 500 Denver, CO 80222
05/04/1999	111	4733 S. Timberline Rd., Ste 104 Fort Collins, CO 80528	Larimer	Lease	Dial Properties Co. Attn : Administrative Dept. 11506 Nicholas St, Suite 200 Omaha, NE 68154
07/07/2006	111	4733 S. Timberline Rd., Ste 104 Fort Collins, CO 80528	Larimer	Sign Agreement	Dial Properties Co. Attn : Administrative Dept. 11506 Nicholas St, Suite 200 Omaha, NE 68154
05/17/2000	112	7740 West Alameda Avenue Lakewood, CO 80226	Jefferson	Lease	Lakewood City Commons LP Bldg #BZL001 PO Box 301109 Los Angeles, CA 90030-1109
05/01/1999	113	2850 Baseline Road Boulder, CO 80303	Boulder	Lease	East Baseline Investors, LLC c/o Packard and Dierking, LLC 2595 Canyon Blvd., Suite 200 Boulder, CO 80302
06/15/2000	114	9956 Remington Space A-5 Littleton, CO 80128	Jefferson	Lease	Jefferson 03 LLC c/o ACF Property Mgt Inc 12411 Ventura Blvd Studio City, CA 91604
06/15/2000	115	12101K East Iliff Avenue Aurora, CO 80014	Arapahoe	Lease	Bass Cahn Properties 1777 South Harrison St, Pent 2 Denver, CO 80210

Lease Date	Property ID	Location	County	Lease Document	Landlord
05/17/2000	116	9400 Heritage Hills Circle, Ste. 100 Littleton, CO 80124	Douglas	Lease	SBMC Lincoln Hills LLC 433 North Camden Drive Suite 1070 Beverly Hills, CA 90210
04/03/2001	117	11153A South Parker Road Parker, CO 80134	Douglas	Lease	DDR MDT Parker Pavilion LLC 3300 Enterprise Pkwy Cleveland, OH 44122
05/29/2001	118	8071 Wadsworth Blvd., Unit 1-C Arvada, CO 80003	Jefferson	Lease	ADLP-80th LLC PO Box 60467

					Charlotte, NC 28260
03/26/2001	119	7234 North Academy Blvd. Colorado Springs, CO 80920	El Paso	Lease	North Academy III L.L.C 6285 Fall River Drive Colorado Springs, CO 80918
06/29/2001	120	12023 East Arapahoe Rd., Unit 100 Centennial, CO 80112	Arapahoe	Lease	Yekta Investment Group, LLC c/o Sullivan Group Real Estate Services 1101 Bannock Street Denver, CO 80204
09/19/2001	121	7301 South Santa Fe Drive Littleton, CO 80120	Arapahoe	Lease	Aspen Grove Lifestyle Center 7301 S Santa Fe Drive Littleton, CO 80120
01/29/2002	122	10355 Federal Blvd., Unit H Westminster, CO 80260	Adams	Lease	Northpark Retail Center III 1901 Avenue of the Stars Suite 855 Los Angeles, CA 90067
08/02/2001	123	1502 S. Colorado Boulevard Denver, CO 80222-3700	Denver	Lease	Florida Mall, LLC 1615 California Street Suite 707 Denver, CO 80202
04/08/2002	125	1087 S. Hover Street, Unit D Longmont, CO 80501	Boulder	Lease	M3 Properties LLC PO Box 6009 Longmont, CO 80501
08/19/2002	126	7401 E. 29th Avenue, Bldg. 13 Denver, CO 80238	Denver	Lease	FC 29th Avenue Town Center PO Box 72142 Cleveland, OH 44192-0142
01/15/2003	127	1812 Southgate Road Colorado Springs, CO 80906	El Paso	Lease	New Haven WG LLC c/o Noddle Companies 2285 S. 67th St., Suite 250 P.O. Box 24169 Omaha, NE 68124

Lease Date	Property ID	Location	County	Lease Document	Landlord
06/04/2003	128	4318 West 9th Street Road, Suite 7 Greeley, CO 80634	Weld	Lease	George Nesvadba 329 Parkview Avenue Golden, CO 80401
07/22/2004	129	6300 East Hampden, Suite K Denver, CO 80222	Denver	Lease	Pacific Hampden, LLC 3993 Howard Hughes Pkwy #450 Las Vegas, NV 89109
01/31/2006	130	5844 Barnes Road Colorado Springs, CO 80922	El Paso	Lease	Barnes & Powers North, LLC 111 South Tejon Street Suite 222 Colorado Springs, CO 80903
03/24/2006	131	648 S. College Avenue Ft. Collins, CO 80524	Larimer	Lease	Carlsons Investment & Mgmt 1006 Spring Creek Lane #12 Fort Collins, CO 80526
07/20/2006	132	697 West Hampden Avenue Englewood, CO 80110	Arapahoe	Lease	Weingarten Realty Inc 850 Englewood Pkwy Suite 200 Englewood, CO 80110
09/07/2006	133	1550 Fall River Drive, Ste 190 Loveland, CO 80534	Larimer	Lease	Centerra Retail Shops, LLC Attn: Property Management 2725 Rocky Mtn. Ave. Suite 200 Loveland, CO 80538
01/25/2007	134	13700 E. Colfax, Suite D Aurora, CO 80011	Adams	Lease	PCN 1 Fitzsimons LLC 44 Cook Street #710 Denver, CO 80206
05/09/2007	135	6200 South Main Street, Ste 101 Aurora, CO 80016	Arapahoe	Lease	Granite Southlands Town Center, LLC c/o Forest City Commercial Management, Inc. 15829 Collection Center Drive Chicago, IL 60693
05/02/2008	136	1601 Mayberry Dr Space 104 Highlands Ranch, CO 80129	Douglas	Lease	HRTC I LLC 9135 Ridgeline Boulevard Suite 100 Attn; Asset Manager Highlands Ranch, CO 80129
07/24/2008	137	4530 w 121st Ave Broomfield, CO 80020	Broomfield	Lease	Broomfield Corners LLC c/o PRA Real Estate Services 496 S Broadway Denver, CO 80209

Lease Date	Property ID	Location	County	Lease Document	Landlord
12/31/2009	138	4530 w 121st Ave Broomfield, CO 80020	Broomfield	Lease	Kimco Quincy Place 685, Inc. 1621-B South Melrose Drive Vista, CA 92081
05/13/2008	139	2370 E Arapahoe Ste 926 Centennial, CO 80122	Arapahoe	Lease	AW Southglenn LLC 8480 East Orchard Road, Suite 2400 Greenwood Village, CO 80111
09/14/2008	140	5166 N. Nevada Ave Colorado Springs, CO 80918	El Paso	Lease	University Village Developers, LLC University Village Colorado 102 N. Cascade Ave.#250 Colorado Springs, CO 80903
09/18/2008	141	10550 E. Garden Dr Ste 106 Aurora, Co 80012	Arapahoe	Lease	Weingarten Miller MDH Buckingham, LLC 850 Englewood Parkway, Suite 200 Houston, TX 77292
10/24/2008	142	1737 E Evans Ave Denver, Co 80210	Denver	Lease	Wiss, LLC 7062 Red Mesa Dr. Littleton, CO 80215
07/01/2009	146	1600 28th St Ste 1208 Boulder, CO 80301	Boulder	Lease	The Macerich Partnership, LP 401 Wilshire Blvd., Suite 700 Santa Monica, CA 90401
08/17/2009	147	265 Dillon Ridge Rd Dillon, CO 80435	Summit	Lease	Millennium Venture Group, Inc 1509 York Street Floor 3 Denver, CO 80206
03/25/2010	148	303 16th St Ste 150 Denver, CO 80202	Denver	Lease	Brookfield Republic Plaza LLC 370 17th Street Suite 3800 Denver, CO 80202
04/07/2010	150	2602 Baseline Road Boulder, CO 80305	Boulder	Lease	Skunk Creek Investors, LLC c/o Swanson Properties PO Box 720 Denver, CO 80201
07/29/2010	151	8000 E Belleview Denver, CO 80237	Denver	Lease	G&IV Belleview, LLC c/o CB Richard Ellis 8390 E. Crescent Pkwy, Ste. 300 Greenwood Village, CO 80111-2813

Lease Date	Property ID	Location	County	Lease Document	Landlord
03/17/1996	201	232 State Street Madison, WI 53703	Dane	Lease	Biagio Gargano 5662 Dorcas Cr. Oregon, WI 53575
02/19/1997	202	7050 Mineral Point Madison, WI 53717	Dane	Lease	West Place Two LLC Livesey Company 1818 West Beltline Highway Madison, WI 53713
07/13/1998	203	6520 Monona Drive Monona, WI 53716	Dane	Lease	Monona Retail LLC (PIER) SDS-12-2642 P.O. Box 86 Minneapolis, MN 55486-2642
05/23/2000	204	8781 N. Port Washington Road Milwaukee, WI 53217	Milwaukee	Lease	North Shore Center Partners c/o Midland Management LLC 11045 Towne Square Rd Mequon, WI 53092
06/06/2001	205	1390 Capitol Drive, Suite 2 Pewaukee, WI 53072	Waukesha	Lease	Larry D. Sheveland c/o Sheveland Properties III 114 Birch Rd Delafield, WI 53018
12/12/2000	206	3121 North Oakland Avenue Milwaukee, WI 53211	Milwaukee	Lease	Olympia-Noodles, LLC 14201 West Overland Trail New Berlin, WI 53151-3059
01/29/2001	207	2981 Triverton Pike Drive Fitchburg, WI 53711	Dane	Lease	Fitchburg One LLC c/o Livesay Company 1818 West Beltline Highway Madison, WI 53713
07/19/2001	208	17000 W. Bluemound Rd. Unit H Brookfield, WI 53005-5960	Waukesha	Lease	Metro Life Insurance Co c/o Urban Retail Properties,CO 5300 S 76th St Greendale, WI 53129
11/19/2001	209	W 176 N 9336 Rivercrest Drive Menomonee Falls, WI 53051	Waukesha	Lease	Rivercrest Centre LLC 311 E. Chicago St. Ste. 220 Milwaukee, WI 53202

03/15/2002	210	7700 West State Street Wauwatosa, WI 53213-2640	Milwaukee	Lease	Richard P. Conley c/o Lefeber Point LLC 18650 W Corporate Dr Ste 215 Brookfield, WI 53045

Lease Date	Property ID	Location	County	Lease Document	Landlord
06/05/2002	211	4280 East Towne Boulevard Madison, WI 53704	Dane	Lease	East Towne Square Partnership c/o Flad Development & Inv Co 7941 Tree Lane, Ste 105 Madison, WI 53717
12/12/2002	212	2665 South Oneida Street Green Bay, WI 54303	Brown	Lease	Midwest Expansion LLP 2300 Lineville Road, Suite 200 Green Bay, WI 54313
01/06/2003	213	3600 University Avenue Madison, WI 53705	Dane	Lease	University Woods LLC 1818 West Beltline Highway Madison, WI 53713
02/06/2003	214	15630 West National Avenue New Berlin, WI 53151	Waukesha	Lease	15600 National Ave LLC 3103 N. Oakland Ave Milwaukee, WI 53211
05/07/2003	215	2729 West Oklahoma Avenue Milwaukee, WI 53215-4326	Milwaukee	Lease	RP Restaurant Group LLC 13255 West Bluemound Road Suite 104 Brookfield, WI 53005
06/20/2003	216	5794 S. 108th Street Hales Corners, WI 53130	Milwaukee	Lease	Village Market Hales Corners c/o The Mid-America Management Corp 3333 Richmond Road Beachwood, OH 44122
05/07/2004	217	4333 Wisconsin Avenue Appleton, WI 54913	Outgamie	Lease	Fox River Mall 110 North Wacker Drive Chicago, IL 60606
09/17/2003	218	425 West Paradise Drive West Bend, WI 53095	Washington	Lease	D&K Management, LLC 312 E Wisconsin Ave Suite 320 Milwaukee, WI 53202
08/27/2003	219	2259 Humes Road Janesville, WI 53545-0258	Rock	Lease	Heidner/Hoffman Properties II 399 Wall Street, Unit H Glendale Heights, IL 60139
11/21/2003	220	5720 Washington Avenue Mt. Pleasant, WI 53406-4018	Racine	Lease	DDRM Village Center II LLC 3300 Enterprise Parkway Cleveland, OH 44122
04/21/2004	221	3260 Golf Road Delafield, WI 53018	Waukesha	Lease	Shoppes at Nagawaukee, LLC c/o Escom Properties, Inc. 10200 73rd Ave North Ste 100 Maple Grove, MN 55369

Lease Date	Property ID	Location	County	Lease Document	Landlord
06/18/2004	222	7201 120th Avenue, Suite A Kenosha, WI 53142	Kenosha	Lease	Windsor Pointe Investors, LLC c/o Kirkwood Partners, Ltd 1650 Camino Del Mar Del Mar, CA 9201
08/01/2005	223	12132 West Capitol, Suite O Wauwatosa, WI 53222	Milwaukee	Lease	Stratford-Wauwatosa LLC 60 Revere Drive, Suite 700 Northbrook, IL 60062
07/20/2007	224	1351 North Port Washington Road Grafton, WI 53024	Ozaukee	Lease	Rick Schmit Rentals, Inc 1449 East Cedar Creek Road Grafton, WI 53024
05/18/2007	225	4859 S. 76th Street Greenfield, WI 53220	Milwaukee	Lease	PH 4859 S. 76th St. LLC 3103 N. Oakland Ave. Milwaukee, WI 53211
10/31/2008	226	1210 W Sunset Dr Waukesha, WI 53189	Waukesha	Lease	Opus, LLC Opus Property Services, LLC 10350 Bren Road West Minnetonka, MN 55343
03/05/2010	227	3719 E. Calumet St Appleton, WI 54915	Outgamie	Lease	PBJ Holdings c/o Eisenhower Properties II 200 E Washington St Suite 2A Appleton, WI 54911

05/14/1999	301	3040 Excelsior Blvd, #101 Minneapolis, MN 55416	Hennepin	Lease	Calhoun Commons c/o Doran Management Company 7803 Glenroy Road, Suite 200 Bloomington, MN 55439
10/22/1999	302	7840 Main Street Maple Grove, MN 55369	Hennepin	Lease	KIR Maple Grove LP 3333 New Hyde Park, Suite 100 PO Box 5020 New Hyde Park, NY 11042-0020
08/30/2000	303	3425 Vicksburg Ln N, Suite 200 Plymouth, MN 55447-1319	Hennepin	Lease	Plymouth Marketplace LLC c/o Tri-Star Management 600 South Hwy 169 St. Louis Park, MN 55426
10/13/2000	304	7455 Currell Blvd., Space 101 Woodbury, MN 55125	Washington	Lease	Shoppes of Woodbury The 7650 Edinborough Way, Ste 375 Edina, MN 55435

Lease Date	Property ID	Location	County	Lease Document	Landlord
08/29/2001	305	233 Cedar Avenue South Minneapolis, MN 55454-1054	Hennepin	Lease	GrandMarc Minnesota LP 1849 Washington Ave. S Minneapolis, MN 55454
09/28/2001	306	3944 Marketplace Drive NW Rochester, MN 55901	Olmsted	Lease	Inland Commercial Property 4575 Payshere Circle Chicago, IL 60674
11/15/2001	307	2110 Ford Parkway St. Paul, MN 55116-1813	Ramsey	Lease	Pioneer Property Partners II c/o Exeter Realty Company 3550 Wells Fargo Place 30 East Seventh Street St. Paul, MN 55101
04/12/2002	308	3479 River Rapids Drive Coon Rapids, MN 55448	Anoka	Lease	DDR Macquarie Fund LLC 3300 Enterprise Parkway Cleveland, OH 44122
06/19/2002	309	14879 Florence Trail Apple Valley, MN 55124	Dakota	Lease	NorthMarq Real Estate Services 3500 American Blvd. W., Suite 200 Minneapolis, MN 55431
10/07/2002	310	13300 Technology Drive, Ste 100 Eden Prairie, MN 55344	Hennepin	Lease	South West Stati 7887 Fuller Rd Ste. 117 Eden Prairie, MN 55344
12/26/2002	311	1340 Town Centre Drive Eagan, MN 55123	Dakota	Lease	ETC Minnesota LLC c/o Nikki Obryrne 527 Marquette Ave S Ste 1000 Minneapolis, MN 55402
07/01/2003	312	616 Washington Avenue Minneapolis, MN 55414	Hennepin	Lease	Nationwide Group 3410 Winnetka Ave North New Hope, MN 55427
10/01/2003	312	616 Washington Avenue Minneapolis, MN 55414	Hennepin	Parking Lease	Campus Auto Repair 630 Washington Ave SE Minneapolis, MN 55414
10/14/2003	313	2865 White Bear Avenue St. Paul, MN 55109	Ramsey	Lease	Ellen B. Nelson 213 Oakwood Place Eau Claire, WI 54701
09/05/2003	314	1600 Warren Street, Ste 15 Mankato, MN 56001-4966	Blue Earth	Lease	Mercury Investments PO Box 3208 Park City, UT 84060

Lease Date	Property ID	Location	County	Lease Document	Landlord
11/19/2003	315	7630 Lyndale Avenue South, Ste 100 Richfield, MN 55423	Hennepin	Lease	Kensington Park Retail, LLC C/o The Cornerstone Group 7610 Lyndale Ave. S. Richfield, MN 55423
03/21/2005	316	6531 York Avenue South Edina, MN 55435-2356	Hennepin	Lease	Principla Life Ins. Co. 015110 801 Grand Ave. Des Moines, IA
02/09/2006	317	7808 Olson Memorial Highway Golden Valley, MN 55427	Hennepin	Lease	GV Commons LLC TriStar Management 600 South Hwy 169, Ste 701 St. Louis Park, MN 55426
01/16/2007	318	1590 Robert Street South West St. Paul, MN 55118	Dakota	Parking Lease	Wentworth Commons, LLC 233 Park Ave S

					#201 Minneapolis, MN 55415
03/31/2007	318	1590 Robert Street South West St. Paul, MN 55118	Dakota	Lease	Wentworth Commons, LLC 233 Park Ave S #201 Minneapolis, MN 55415
10/10/2007	320	4011 West Division Street, Ste #1 St. Cloud, MN 56301	Steams	Lease	St. Cloud Mall L.L.C 110 North Wacker Drive Chicago, IL 60606
03/25/2008	321	4607 Maine Ave SE, Ste 201 Rochester, MN 55904	Olmsted	Lease	MN Maine, LLC 10350 Bren Road West Minnetonka, MN 55343
07/22/2008	322	13590 Northdale Blvd Rogers, MN 55374	Hennepin	Lease	River Valley One, LLC 222 Ohio Street Oshkosh, WI 54902
10/08/2008	324	5326 16th St West St Louis Park, MN 55416	Hennepin	Lease	AD West End, LLC 3805 Edwards Road, Suite 700 Cincinnati, OH 45209
11/12/2008	325	60 E. Broadway Ste S342 Bloomington, MN 55425	Hennepin	Lease	MOAC Mall Holdings, LLC NW 5826 P.O. Box 1450 Minneapolis, MN 55485-5826
07/30/2009	326	1655 County Rd B-2 Ste D Roseville, MN 55113	Ramsey	Lease	Wilcal Crossroads, LLC c/o M&J Wilkow Properties, LLC 180 N. Michigan Ave., Suite 200 Chicago, IL 60601

Lease Date	Property ID	Location	County	Lease Document	Landlord
09/10/2009	327	901 County Road 42 Suite 220 Burnsville, MN 55306	Dakota	Lease	Burnsville Center SPE, LLC c/o CBL & Associates Management, Inc. 1178 Burnsville Center Attn: General Manager Burnsville, MN 55306
10/26/2009	328	10340 Baltimore St Ste 180 Blaine, MN 55449	Anoka	Lease	Continental Commons LLC 11806 Aberdeen Street NE Suite 290 Blaine, MN 55449
04/30/2010	329	Bloomington 10700 France Avenue Bloomington, MN 55437	Hennepin	Lease	Ridge Square North, L.L.P. 11665 26th Avenue North Plymouth, MN 55441
10/16/2001	401	1201 S. Joyce Street, Suite C-3 Arlington, VA 22202	Arlington	Lease	Street Retail Inc. Rockville TS #400-1910 c/o Federal Realty Inv. Trust PO Box 8500-9320 Philadelphia, PA 19178-9320
04/11/2002	402	10296 Main Street Fairfax, VA 22030	Fairfax	Lease	Main Street Retail Partners 2100 McKinney Avenue Suite 700 Dallas, TX 75201
03/21/2002	403	7320 Baltimore Avenue College Park, MD 20740-3206	Prince George's	Lease	College Park Shopping Center c/o JBG Rosenfeld-CPK PO Box 79986 Baltimore, MD 21279
08/07/2002	404	177 Kentlands Boulevard, Suite 100 Gaithersburg, MD 20878	Montgomery	Lease	FJL Kentlands LLC 177 Kentlands Blvd, 2nd Floor Gaithersburg, MD 20878
05/09/2003	405	905 Ellsworth Drive Silver Spring, MD 20910	Montgomery	Lease	Silver Spring Investors LLC c/o PRV City Place Management 1919 West Street Suite 100 Annapolis, MD 21401
03/26/2004	406	114 Shawan Road, Ste 2 Hunt Valley, MD 21030	Baltimore	Lease	Hunt Valley Town Centre LLC 10096 Red Run Blvd Ste 100 Owings Mills, MD 21117

Lease Date	Property ID	Location	County	Lease Document	Landlord
06/09/2003	408	3755 Old Court Road Pikesville, MD 21208	Baltimore	Lease	VEI Manager, LLC 1500 Serpentine Road

					Suite 100 Baltimore, MD 21209
04/09/2003	409	201 Maple Avenue East Vienna, VA 22181	Fairfax	Lease	JDC Maple Avenue LLC 4350 East -West Highway Suite 400 Bethesda, MD 20814
06/16/2003	410	6191 Old Dobbin Lane, Suite 930 Columbia, MD 21045	Howard	Lease	AAK Dobbin LLC c/o Abrams Development Group 7221 Lee Deforest, Suite 100 Columbia, MD 21046
11/26/2003	411	3105 Duke Street Alexandria, VA 22314	Alexandria	Lease	Steuart-Hechinger Commons Shop c/o JBG Rosenfeld Retail 4445 Willard Ave Ste 700 Chevy Chase, MD 20815
10/01/2003	413	1609-B Rockville Pike Rockville, MD 20852	Montgomery	Lease	Congressional Plaza Fed Realty Investment Trust PO Box 8500-9320 Philadelphia, PA 19178-9320
12/23/2003	414	3055 Waldorf Market Place, #10 Waldorf, MD 20603	Charles	Lease	SVF Waldorf, LLC 121 West Trade St., 27th Floor Charlotte, NC 28202-5399
06/22/2006	415	5900 Kingstowne Blvd, Suite 130 Alexandria, VA 22315	Fairfax	Lease	Boston Properties LP 111 Huntington Ave. Suite 300 Boston, MA 02199-7910
11/17/2006	416	10013 Jefferson Davis Highway Fredericksburg, VA 22401	Fredricksburg	Lease	CC Retail 6F, LLC 1201 Central Park Blvd Fredericksburg, VA 22401
04/03/2007	417	9646 Liberia Ave, Manassas, VA 20110	Spotsylvania	Lease	Liberia Investments, LLC 8012 Centreville Rd. Manassas, VA 20111
12/19/2006	418	5350 Campbell Blvd, Suite H Baltimore, MD 21236	Baltimore	Lease	Campbell-Philadelphia Business c/o Federal Realty Investment 1626 East Jefferson Street Rockville, MD 20852-4041

Lease Date	Property ID	Location	County	Lease Document	Landlord
10/25/2006	419	1212 Carl D. Silver Parkway Fredericksburg, VA 22401	Fredricksburg	Lease	Fredericksburg 35, LLC 8405 Greensboro Drive Suite 830 McLean, VA 22102-5118
08/27/2007	420	8190 Strawberry Lane, Ste 4 Falls Church, VA 22042	Fairfax	Lease	Merrifield Town Center Limited 8191 Strawberry Lane, Suite 3 Falls Church, VA 22042
01/31/2007	421	10450 Owings Mills Boulevard Owings Mills, MD 21117	Baltimore	Lease	Whale, LLC 100 Painters Mill Road Suite 900 Owings Mills, MD 21117
06/27/2007	423	2323 Annapolis Mall, Unit #1713 Annapolis, MD 21401	Anne Arundel	Lease	Annapolis Mall Limited Partner 2002 Annapolis Mall Annapolis, MD 21401
01/22/2008	425	2011 Crystal Dr Arlington, VA 22202	Arlington	Lease	First Crystal Park Associates c/o Vornado/Charles E. Smith 2345 Crystal Drive Suite 1000 Arlington, VA 22202
12/31/2007	426	7291 Battle Hill Dr, Ste A Mechanicsville, VA 23111	Hanover	Lease	Bell Creek 10-A LLC c/o ACF Property Management 12411 Ventura Blvd Studio City, CA 91604
05/05/2000	427	4238 Wilson Blvd, Unit 1130 Arlington, VA 22203	Arlington	Lease	Ballston Common Associates LP 50 Public Square, Suite 1340 Cleveland, OH 44113
08/27/2008	432	101 Gibbs St Rockville, MD 20850	Montgomery	Lease	Street Retail Inc. Rockville TS #400-1910 c/o Federal Realty Inv. Trust PO Box 8500-9320 Philadelphia, PA 19178-9320
03/27/2008	434	15785 WC Main St Midlothian, VA 23113	Chesterfield	Lease	Zaremba Metropolitan Midlothian, LLC 14600 Detroit Ave, #1500 Lakewood, OH 44107

Lease Date	Property ID	Location	County	Lease Document	Landlord
06/10/2008	436	1601 Willow Lawn Dr. Richmond, VA 23230	Henrico	Lease	Federal Realty Investment Trust- Property #1883 c/o federal Realty Investment Trust P.O. Box 8500-9320 Philadelphia, PA 19178-9320
12/01/2009	437	825 Goucher Blvd, Space 100 B Towson, MD 21286	Baltimore	Lease	Towson VF LLC 210 Route 4 East Paramus, NJ 07652
10/27/2008	438	2801 Compus Way North Lanham, MD 20706	Prince George's	Lease	Petrie/ELG Inglewood, LLC 1919 West Street, Suite 1100 Annapolis, MD 21401
10/20/2008	439	7702 B Richmond HWY Ste A Alexandria, VA 22306	Fairfax	Lease	Federal Realty Partners LP - Property #1490 c/o Federal Realty Investment Trust P.O. Box 8500-9320 Philadelphia, PA 19178-9320
12/31/2009	441	301 Light St Ste 1517 Baltimore, MD 21202	Baltimore	Lease	Harborplace Associates Limited Partnership 200 East Pratt Street, 4th Floor Baltimore, MD 21202
09/09/2008	442	1607 Village Market Rd Ste L-112 Leesburg, VA 20178	Loudoun	Lease	Carlyle/Cyress Retail, LP 8343 Douglas Ave Suite 300 Dallas, TX 75225
04/30/2009	443	7101 Democracy Blvd Ste 2464 Bethesda, MD 20817	Montgomery	Leased	Montgomery Mall LLC c/o Bank of America File #54738 Los Angeles, CA 90074
05/20/2010	446	3916 Town Center Blvd. Bowie, MD 20716	Prince George's	Lease	Bowie Mall Company LLC c/o Simon Property Group 225 West Washington Street Indianapolis, IN 46204
01/08/2010	447	7020 Old Keene Mill Road Springfield, VA 22152	Fairfax	Lease	SY 7020 Old Keene Mill, LLC 5816 Seminary Road Falls Church, VA 22041
08/10/2010	448	Sterling, VA 20165	Loudoun	Lease	E&A/I&G Caskades Limited Partnership c/o E&A Investments LP 1221 Main Street, Ste. 1000 Columbia, SC 29201

Lease Date	Property ID	Location	County	Lease Document	Landlord
04/08/2003	504	32621 Northwestern Highway Farmington Hills, MI 48334	Oakland	Lease	North Orchard Plaza Parcel PO Box 252018 West Bloomfield, MI 48325
07/08/2008	510	71 Silhavy Rd Ste A-1 Valparaiso, IN 46383	Porter	Lease	IBT Valparaiso, LLC c/o IBT/SPE Valparaiso, Inc. 75 Remittance Drive, Suite 6726 Chicago, IL 60675
10/01/2010	532	2451 2nd Street Coralville, IA	Johnson	Lease	GDA Investments, LC 250 12th Avenue, Ste. 150 Coralville, IA 52241
04/19/2004	551	260-C North El Camino Real Encinitas, CA 92024-2852	San Diego	Lease	Terramar Retail Centers LLC 5973 Avenida Encinitas #300 Carlsbad, CA 92008
09/13/2004	552	591 Grand Avenue, Suite G102 San Marcos, CA 92069	San Diego	Lease	City of San Marcos 629 J St., Suite 204 San Diego, CA 92101
08/21/2008	554	1186 Roseville Pkwy Roseville, CA 95678	Placer	Lease	The Roseville Fountains, LP P.O. Box 39000 Sacramento, CA 94139
11/09/2009	559	3650 Rosecrans Street San Diego, CA 92110	San Diego	Lease	Sports Arena S/C c/o Grosvenor Industries, LLC 6355 Ward Rd, Ste 301 Arvada, CO 80004
01/05/2010	561	1703 Trancas Street, Space A1 Napa, CA 94558	Napa	Lease	Napa Pacific Properties, LLC PO Box 2176 Chico, CA 95927
12/08/2009	563	7405 Laguna Blvd, Ste 170 Elk Grove, CA 95758	Sacramento	Lease	DSRG - Laguna Crossroads PO Box 6157

					Hicksville, NY 11802
02/09/2010	564	4545 La Jolla Village Dr Space 201E San Diego, CA 92122	San Diego	Lease	UTC Venture LLC c/o Westfield LLC 11601 Wilshire Blvd Floor 11 Los Angeles, CA 90025
05/24/2010	565	2435 Fair Oaks Boulevard Sacramento, CA 95825	Sacramento	Lease	Peter P. Bollinger Investment c/o Inter-Cal Real Estate Corporation 540 Fulton Avenue Sacramento, CA 95825

Lease Date	Property ID	Location	County	Lease Document	Landlord
08/30/2000	601	207 South Washington Naperville, IL 60540	DuPage	Lease	Rot & Rot Investments LLC 2603 S Washington Street Suite 90 P. O. Box 298 Naperville, IL 60566
09/26/2000	602	2019 South Naperville Road Wheaton, IL 60187	DuPage	Lease	Draper and Kramer Retail Prope Town Square Wheaton 271 Town Square Wheaton, IL 60187
03/16/2001	603	20530 North Rand Road, #201 Deer Park, IL 60010-7239	Lake	Lease	DDRC P&M Deer Park DEPT 104037-20970-5375 P.O BOX 92361 Cleveland, OH 44193
08/03/2001	604	1310 Commons Drive Geneva, IL 60134	Kane	Lease	V V_2/ Geneva Commons LP c/o Mid America Asset Management One Parkview Plaza, 9th Floor Oakbrook Terrace, IL 60181-4731
11/27/2001	605	66 S. Arlington Heights Road Arlington Heights, IL 60005	Cook	Lease	TIC Properties Management, LLC National Bank of South Carolina Arlington Town Square Shopping Center ABA#053200666 P.O. Box 1154 Columbia, SC 29202
11/30/2001	606	930 Church Street Evanston, IL 60201-3126	Cook	Lease	Church Street Plaza LLC 1273 Paysphere Circle Chicago, IL 60674
01/22/2002	607	14662 La Grange Rd., Unit B-1 Orland Park, IL 60462	Cook	Lease	BGP Orland Park LLC c/o Terraco, Inc 3201 Old Glenview Road Suite 300 Wilmette, IL 60091
12/07/2001	608	137 N. Weber Road Bolingbrook, IL 60440	Will	Lease	The Landings Master LLC 120 N Lasalle Street Suite 3500 Chicago, IL 60602

Lease Date	Property ID	Location	County	Lease Document	Landlord
03/18/2002	610	895 South Randall Road Elgin, IL 60123	Kane	Lease	Hawthorne Court LP c/o Picker & Associates 1130 Lake Cook Road, Suite 130 Buffalo Grove, IL 60089-1944
03/12/2002	611	1 East Burlington Avenue LaGrange, IL 60525	Cook	Lease	Jerry J. Bursan 5 S. La Grange Rd 2nd Floor, Suite A La Grange, IL 60525
04/15/2002	612	315 N. Randall Road Lake in the Hills, IL 60156	McHenry	Lease	K Boys Plaza, LLC c/o Thanasourus Commercial Prp 9742 West Circle Parkway Palos Park, IL 60464
03/06/2003	613	1851 Tower Drive Glenview, IL 60026-7783	Cook	Lease	Oliver McMillian Glenview LLC 733 Eighth Avenue San Diego, CA 92101
03/12/2003	615	4912 Northwest Highway Crystal Lake, IL 60014	McHenry	Lease	Inland Commercial Property 6027 Paysphere Circle Chicago, IL 60674
04/09/2004	616	5681 West Touhy Avenue Niles, IL 60714	Cook	Lease	OTR Nominee of State Teachers One Parkview Plaza

					9th Floor Villa Park, IL 60181-4731
04/08/2004	617	18 W 64 West 22nd Street Oakbrook Terrace, IL 60181	DuPage	Lease	Noor Inc 18 Royal Vale Dr. Oakbrook, IL 60523
12/20/2005	621	900 Milwaukee Ave, Ste A Lincolnshire, IL 60069	Lake	Lease	GGP Limited Partnership SDS-12-2576 P.O. Box 86 Minneapolis, MN 55486-2576
07/25/2006	622	510 W. Touhy Park Ridge, IL 60068	Cook	Lease	PRC Partners, LLC Mid America Asset Management, Inc. Property #2090 One Parkview Plaza, 9th Floor Oakbrook Terrace, IL 60181
10/24/2006	623	6681 Grand Avenue Gurnee, IL 60031	Lake	Lease	Grand Avenue Associates, LLC c/o Shiner Management Group 3201 Old Glenveiw Road, Suite 301 Wilmette, IL 60091

Lease Date	Property ID	Location	County	Lease Document	Landlord
12/05/2006	624	2813 N Broadway Street Chicago, IL 60657	Cook	Lease	George D. Hanus 333 West Wacker Drive Suite #2750 Chicago, IL 60606-1290
12/07/2007	626	2727 w 75th Street Naperville, IL 60565	DuPage	Lease	MEPT Springbrook LLC 8288 Solutions Center Lockbox# 778288 Chicago, IL 60677
10/10/2007	627	4999 Old Orchard Center, Ste F-26 Skokie, IL 60077	Cook	Lease	Old Orchard Urban Limited Part 34 Old Orchard Ctr. Ste E34 Chicago, IL 60077
06/05/2007	628	1400 N. Meacham Road, Ste A Schaumburg, IL 60173	Cook	Lease	Heritage Schaumburg, LLC 1011 Lake Street Suite 404 Oak Park, IL 60301
11/01/2007	629	180 North Michigan Ave, Ste 104 Chicago, IL 60601	Cook	Lease	Michigan - 180 Property LLC 55 East Jackson Chicago, IL 60604
01/03/2008	630	100 W Higgins Rd, Ste l-60 South Barrington, Il 60010	Lake	Lease	Arboretum of South Barrington, LLC 100 West Higgins Road, Ste. H-72 Account No. 488005760624 South Barrington, IL 60010
12/25/2007	631	1001 75th Street, Ste 189A Woodridge, Il 60517	DuPage	Lease	Angelos Frigelis Properties, LLC P.O. Box 894 Arlington Heights, IL 60006
12/01/2008	634	706 Roosevelt Rd Glen Ellyn, IL 60137	DuPage	Lease	Vland Glen Ellyn Nicoll, LLC 1019 W. Wise Rd., Suite 101 Schaumburg, IL 60193
11/25/2009	636	6430 E. State St, Ste 118 Rockford, IL 61108	Winnebago	Lease	6930 E State, LLC c/o First Rockford Group Inc 6801 Spring Creek Rd Rockford, IL 61114
02/26/2010	638	7215 Lake Street River Forest, IL 60305	Cook	Lease	RFTC 1 Corporatation 191 N. Wacker Drive Chicago, IL 60606

Lease Date	Property ID	Location	County	Lease Document	Landlord
05/21/2010	639	2561 Sycamore Rd DeKalb, IL 60115	DeKalb	Lease	Oakland Place LLC 126 S 4th Street Suite A DeKalb, IL 60115
10/28/2010	643	1327 Golf Road Rolling Meadows, IL	Cook	Lease	Meadows Crossing LLC c/o Bradford Real Estate Co. 10 S. Wacker, Ste 2935 Chicago, IL 60606
05/07/2003	701	5207 South State Street Murray, UT 84107-4813	Salt Lake	Lease	53rd LC The Point 9450 South Redwood Road South Jordan, UT 84095
04/16/2003	702	1152 East 2100 South Salt Lake City, UT 84106	Salt Lake	Lease	The Commons at Sugar House LC 1165 E Wilmington Ave

					c/o Johansen Thackary Salt Lake City, UT 84106
04/15/2004	703	6901 South 1300 East Midvale, UT 84047	Salt Lake	Lease	The Fourels Investment Co. 6995 Union Park Center Ste 440 Midvale , UT 84047
04/16/2004	704	358 South 700 East, Suite A Salt Lake City, UT 84102	Salt Lake	Lease	Williamsen South Jordan Inc. 655 E 400 South, Ste. 200 Salt Lake City, UT 84102
06/10/2004	705	293 East University Parkway Orem, UT 84058-7639	Utah	Lease	Carillon Square I L.C. 2415 Neffs Lane Salt Lake City, UT 84109
04/23/2004	706	748 West Antelope Drive, Ste E Layton, UT 84041-1631	Davis	Lease	Layton Pointe LC 9450 South Redwood Toad South Jordon, UT 84095
01/20/2005	707	191 East 12300 South, Ste M-7 Draper, UT 84020	Salt Lake	Lease	Draper Peaks LLC c/o Arbor Commercial Real Estate 126 West Sego Lily Drive, Suite 275 Sandy, UT 84070-
06/10/2008	708	10340 S State St Sandy, UT 84070	Salt Lake	Lease	Macerich South Towne, LP Noodles, Space - OPIA Department 2596-3180 Los Angeles, CA 90084-2596

Lease Date	Property ID	Location	County	Lease Document	Landlord
12/15/2005	751	1390 W. 5th Avenue Columbus, OH 43212	Franklin	Lease	Harrison & Pruitt, LTD 978 Jaeger Street Columbus, OH 43206
01/01/2007	751	1390 W. 5th Avenue Columbus, OH 43212	Franklin	Parking Agreement	Thomas A McMahon, DC & Co 1400 West Fifth Ave Columbus, OH 43212
11/03/2006	752	4740 Reed Road, Ste 109 Upper Arlington, OH 43220	Franklin	Lease	Do-An Investments, LTD C/O Ruscilli Real Estate Svcs. 5747 Perimeter Dr., Ste 130 Dublin, OH 43017-3245
11/21/2006	753	2124 North High Street Columbus, OH 43201	Franklin	Lease	University Gateway North, LLC 88 W. Main Street Columbus, OH 43215
03/27/2007	754	1528 Gemini Place Columbus, OH 43240	Delaware	Lease	NP-FG LLC 8800 Lyra Drive, Suite 550 , OH 43243
03/15/2007	756	3707 Isabella Avenue Cincinnati, OH 45208	Hamilton	Lease	Wasson Road Investors 8160 Corporate Park Drive #220 Cincinnati, OH 45242
08/08/2007	757	7791 Cox Lane West Chester, OH 45069	Butler	Lease	Downtown Property Management, Inc. 1418 Central Parkway, Suite 201 Cincinnati, OH 45202-7567
05/18/2007	758	5032 North High Street Columbus, OH 43214	Franklin	Lease	LBR Limited Partnership 3016 Maryland Avenue Columbus, OH 43209
06/28/2007	760	2166 Baltimore-Reynoldsburg Rd Reynoldsburg, OH 43068	Franklin	Ground Lease	OH Retail II, LLC 191 W. Nationwide Boulevard Suite 200 Columbus, OH 43215
04/24/2008	762	630 N State St Westerville, OH 43082	Delaware	Lease	Northridge Crossing, LP c/o Casto P.O. Box 1450 Columbus, OH 43216
12/13/2007	763	6104 Parkcenter Cir Dublin, OH 43017	Franklin	Lease	Park Center Circle Ventures c/o Northstar Realty 150 E Broad Street Suite 100 Columbus, OH 43215

Lease Date	Property ID	Location	County	Lease Document	Landlord
12/17/2007	764	7800 Montgomery Rd #7 Cincinnati, OH 45236	Hamilton	Lease	RRP Sycamore Plaza, LP One Independent Drive Suite 114 Jacksonville, FL 32202

02/28/2008	765	4960 Houston Rd, Ste I Florence, KY 41022	Boone	Lease	Florence Investors, LLC c/o Rookwood Properties 8161Corporate Park Drive, Suite 220 With a required copy to: Ulmer & Berne LLP 600 Vine Street Suite 2800 Cincinnati, OH 45202 Attn: Scott Kadish Cincinnati, OH 45242
06/27/2008	766	9733 Sawmill Pkwy, Ste D2-1 Powell, OH 43065	Delaware	Lease	Retail Rocks, LLC c/o Elford Development 1220 Dublin Road Columbus, OH 43215
07/01/2008	767	11 Greene Blvd Beavercreek, OH 45432	Greene	Lease	Greene Town Center, LLC c/o Mall Properties Inc 5500 New Albany Road Suite 310 New Albany, OH 43054
08/05/2008	768	5065 N Hamilton Rd Columbus, OH 43230	Franklin	Lease	Chestnut Hill Ventures, LLC c/o Northstar Realty 5495 New Albany Rd. West New Albany, OH 43054
08/18/2005	810	4655 SW Griffith Drive, Ste 135 Beaverton, OR 97005	Washington	Lease	Griffith Center, LLC c/o G Group, LLC P.O. Box 529 Eugene, OR 97440
05/26/2006	811	100 NW 10th Avenue Portland, OR 97209	Multnomah	Lease	Pearl One Real Estate, LLC 920 SW Sixth Avenue, Suite 223 Portland, OR 97204
01/12/2007	812	7216 NE Cornell Road Hillsboro, OR 97124	Washington	Lease	Pacific Realty Associates, LP PO Box 4500 Unit 98 Portland, OR 97208-4800

Lease Date	Property ID	Location	County	Lease Document	Landlord
11/06/2006	813	1445 NE Weidler Street Portland, OR 97232	Multnomah	Lease	NE Broadway, LLC P.O. Box 529/388 Pearl St. Eugene, OR 97440
09/12/2007	815	12190 SE 82nd Ave Clackamas, OR 97086	Clackamas	Lease	Clackamas Town Center 110 N. Wacker Dr. Chicago, IL 60606
09/15/2010	830	11083 Parkside Drive Knoxville, TN 37934	Knox	Lease	Holrob-Schaffler Partnership VI c/o Holrob Investments, LLC 5500 Lonas Drive, Ste. 300 Knoxville, TN 37909
10/26/2010	831	2126 Abbott Martin Rd. Nashville, TN 37215	Davidson	Lease	Davis Street Land Company of Tennessee, L.L.C. 622 Davis Street, Ste. 200 Evanston, IL 60201
11/01/2007	851	2608 Erwin Rd. Durham, NC 27705	Durham	Lease	Pavilion East, LLC PO Box 10810 Raleigh, NC 27605
05/30/2008	852	2201 South Blvd Ste 110, Charlotte, NC 28203	Mecklenburg	Lease	Southborough, LLC P.O. Box 33218 Charlotte, NC 28233
01/04/2008	853	214 W Franklin St Chapel Hill, NC 27514	Orange	Lease	WB Spike, LLC 1434 Arboretum Dr. Chapel Hill, NC 27517
03/14/2008	854	8016 Providence Rd , Ste 150 Charlotte, NC 28277	Mecklenburg	Lease	Arboretum Joint Venture 3700 Arco Corporate Drive Suite 350 Charlotte, NC 28273
06/12/2008	855	403 Daniels St Raleigh, NC 27605	Wake	Lease	Cameron Village P.O. Box 534243 Atlanta, GA 30353-4243
07/24/2009	856	200 Crossroads Blvd Ste 110 Cary, NC 27518	Wake	Lease	CCO I (DE), LLC c/o Ronus Properties 3290 Northside Parkway, Suite 250 Atlanta, GA 30327
07/09/2010	857	8411 Brier Creek Parkway Raleigh, NC 27617	Wake	Lease	Brier Creek Commons, LLC 3700 Arco Corporate Drive, Ste. 350 Charlotte, NC 28273

Lease Date	Property ID	Location	County	Lease Document	Landlord
07/01/2010	910	2402 Guadalupe Street Austin, TX 78705	Travis	Lease	Hugh F. Oates, Jr 4148 Round Hill Road Arlington, VA 22207
12/27/2010	911	2525 W. Anderson Lane, Bldg. # Ste. 265 Austin, TX 78757	Travis	Lease	Lincoln Northcross, Ltd. 2000 McKinney Avenue Dallas, TX 75200
11/23/2004	951	15208 West 119th Street Olathe, KS 66062-5604	Johnson	Lease	Northridge 07 A, LLC 12411 Ventura Blvd Studio City, CA 91604
12/15/2004	952	13448 Metcalf Avenue Overland Park, KS 66213	Johnson	Lease	Building 6 S, LLC 7301 W. 133rd Street Suite 100 Overland Park, KS 66213
05/05/2008	954	8538 NW Prairie View Rd Kansas City, MO 64153	Platte	Lease	Zona Rosa Development, LLC c/o Mall Properties Inc 5500 New Albany Road Suite 310 New Albany, OH 43054
07/28/2009	955	659 NW Blue Pkwy Spc 4B Lee's Summit, MO 64086	Jackson	Lease	Summit Northridge, LLC c/o Block & Company, Inc. 605 West 47th Street Suite 200 Kansas City, MO 64112
11/05/2008	956	8 West 8th St Lawrence, KS 66044	Douglas	Lease	TRW Property, LLC 859 E 1600 Road Baldwin City, KS 66006
02/12/2010	957	2140 Independence Center Dr Independence, MO 64057	Jackson	Lease	SPG Independence Center LLC PO Box 644182 Pittsburgh, PA 15264
04/13/2010	959	540 Nichols Road Kansas City, MO 64112	Jackson	Lease	Oak Park Mall, LLC 11149 WEst 95th Street Overland Park, KS 66214
12/02/2009	960	7600 State Line Rd Ste 208B Prairie Village, KS 66208	Johnson	Lease	WFC Property Fund I LLC dba State Line Opco LLC 11440 San Vicente Blvd Suite 200 Los Angeles, CA 90049

Lease Date	Property ID	Location	County	Lease Document	Landlord
02/01/2010	961	91st Street and Metcalf Avenue Overland Park, KS	Johnson	Lease	Citrus Development Company, LLC 819 N. Washington Street Junction City, KS 66441,
10/13/2010	964	7700 E Kellogg, Ste. 2105 Wichita, KS 67207	Sedgwick	Lease	Simon Property Group, L.P. 225 West Washington Street Indianapolis, IN 46204
06/09/2010	965	3300 North Rock Road Wichita, KS 67226	Sedgwick	Lease	Jack Pearce, Inc. POB 780005 Wichita, KS 67278
1/11/2011	966	Manhattan Market Place Shops, Unit 2, Bldg. N Manhattan, KS	Riley	Lease	Manhattan-Bldg N, LLC c/o Dial Properties, Co. 11506 Nicholas Street, Ste. 100 Omaha, NE 68154

Schedule 5.21

Unit Locations; Franchised Unit Locations

(a) Unit Locations

See Schedule 5.08(c)

(b) Franchised Unit Locations

Property ID	Franchisee	Location	Opening Date
8001	Pasta Per Trio	2289 East Beltline Grand Rapids, MI 49525	7/6/2005

8002	Pasta Per Trio	5070 28th Street SE Unit A Grand Rapids, MI 49512	11/5/2005
8004	Pasta Per Trio	205 E. Grand River Ave East Lansing, MI 48823	10/8/2005
8005	Pasta Per Trio	6150 S Westnedge Avenue Portage, MI 49002	8/23/2006
8009	Pasta Per Trio	3601 Washtenaw Avenue, Suite A Ann Arbor, MI 48104	6/30/2004
8010	Pasta Per Trio	320 South State Street Ann Arbor, MI 48104	9/16/2004
8013	Pasta Per Trio	1965 W Grand River Okemos, MI 48864	10/21/2009
8014	Pasta Per Trio	5363 W Main St Ste A Kalamazoo, MI 49009	9/16/2009
8006	Pasta Per Trio	17931 Haggerty Road Northville Township, MI 48167	12/16/2003
8007	Pasta Per Trio	470 S. Main Street Royal Oak, MI 48067	4/28/2004

Property ID	Franchisee	Location	Opening Date
8008	Pasta Per Trio	3119 Crooks Road Troy, MI 48084	9/16/2003
8011	Pasta Per Trio	29459 Plymouth Road, Space D150 Livonia, MI 48150	12/20/2007
8012	Pasta Per Trio	6836 Rochester Rd Troy, MI 48085	5/7/2008
9501	IWI	609 South Main Street Normal, IL 61761	8/23/2005
9502	IWI	528 East Green Champaign, IL 61820-5720	10/25/2005
9503	IWI	1800 Stewart Ave, Suite 500 Wausau, WI 54401	12/6/2005
9504	IWI	4653 Keystone Crossing Blvd Eau Claire, WI 54701	1/25/2006
9505	IWI	101 Division Street Stevens Point, WI 54481	6/7/2006
9506	IWI	305 N Veterans Parkway Bloomington, IL 61704	11/16/2007
9507	IWI	2575 W Wabash Springfield, IL 62708	7/16/2008
9508	IWI	5345 Elmore Avenue Davenport, IA 52807	11/26/2007
9003	Sagamore Dining Partners, Inc.	5710 West 86th Street Indianapolis, IN 46278	3/8/2006
9004	Sagamore Dining Partners, Inc.	517 E Kirkwood Avenue Bloomington, IN 47408	3/15/2007
9005	Sagamore Dining Partners, Inc.	927 Broad Ripple Indianapolis, IN 46220	12/21/2006
9007	Sagamore Dining Partners, Inc.	190 S Perry Rd Plainfield, IN 46168	9/14/2009
9009	Sagamore Dining Partners, Inc.	7853 South US 31 Ste C Greenwood, IN 46227	10/29/2008

Property ID	Franchisee	Location	Opening Date
9012	Sagamore Dining Partners, Inc.	3450 W 86th St Indianapolis, IN 46268	8/15/2009
9001	Sagamore Dining Partners, Inc.	102 N. Chauncey Ave, Suite A West Lafayette, IN 47906	4/7/2008
9002	Sagamore Dining Partners, Inc.	1 East Carmel Drive Carmel, IN 46032	1/23/2006
9006	Sagamore Dining Partners, Inc.	13230 Harrell Pkwy Noblesville, IN 46060	5/14/2008
9008	Sagamore Dining Partners, Inc.	903 Indiana Avenue Indianapolis, IN 46202	11/7/2007
9010	Sagamore Dining Partners, Inc.	121 West Maryland Street Indianapolis, IN 46225	2/18/2009
9011	Sagamore Dining Partners, Inc.	1416 W McGalliard Rd Muncie, IN 47304	1/21/2009
7001	North American Dining	18 S County Center Way # 81 St. Louis, MO 63129	6/15/2006
7002	North American Dining	1784 Clarkson Road Chesterfield, MO 63017	10/10/2006
7003	North American Dining	13307 Manchester Road, Unit N Des Peres, MO 63131	2/1/2007
7004	North American Dining	10925 Olive Blvd Creve Coeur, MO 63141	8/21/2006
7005	North American Dining	406 South Ninth Street Columbia, MO 65201	11/30/2006
7006	North American Dining	64 Hampton Village Plaza St. Louis, MO 63109	5/18/2007
7007	North American Dining	6310 Delmar Blvd. University City, MO 63130	4/25/2008
7101	Nebraska Dining	203 South 72nd Street Omaha NE 68114	9/22/2004
7102	Nebraska Dining	2801 Pine Lake Road Lincoln, NE 68516-6041	5/18/2005

Property ID	Franchisee	Location	Opening Date
7103	Nebraska Dining	210 N. 14th Street Lincoln, NE 68508	10/12/2005

Schedule 5.22

Franchise Agreements

IWI Ventures, LLC

Champaign, IL Franchise Agreement effective 12/20/05 between the Company and IWI Ventures, LLC.

Eau Claire, WI Franchise Agreement effective 12/20/05 between the Company and IWI Ventures, LLC.

Wausau, WI Franchise Agreement effective 12/20/05 between the Company and IWI Ventures, LLC.

Normal, IL Franchise Agreement effective 12/20/05 between the Company and IWI Ventures, LLC.

Steven’s Point, WI Franchise Agreement effective 6/7/06 between the Company and IWI Ventures, LLC.

Bloomington, IL Franchise Agreement effective 9/18/07 between the Company and IWI Ventures, LLC.

Davenport, IA Franchise Agreement effective 9/18/07 between the Company and IWI Ventures, LLC.

Springfield, IL Franchise Agreement effective 5/8/08 between the Company and IWI Ventures, LLC.

IWI Ventures, LLC side letter amending future Franchise Agreements dated 10/20/04.

IWI Ventures, LLC side letter regarding recently executed Franchise Agreements and Franchise Agreements to be executed in 2006 dated 2/14/06.

North American Dining, LLC

South County Mall, St. Louis, MO Franchise Agreement effective 6/16/06 between the Company and North American Dining, LLC.

Chesterfield, MO Franchise Agreement effective 10/9/06 between the Company and North American Dining, LLC.

Des Peres, MO Franchise Agreement effective 2/1/07 between the Company and North American Dining, LLC.

Creve Coeur, MO Franchise Agreement effective 8/21/06 between the Company and North American Dining, LLC.

Columbia, MO Franchise Agreement effective 11/30/06 between the Company and North American Dining, LLC.

Hampton Village, St. Louis, MO Franchise Agreement effective 5/18/07 between the Company and North American Dining, LLC.

Delmar, University City, MO Franchise Agreement effective 3/7/08 between the Company and North American Dining, LLC.

Nebraska Dining, LLC

Omaha, NE Franchise Agreement effective 10/27/06 between the Company and Nebraska Dining, LLC.

Pine Lake Road, Lincoln, NE Franchise Agreement effective 10/27/06 between the Company and Nebraska Dining, LLC.

14th Street, Lincoln, NE Franchise Agreement effective 10/27/06 between the Company and Nebraska Dining, LLC.

Nebraska Dining, LLC side letter amending Area Development and future Franchise Agreements dated 8/21/06.

Pasta Per Trio

East Beltline, Grand Rapids, MI Franchise Agreement effective 12/21/05 between the Company and Pasta Per Trio, Inc.

East Lansing, MI Franchise Agreement effective 12/22/05 between the Company and Pasta Per Trio, Inc.

28th Street, Grand Rapids, MI Franchise Agreement effective 12/22/05 between the Company and Pasta Per Trio, Inc.

Portage, MI Franchise Agreement effective 8/23/06 between the Company and Pasta Per Trio, Inc.

Northville, MI Franchise Agreement effective 12/29/06 between the Company and Pasta Per Trio, Inc.

Royal Oak, MI Franchise Agreement effective 12/29/06 between the Company and Pasta Per Trio, Inc.

Troy, MI Franchise Agreement effective 12/29/06 between the Company and Pasta Per Trio, Inc.

Washtenaw Avenue, Ann Arbor, MI Franchise Agreement effective 12/29/06 between the Company and Pasta Per Trio, Inc.

State Street, Ann Arbor, MI Franchise Agreement effective 12/29/06 between the Company and Pasta Per Trio, Inc.

Livonia, MI Franchise Agreement effective 12/14/07 between the Company and Pasta Per Trio, Inc.

North Troy, MI Franchise Agreement effective 6/2/08 between the Company and Pasta Per Trio, Inc.

Okemos, MI Franchise Agreement effective 10/23/08 between the Company and Pasta Per Trio, Inc.

Kalamazoo, MI Franchise Agreement effective 10/23/08 between the Company and Pasta Per Trio, Inc.

Pasta Per Trio, Inc., side letter amending Area Development Agreement and future Franchise Agreements dated 3/22/03.

Pasta Per Trio, Inc., side letter agreement regarding recently executed Franchise Agreements and Franchise Agreements to be executed in 2006 dated 2/14/06.

Pasta Per Trio, Inc., side letter amending certain Franchise Agreements dated 2/23/07.

Sagamore Dining Partners, Inc

Carmel, IN Franchise Agreement effective 4/17/07 between the Company and Sagamore Dining Partners, Inc.

Trader's Point, IN Franchise Agreement effective 4/17/07 between the Company and Sagamore Dining Partners, Inc.

Bloomington, IN Franchise Agreement effective 3/15/07 between the Company and Sagamore Dining Partners, Inc.

Broad Ripple, Indianapolis, IN Franchise Agreement effective 4/17/07 between the Company and Sagamore Dining Partners, Inc.

Indiana Ave. (IUPUI), Indianapolis, IN Franchise Agreement effective 10/10/07 between the Company and Sagamore Dining Partners, Inc.

W. Lafayette, IN Franchise Agreement effective 12/19/07 between the Company and Sagamore Dining Partners, Inc.

Noblesville, IN Franchise Agreement effective 4/11/08 between the Company and Sagamore Dining Partners, Inc.

Greenwood Place, Indianapolis, IN Franchise Agreement effective 10/2/08 between the Company and Sagamore Dining Partners, Inc.

Muncie, IN Franchise Agreement effective 12/4/08 between the Company and Sagamore Dining Partners, Inc.

West Maryland St., Indianapolis, IN Franchise Agreement effective 1/16/09 between the Company and Sagamore Dining Partners, Inc.

West 86th Street, Indianapolis, IN Franchise Agreement effective 7/16/09 between the Company and Sagamore Dining Partners, Inc.

Plainfield, IN Franchise Agreement effective 8/24/09 between the Company and Sagamore Dining Partners, Inc.

Sagamore Dining Partners, Inc. side letter amending Area Development Agreement and future Franchise Agreements dated 5/18/04.

Sagamore Dining Partners, Inc. side letter amending Franchise Agreements dated 4/13/07.

Sagamore Dining Partners, Inc., side letter regarding royalty relief for IUPUI location dated 8/8/07.

Sagamore Dining Partners, Inc. amendments to Franchise Agreements for every existing restaurant location, all dated 1/4/10.

Consent and Agreement dated November 2010 among the Company, Sagamore Dining Partners, LLC and SDP Holdings, Inc.

Schedule 7.01(b)

Existing Liens

1. Liens on that certain cash payable to the former stockholders of the Borrower arising from the Transaction and maintained in a deposit account of the Borrower in an aggregate amount not greater than $1,400,000, to the extent such cash is considered an asset of the Borrower.

Schedule 7.02

Existing Indebtedness

None.

Schedule 7.03(f)

Existing Investments

None.

Schedule 7.09

Burdensome Agreements

None.

Schedule 11.02

Administrative Agent's Office, Certain Address for Notices

BORROWER

Noodles & Company
Paul Strasen, Executive Vice President and General Counsel
520 Zang Street, Suite D
Broomfield, CO 80021
Attention: General Counsel
Facsimile: (720) 214-1921
Email: pstrasen@noodles.com

ADMINISTRATIVE AGENT:

Administrative Agent's Office:
(for payments and Requests for Credit Extensions):
Bank of America, N.A.
101 North Tryon Street
One Independence Center
Mail Code: NC1-001-04-39
Charlotte, NC 28255-0001
Attention: Erik M. Truette
Telephone: 980.387.5451
Telecopier: 704.409.0015
Electronic Mail: erik.m.truette@baml.com

Remittance Instructions:
Bank of America, N.A. Charlotte, NC
ABA #: 026-009-593 New York, NY
Account #: 1366212250600
Attn: Corporate Credit Services, Charlotte NC

Ref: Noodles & Company

Other Notices as Administrative Agent:
(*for financial statements, compliance certificates, maturity extension and commitment change notices, etc)*
Bank of America, N.A.
Agency Management
101 South Tryon Street
Bank of America Plaza
Mail Code: NC1-002-15-36
Charlotte, NC 28255-0001
Attention: Erik M. Truette
Telephone: 980.387.5451
Telecopier: 704.409.0015
Electronic Mail: erik.m.truette@baml.com

L/C ISSUER:

LC Issuer's Office:
(for payments due LC Issuer only and new LC requests and amendments):
Bank of America, N.A.
Trade Operations
1 Fleet Way
Mail Code: PA6-580-02-30
Scranton, PA 18507
Attention: Mary J. Cooper
Telephone: 570.330.4235
Telecopier: 570.330.4186
Electronic Mail: mary.j.cooper@bankofamerica.com

Remittance Instructions:
Bank of America, N.A. Charlotte, NC
ABA #: 026-009-593 New York, NY
Account #: 04535-883980

Attn: Scranton Standby
Ref: Noodles & Company

SWING LINE LENDER:

Swingline Lender's Office:
Bank of America, N.A.
101 North Tryon Street
One Independence Center
Mail Code: NC1-001-04-39
Charlotte, NC 28255-0001
Attention: Johnathon T. (Todd) Clarke
Telephone: 980.386.4198
Telecopier: 704.719.8839
Electronic Mail: johnathon.clarke@baml.com

Exhibit 10.11

AMENDMENT NO. 1
TO
CREDIT AGREEMENT

This **AMENDMENT NO. 1** dated as of December 8, 2011 (this "Amendment") is by and among **NOODLES & COMPANY** (the "Borrower"), **BANK OF AMERICA, N.A.,** as administrative agent (the "Administrative Agent"), and the lenders signatory hereto and amends that certain Credit Agreement dated as of February 28, 2011 (as amended, restated, extended, supplemented, modified and otherwise in effect from time to time, the "Credit Agreement") by and among the Borrower, the other Loan Parties party thereto, the lenders party thereto (the "Lenders"), the Administrative Agent, Bank of America, N.A. as L/C Issuer and Swing Line Lender, Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Left Lead Arranger, GE Capital Markets, Inc. and Wells Fargo Bank, National Association as Right Lead Arrangers and together with the Left Lead Arranger, as Co-Lead Arrangers, Merrill Lynch, Pierce, Fenner & Smith Incorporated, GE Capital Markets, Inc. and Wells Fargo Bank, National Association as Joint Book Managers, GE Capital Markets, Inc. and Wells Fargo Bank, National Association as Co-Syndication Agents and Regions Bank as Documentation Agent. Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Credit Agreement.

WHEREAS, in connection with the formation of certain new subsidiaries for a joint venture in the People's Republic of China, the Borrower has requested, among other things, that the Required Lenders (a) amend the Credit Agreement to permit an Investment of up to $2,500,000 in such subsidiaries and (b) amend certain other provisions of the Credit Agreement in connection therewith; and

WHEREAS, the Borrower and Required Lenders have agreed to amend certain provisions of the Credit Agreement as provided more fully herein below;

NOW THEREFORE, in consideration of the mutual agreements contained in the Credit Agreement and herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

§1. Amendments to the Credit Agreement.

§1.1. Amendment to Section 1.01. Section 1.01 of the Credit Agreement is hereby amended by adding the following new definitions thereto in the appropriate alphabetical location:

"Joint Venture Entities" means, collectively, Noodles Cayman, Noodles China JV, Noodles Hong Kong and Noodles China.

"Noodles Cayman" means Noodles & Company International Holdings, Ltd., a corporation organized under the laws of the Cayman Islands, wholly owned by the Borrower.

"Noodles China" means a "wholly owned foreign enterprise (WOFE)" to be organized under the laws of the People's Republic of China, wholly owned by Noodles Hong Kong.

"Noodles China JV" means Noodles & Company China Holdings, Ltd., a corporation organized under the laws of the Cayman Islands in which Noodles Cayman shall initially own at least a majority of the issued and outstanding capital stock.

"Noodles Hong Kong" means Noodles & Company Hong Kong, Limited, a corporation organized under the laws of Hong Kong, wholly owned by Noodles China JV.

§1.2. Amendment to Section 1.01. Section 1.01 of the Credit Agreement is hereby amended by adding the following new paragraph immediately at the end of the definition of "Subsidiary":

"Notwithstanding anything to the contrary contained in the Agreement, except for the purposes of Sections 5.26 and 5.27, the term "Subsidiaries" will be deemed to exclude Noodles Cayman, Noodles China JV, Noodles Hong Kong and Noodles China; provided that the net income of the Joint Venture Entities shall be included in Consolidated Net Income of the Borrower and its Subsidiaries to the extent of any cash dividends actually paid by such Joint Venture Entities to the Loan Parties during the applicable Measurement Period as a dividend or other distribution."

§1.3. Amendment to Section 6.12(c). Section 6.12(c) of the Credit Agreement is hereby amended by (i) adding the words "or the Borrower" immediately after the words "Domestic Subsidiary" in the second line thereof and (ii) adding the following new sentences immediately at the end of Section 6.12(c) as follows:

"Notwithstanding the foregoing, Noodles Cayman and its direct and indirect Foreign Subsidiaries shall not be required to enter into a Pledge Agreement, and the Borrower shall not be required to pledge 66% of the voting Equity Interests of Noodles Cayman or 100% of any non-voting Equity Interests. For the avoidance of doubt, Equity Interests in Noodles China, Noodles China JV and Noodles Hong Kong shall not be required to be pledged."

§1.4. Amendment to Section 7.03. Section 7.03 of the Credit Agreement is hereby amended by (i) deleting the word "and" immediately at the end of paragraph (m) therein; (ii) deleting the period at the end of paragraph (n) therein and substituting in lieu thereof "; and"; and (iii) adding the following new paragraph (o) therein in the appropriate alphabetical order:

"(o) One or more investments by the Borrower in Noodles Cayman, in an aggregate amount not to exceed $2,500,000, provided, that no Default or Event of Default shall be continuing under this Agreement at the time of such Investment or would result from such Investment."

§1.5. Amendment to Section 7.05. Section 7.05 of the Credit Agreement is hereby amended by restating clause (f) thereof in its entirety as follows:

"(f) (i) non-exclusive licenses of IP Rights in the ordinary course of business in connection with Franchise Agreements and substantially consistent with past practice, (ii) transfer of trademarks to the Joint Venture Entities so long as such trademarks relate exclusively to the operation of Restaurants in the People's Republic of China (including Hong Kong) by one of the Joint Venture Entities and (iii) non-exclusive (or exclusive solely with respect to the territory of the People's Republic of China (including Hong Kong)) licenses of trademarks, trade secrets or copyrights to the Joint

Venture Entities which are necessary for the operation of Restaurants in the People's Republic of China (including Hong Kong) by one of the Joint Venture Entities;"

§1.6. **Amendment to Schedule 5.13**. Schedule 5.13 is hereby deleted in its entirety and replaced with Schedule 5.13 attached hereto.

§2. **Affirmation and Acknowledgment**. The Borrower hereby ratifies and confirms all of its Obligations to the Lenders and the Administrative Agent, and the Borrower hereby affirms its absolute and unconditional promise to pay to the Lenders the Loans, the other Obligations, and all other amounts due under the Credit Agreement as amended hereby. The Borrower hereby confirms that the Obligations are and remain secured pursuant to the Collateral Documents and pursuant to all other instruments and documents executed and delivered by the Borrower as security for the Obligations.

§3. **Representations and Warranties**. The Borrower hereby represents and warrants to the Lenders and the Administrative Agent as follows:

(a) The execution and delivery by the Borrower of this Amendment and the performance by the Borrower of its obligations and agreements under this Amendment, the Credit Agreement and the other Loan Documents as amended hereby are within the organizational power and authority of the Borrower, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (i) contravene the terms of the Borrower's Organization Documents or (ii) violate any applicable Law, except, with respect to this clause (ii), to the extent that such violation could not reasonably be expected to have a Material Adverse Effect.

(b) This Amendment has been duly executed and delivered by the Borrower. Each of this Amendment and the Credit Agreement as amended hereby constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with their respective terms subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) No approval or consent of, or filing with, any Governmental Authority is required in connection with the execution, delivery or performance by the Borrower of this Amendment or the Credit Agreement as amended hereby.

(d) The representations and warranties of the Borrower and each other Loan Party contained in Article V of the Credit Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection therewith, are true and correct in all material respects on and as of the date hereof (other than to the extent that any representation and warranty is already qualified by materiality, in which case, such representation and warranty shall be true and correct as of the date hereof), except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that the representations and warranties contained in Sections 5.05(a), (b) and (c) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a), (b) and (c) of the Credit Agreement, respectively.

(e) As of the date hereof, after giving effect to the provisions hereof, there exists no Event of Default or Default.

§4. **Conditions**. This Amendment shall become effective upon the Administrative Agent's receipt of a copy of this Amendment, in form and substance satisfactory to the

Administrative Agent and duly executed by the Administrative Agent, the Required Lenders and the Borrower.

§5. **Miscellaneous Provisions.**

§5.1. Except as otherwise expressly provided by this Amendment, all of the terms, conditions and provisions of the Credit Agreement and the Loan Documents shall remain the same. It is declared and agreed by each of the parties hereto that the Credit Agreement and the Loan Documents, as amended hereby, shall continue in full force and effect, and that this Amendment and the Credit Agreement and the Loan Documents shall be read and construed as one instrument.

§5.2. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

§5.3. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AMENDMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

§5.4. This Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this Amendment, it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought.

§5.5. The Borrower hereby agrees to pay to the Administrative Agent, on demand by the Administrative Agent, all reasonable and documented out-of-pocket costs and expenses incurred or sustained by the Administrative Agent in connection with the preparation of this Amendment (including legal fees).

§5.6. Except as otherwise expressly provided for in this Amendment, nothing contained in this Amendment shall extend to or affect in any way any of the rights or obligations

of the Borrower, its Affiliates and/or Subsidiaries, as applicable, or the Administrative Agent's or a Lender's obligations, rights and remedies. The Borrower, individually and on behalf of its Affiliates and/or Subsidiaries, as applicable, hereby agrees that Administrative Agent shall not be deemed to have waived any Default or Event of Default existing on the date hereof or arising hereafter or any or all of its rights or remedies with respect to such Defaults or Events of Default.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as a document under seal as of the date first above written.

NOODLES & COMPANY

By: /s/ Paul A Strasen
Name: Paul A. Strasen
Title: Executive Vice President

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Erik M. Truette
Name: Erik M. Truette
Title: Assistant Vice President

BANK OF AMERICA, N.A.,
as a Lender, L/C Issuer and Swing Line Lender

By: /s/ John H. Schmidt
Name: John H. Schmidt
Title: Director

GE CAPITAL FINANCIAL INC., a Utah industrial loan corporation, as a Lender

By: /s/ Thomas Moro
Name: Thomas Moro
Its Authorized Signatory

GOLUB CAPITAL PARTNERS FUNDING 2007-1 LTD.
BY: Golub Capital Incorporated, as Servicer

By: /s/ Gregory W. Cashman
Name: Gregory W. Cashman
Title: Senior Managing Director

GC ADVISORS LLC AS AGENT FOR THE PHOENIX INSURANCE COMPANY

By: /s/ Gregory W. Cashman
Name: Gregory W. Cashman
Title: Senior Managing Director

Golub Capital BDC 2010-1 LLC,
BY: GC Advisors LLC, its Collateral Manager

By: /s/ Gregory W. Cashman
Name: Gregory W. Cashman
Title: Senior Managing Director

GOLUB INTERNATIONAL LOAN LTD. I
BY: GOLUB CAPITAL INTERNATIONAL MANAGEMENT LLC, as Collateral Manager

By: /s/ Gregory W. Cashman
Name: Gregory W. Cashman
Title: Senior Managing Director

COÖPERATIEVE CENTRALE RAIFFEISEN — BOERENLEENBANK B.A., "RABOBANK NEDERLAND", NEW YORK BRANCH,
as a Lender

By: /s/ Brett Delfino
Name: Brett Delfino
Title: Executive Director

By: /s/ Lissy Smit
Name: Lissy Smit
Title: Executive Director

REGIONS BANK,
as a Lender

By: /s/ Jay R. Goldstein
Name: Jay R. Goldstein
Title: Senior Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Tim G. Loyd
Name: Tim G. Loyd
Title: Managing Director

RATIFICATION OF OBLIGATIONS

Each of the undersigned hereby acknowledges, agrees and consents to the foregoing Amendment and agrees that each of the Loan Documents remain in full force and effect, and each of the undersigned confirms and ratifies all of its obligations under each Loan Document (as amended hereby) to which it is a party.

TNSC, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY FINANCE CORP.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY SERVICES CORP.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — COLORADO, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — WISCONSIN, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — ILLINOIS, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MINNESOTA, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

THE NOODLE SHOP, CO. — VIRGINIA, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MARYLAND, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — COLLEGE PARK, LLC

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — MONTGOMERY COUNTY, MARYLAND

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — HOWARD COUNTY, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — CHARLES COUNTY, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — ANNAPOLIS, LLC

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — BALTIMORE COUNTY, LLC

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — KANSAS, LLC

By: **TNSC, Inc.,**
its Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — DELAWARE, INC.

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

Schedule 5.13

Subsidiaries and Other Equity Investments; Loan Parties

See attached.

AMENDMENT NO. 2
TO
CREDIT AGREEMENT

This **AMENDMENT NO. 2** dated as of August 1, 2012 (this "Amendment") is by and among **NOODLES & COMPANY** (the "Borrower"), **BANK OF AMERICA, N.A.,** as administrative agent (the "Administrative Agent"), and the lenders signatory hereto and amends that certain Credit Agreement dated as of February 28, 2011 (as amended by Amendment No. 1 dated as of December 8, 2011 and as further amended, restated, extended, supplemented, modified and otherwise in effect from time to time, the "Credit Agreement") by and among the Borrower, the other Loan Parties party thereto, the lenders party thereto (the "Lenders"), the Administrative Agent, Bank of America, N.A. as L/C Issuer and Swing Line Lender, Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Left Lead Arranger, GE Capital Markets, Inc. and Wells Fargo Bank, National Association as Right Lead Arrangers and together with the Left Lead Arranger, as Co-Lead Arrangers, Merrill Lynch, Pierce, Fenner & Smith Incorporated, GE Capital Markets, Inc. and Wells Fargo Bank, National Association as Joint Book Managers, GE Capital Markets, Inc. and Wells Fargo Bank, National Association as Co-Syndication Agents and Regions Bank as Documentation Agent. Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Credit Agreement.

WHEREAS, the Borrower has requested that the Administrative Agent and the Lenders agree to amend certain of the terms and provisions of the Credit Agreement, as specifically set forth in this Amendment; and

WHEREAS, the Borrower, the Administrative Agent and the Lenders have agreed to amend certain provisions of the Credit Agreement as provided more fully herein below.

NOW THEREFORE, in consideration of the mutual agreements contained in the Credit Agreement and herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

§1. Amendments to the Credit Agreement.

§1.1. Amendment to Cover Page. The cover page of the Credit Agreement is hereby deleted in its entirety and replaced with the cover page attached as Exhibit A hereto.

§1.2. Amendment to Preamble. The preamble of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

"This CREDIT AGREEMENT (this "Agreement") is entered into as of February 28, 2011, among NOODLES & COMPANY, a Delaware corporation (after giving effect to the Acquisition and the other aspects of the Transaction, the "Borrower"), each other Loan Party party hereto, each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender"), and BANK OF AMERICA, N.A., as Administrative Agent, L/C Issuer and Swing Line Lender, MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, as Left Lead Arranger, WELLS FARGO BANK, NATIONAL ASSOCIATION, as Right Lead Arranger and together with the Left Lead Arranger, as Co-Lead Arrangers, MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Joint Book Managers and REGIONS BANK and WELLS FARGO

BANK, NATIONAL ASSOCIATION, as Co-Syndication Agents."

§1.3. Amendment to Section 1.01. Section 1.01 of the Credit Agreement is hereby amended by adding the following new definition in the appropriate alphabetical location:

"Second Amendment Effective Date" means August 1, 2012.

§1.4. Amendment to Section 1.01. Section 1.01 of the Credit Agreement is hereby amended by restating the following definitions contained in such Section 1.1 in their entirety and inserting each in the appropriate alphabetical location as follows:

"Applicable Rate" means in respect of the Term Facility and the Revolving Credit Facility,

(a) for periods from the Closing Date to the date immediately preceding the Second Amendment Effective Date, the applicable percentage per annum set forth below for each Type of Loan (and for the Letter of Credit Fees) determined by reference to the Consolidated Total Lease Adjusted Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a):

Pricing Level	Consolidated Total Lease Adjusted Leverage Ratio	Eurodollar Rate Loans and Letter of Credit Fees	Base Rate Loans
1	<4.25:1	4.00%	3.00%
2	≥4.25:1 but <5.00:1	4.50%	3.50%
3	≥5.00:1	5.00%	4.00%

Any increase or decrease in the Applicable Rate resulting from a change in the Consolidated Total Lease Adjusted Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, for periods from the Closing Date to the date immediately preceding the Second Amendment Effective Date, then, Pricing Level 3 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall remain in effect until the date on which such Compliance Certificate is delivered. The Applicable Rate in effect from the Closing Date through the first Business Day immediately following the date the Compliance Certificate is delivered pursuant to Section 6.02(a) for the Fiscal Quarter ended on or about December 31, 2011, shall be determined based upon Pricing Level 2; provided that, if at any time during such period, Pricing Level 3 would otherwise be applicable in accordance with the terms hereof (notwithstanding the foregoing), then the Applicable Rate shall be determined based upon Pricing Level 3; and

(b) from and after the Second Amendment Effective Date, the applicable percentage per annum set forth below for each Type of Loan (and for the Letter of Credit Fees) determined by reference to the Consolidated Total Lease Adjusted Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a):

Pricing Level	Consolidated Total Lease Adjusted Leverage Ratio	Eurodollar Rate Loans and Letter of Credit Fees	Base Rate Loans
1	<2.75:1	2.00%	1.00%
2	≥2.75:1 but <3.50:1	2.50%	1.50%
3	≥3.50:1 but <4.25:1	3.25%	2.25%
4	≥4.25:1 but <5.00:1	3.75%	2.75%
5	≥5.00:1	4.25%	3.25%

Any increase or decrease in the Applicable Rate resulting from a change in the Consolidated Total Lease Adjusted Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, for periods from and after the Second Amendment Effective Date, then, Pricing Level 5 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall remain in effect until the date on which such Compliance Certificate is delivered.

Notwithstanding anything to the contrary contained in this definition, the determination of the Applicable Rate for any period shall be subject to the provisions of Sections 2.08(b) and 2.10.

"Change of Control" means an event or series of events by which:

(a) at any time prior to the creation of a Public Market, the Sponsor Investors, collectively, shall cease to own and control legally and beneficially (free and clear of all Liens), either directly or indirectly, equity securities in the Borrower representing at least 51% or more of the combined voting power of all of the equity securities entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully-diluted basis; or

(b) upon or at any time after the creation of a Public Market, any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) other than the Sponsor Investors, becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of more than 35% of the equity securities of the Borrower entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully-diluted basis; or

(c) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing

body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body (excluding, in the case of both clause (ii) and clause (iii), any individual whose initial nomination for, or assumption of office as, a member of that board or equivalent governing body occurs as a result of an actual or threatened solicitation of proxies or consents for the election or removal of one or more directors by any person or group other than a solicitation for the election of one or more directors by or on behalf of the board of directors); or

(d) at any time prior to the creation of a Public Market, any Person or two or more Persons acting in concert, other than the Sponsor Investors, shall have acquired by contract or otherwise, directly or indirectly, a controlling influence over the management or policies of the Borrower, or control over the equity securities of the Borrower entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully-diluted basis (and taking into account all such securities that such Person or Persons have the right to acquire pursuant to any option right) representing the lesser of 50% or more of the combined voting power of such securities or a combined voting power greater than the voting power of the Sponsor Investor who owns the largest percentage of such equity securities;

(e) except as permitted under Sections 7.04 and 7.05, the Borrower shall cease, directly or indirectly, to own and control legally and beneficially the percentage of Equity Interests in each Subsidiary set forth on Schedule 5.13; or

(f) a Public Market is created, unless, immediately prior to and immediately after giving effect to the transactions arising out of, connected to or related to the creation of such Public Market (including the application of proceeds therefrom), (i) the Consolidated Total Leverage Ratio for the Measurement Period most recently completed, calculated on a pro forma basis as though such transactions had been consummated as of the first day of the fiscal period covered thereby, is less than or equal to 2.00:1.00 and (ii) the Excess Revolving Availability is at least $20,000,000.

"Co-Lead Arrangers" means Merrill Lynch, Pierce, Fenner & Smith Incorporated and and Wells Fargo Bank, National Association, in their capacity as Left Lead Arranger and Right Lead Arranger, respectively.

"Co-Syndication Agents" means Regions Bank and Wells Fargo Bank, National Association, in their capacities as co-syndication agents.

"Joint Book Managers" means Merrill Lynch, Pierce, Fenner & Smith Incorporated and Wells Fargo Bank, National Association, in their capacity as joint book managers.

"Maturity Date" means August 1, 2017; provided, however, that, if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

"Right Lead Arranger" means Wells Fargo Bank, National Association in its capacity as

right lead arranger.

§1.5. **Amendment to Section 1.01**. The definition of "Eurodollar Rate" in Section 1.01 of the Credit Agreement is hereby amended by deleting the last sentence of such definition.

§1.6. **Amendment to Section 1.01**. Section 1.01 of the Credit Agreement is hereby amended by deleting the definitions for "Documentation Agent" and "GE Capital".

§1.7. **Amendment to Section 1.01**. The definition of "Hedge Bank" in Section 1.01 of the Credit Agreement is hereby amended by deleting the reference to "(i)" in the second line thereof and by deleting the entirety of clause (ii) in such definition.

§1.8. **Amendment to Section 2.09**. Section 2.09(a) of the Credit Agreement is hereby amended and restated in its entirety so that it reads as follows:

"Commitment Fee. The Borrower shall pay to the Administrative Agent for the account of each Revolving Credit Lender in accordance with its Applicable Revolving Credit Percentage,

(i) for periods from the Closing Date to the date immediately preceding the Second Amendment Effective Date, a commitment fee equal to 0.625% per annum times the actual daily amount by which the Revolving Credit Facility exceeds the sum of (i) the Outstanding Amount of Revolving Credit Loans and (ii) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15; and

(ii) for periods from and after the Second Amendment Effective Date, a commitment fee equal to 0.50% per annum times the actual daily amount by which the Revolving Credit Facility exceeds the sum of (i) the Outstanding Amount of Revolving Credit Loans and (ii) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15.

The commitment fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The commitment fee shall be calculated quarterly in arrears. For purposes of clarification, Swing Line Loans shall not be considered outstanding for purposes of determining the Outstanding Amount of Revolving Credit Loans."

§1.9. **Amendment to Section 6.16**. Section 6.16 of the Credit Agreement is hereby amended to delete the reference to "or as arranged by GE Capital" in the fourth line thereof.

§1.10. **Amendment to Section 7.12**. Section 7.12 of the Credit Agreement is hereby amended and restated in its entirety so that it reads as follows: "[Intentionally Omitted.]".

§1.11. **Amendment to Section 9.08**. Section 9.08 of the Credit Agreement is hereby amended and restated in its entirety so that it reads as follows:

"No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Joint Book Managers, Co-Lead Arrangers or Co-Syndication Agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or the L/C Issuer hereunder."

§1.12. **Global Amendment**. Each reference to "Right Lead Arrangers" in each instance where it appears in the Credit Agreement shall be deemed replaced by a reference to such term in the singular.

§1.13. **Amendment to Schedule 2.01**. As of the Second Amendment Effective Date, Schedule 2.01 (Commitments and Applicable Percentages) to the Credit Agreement shall be replaced in its entirety with Schedule 2.01 attached hereto as Exhibit B.

§1.14. **Amendment to Schedules**. As of the Second Amendment Effective Date, Schedules 5.08(b), 5.13, 5.17, 5.20, 5.21 and 5.22 to the Credit Agreement are hereby amended and restated in their entirety with the respective schedules attached hereto as Exhibit C.

§2. **Affirmation and Acknowledgment**. The Borrower hereby ratifies and confirms all of its Obligations to the Lenders and the Administrative Agent, and the Borrower hereby affirms its absolute and unconditional promise to pay to the Lenders the Loans, the other Obligations, and all other amounts due under the Credit Agreement as amended hereby. The Borrower hereby confirms that the Obligations are and remain secured pursuant to the Collateral Documents and pursuant to all other instruments and documents executed and delivered by the Borrower as security for the Obligations.

§3. **Representations and Warranties**. The Borrower hereby represents and warrants to the Lenders and the Administrative Agent as follows:

(a) The execution and delivery by the Borrower of this Amendment and the performance by the Borrower of its obligations and agreements under this Amendment, the Credit Agreement and the other Loan Documents as amended hereby are within the organizational power and authority of the Borrower, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (i) contravene the terms of the Borrower's Organization Documents or (ii) violate any applicable Law, except, with respect to this clause (ii), to the extent that such violation could not reasonably be expected to have a Material Adverse Effect.

(b) This Amendment has been duly executed and delivered by the Borrower. Each of this Amendment and the Credit Agreement as amended hereby constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with their respective terms subject to

applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) No approval or consent of, or filing with, any Governmental Authority is required in connection with the execution, delivery or performance by the Borrower of this Amendment or the Credit Agreement as amended hereby.

(d) The representations and warranties of the Borrower and each other Loan Party contained in Article V of the Credit Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection therewith, are true and correct in all material respects on and as of the date hereof (other than to the extent that any representation and warranty is already qualified by materiality, in which case, such representation and warranty shall be true and correct as of the date hereof), except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that the representations

and warranties contained in Sections 5.05(a), (b) and (c) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a), (b) and (c) of the Credit Agreement, respectively.

(e) As of the date hereof, after giving effect to the provisions hereof, there exists no Event of Default or Default.

(f) As of the date hereof, no Loan Party has entered into a Secured Hedge Agreement with or arranged by GE Capital Markets, Inc., General Electric Capital Corporation or any of their Affiliates.

§4. Conditions. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent or concurrent as of 2:00 p.m., eastern time, on August 1, 2012:

(a) This Amendment shall have been duly executed and delivered by the Borrower, the Administrative Agent and the Lenders.

(b) The representations and warranties set forth in Section 3 hereof shall be true and correct.

(c) The Borrower shall have paid an amendment fee (the "Amendment Fee") to the Administrative Agent, which Amendment Fee shall be allocated to each Lender set forth on Schedule I in an amount equal to the amount set forth opposite such Lender's name on such Schedule. The Amendment Fee shall be paid in cash in immediately available funds, shall not be refundable under any circumstances, shall not be subject to counterclaim setoff or otherwise affected.

(d) The Borrower shall have paid an upfront fee (the "Upfront Fee") to the Administrative Agent for the account of each Lender set forth on Schedule II in an aggregate amount equal to the amount set forth opposite such Lender's name on such Schedule. The Upfront Fee shall be paid in cash in immediately available funds, shall not be refundable under any circumstances, shall not be subject to counterclaim setoff or otherwise affected.

(e) All fees and expenses required to be paid on or before the date hereof in connection with this Amendment in accordance with that certain Fee Letter, dated as of June 28, 2012 by and between Merrill Lynch, Pierce, Fenner & Smith Incorporated, Bank of America, N.A. and the Borrower shall have been paid. In addition, the Administrative Agent shall have been reimbursed for all reasonable and documented fees and out-of-pocket charges and other expenses incurred in connection with this Amendment, including, without limitation, the reasonable fees and disbursements of counsel for the Administrative Agent, to the extent documented prior to or on the Second Amendment Effective Date (for the avoidance of doubt, a summary statement of such fees, charges and disbursements shall be sufficient documentation for the obligations set forth in this Section 4(e) provided that supporting documentation for such summary statement is provided promptly thereafter).

§5. Miscellaneous Provisions.

§5.1. Except as otherwise expressly provided by this Amendment, all of the terms, conditions and provisions of the Credit Agreement and the Loan Documents shall remain the same. It is declared and agreed by each of the parties hereto that the Credit Agreement and the

Loan Documents, as amended hereby, shall continue in full force and effect, and that this Amendment and the Credit Agreement and the Loan Documents shall be read and construed as one instrument.

§5.2. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

§5.3. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AMENDMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

§5.4. This Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this Amendment, it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which

enforcement hereof is sought.

§5.5. The Borrower hereby agrees to pay to the Administrative Agent, on demand by the Administrative Agent, all reasonable and documented out-of-pocket costs and expenses incurred or sustained by the Administrative Agent in connection with the preparation of this Amendment (including legal fees).

§5.6. Except as otherwise expressly provided for in this Amendment, nothing contained in this Amendment shall extend to or affect in any way any of the rights or obligations of the Borrower, its Affiliates and/or Subsidiaries, as applicable, or the Administrative Agent's or a Lender's obligations, rights and remedies. The Borrower, individually and on behalf of its Affiliates and/or Subsidiaries, as applicable, hereby agrees that Administrative Agent shall not be deemed to have waived any Default or Event of Default existing on the date hereof or arising hereafter or any or all of its rights or remedies with respect to such Defaults or Events of Default.

§5.7. The provisions of this Amendment are solely for the benefit of the Borrower, the Administrative Agent and the Lenders and no other Person shall have rights as a third party beneficiary of any of such provisions.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as a document under seal as of the date first above written.

NOODLES & COMPANY

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Erik M. Truette
Name: Erik M. Truette
Title: Assistant Vice President

BANK OF AMERICA, N.A.,
as a Lender, L/C Issuer and Swing Line Lender

By: /s/ John Schmidt
Name: John Schmidt
Title: Director

REGIONS BANK,
as a Lender

By: /s/ Jay Sim
Name: Jay Sim
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Darcy McLaren
Name: Darcy McLaren
Title: Director

CADENCE BANK, N.A.,
as a Lender

By: /s/ Charles M. Joye III (Mac)
Name: Charles M. Joye III (Mac)
Title: Vice President

RATIFICATION OF OBLIGATIONS

Each of the undersigned hereby acknowledges, agrees and consents to the foregoing Amendment and agrees that each of the Loan Documents remain in full force and effect, and each of the undersigned confirms and ratifies all of its obligations under each Loan Document (as amended hereby) to which it is a party.

TNSC, INC.,
a Colorado coporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY SERVICES CORP.,
a Colorado corporation

By: /s/ Paul A Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY FINANCES CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. – COLORADO, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. – WISCONSIN, INC.,
a Wisconsin corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. – MINNESOTA, INC.,
a Minnesota corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

THE NOODLE SHOP, CO. – ILLINOIS, INC.,
an Illinois corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. – VIRGINIA, INC.,
a Virginia corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. – MARYLAND, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. – MONTGOMERY COUNTY, MARYLAND,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. – CHARLES COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. – HOWARD COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. – DELAWARE, INC.,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

THE NOODLE SHOP, CO. – COLLEGE PARK, LLC,
a Maryland limited liability company

By: **Noodles & Company**, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. – BALTIMORE COUNTY, LLC,
a Maryland limited liability company

By: **Noodles & Company**, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. – ANNAPOLIS, LLC,
a Maryland limited liability company

By: **Noodles & Company**, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. – KANSAS, LLC,
a Kansas limited liability company

By: **TNSC, Inc.,** a Colorado coporation, its Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

Schedule I

Amendment Fee Schedule

Bank of America N.A.	$	62,031.25
Wells Fargo Bank, National Association	$	62,031.25
Regions Bank	$	55,828.13

Schedule II

Upfront Fee Schedule

Bank of America N.A.	$	65,750.00
Wells Fargo Bank, National Association	$	38,437.50
Regions Bank	$	31,343.75
Cadence Bank, N.A.	$	100,000.00

Exhibit A

See attached.

EXECUTION VERSION

[Published CUSIP Number: 65538EAC7

CREDIT AGREEMENT

Dated as of February 28, 2011

among

NOODLES & COMPANY,

as the Borrower,

each other Loan Party party hereto,

BANK OF AMERICA, N.A.,

as Administrative Agent, L/C Issuer and Swing Line Lender,

THE OTHER LENDERS PARTY HERETO,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,

as Left Lead Arranger,

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Right Lead Arranger,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
and **WELLS FARGO BANK, NATIONAL ASSOCIATION,**

as Joint Book Managers,

and

REGIONS BANK and **WELLS FARGO BANK, NATIONAL ASSOCIATION,**

as Co-Syndication Agents

Exhibit B

See Attached.

Schedule 2.01

Lender Commitments and Applicable Percentages

Lender	Revolving Credit Commitment	Revolving Credit Facility Commitment Percentage	Term Loan Facility Commitment	Term Loan Facility Commitment Percentage	Aggregate Commitments	Commitment Percentage
Bank of America, N.A.	$ 14,348,031.49	31.884514422%	$ 23,614,468.51	31.884514444%	$ 37,962,500.00	31.884514436%
Wells Fargo Bank, National Association	$ 12,283,464.57	27.296587933%	$ 20,216,535.43	27.296587922%	$ 32,500,000.00	27.296587927%
Regions Bank	$ 10,809,448.82	24.020997378%	$ 17,790,551.18	24.020997374%	$ 28,600,000.00	24.020997375%
Cadence Bank, N.A.	$ 7,559,055.12	16.797900267%	$ 12,440,944.88	16.797900260%	$ 20,000,000.00	16.797900262%
Total	**$ 45,000,000.00**	**100.000000000%**	**$ 74,062,500.00**	**100.000000000%**	**$ 119,062,500.00**	**100.000000000%**

Exhibit C

See Attached.

Exhibit 10.13

SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated as of February 28, 2011 (as amended, modified, restated, extended or supplemented from time to time, this "Security Agreement") is by and among the parties identified as "Grantors" on the signature pages hereto and such other parties as may become Grantors hereunder after the date hereof (individually a "Grantor", and collectively the "Grantors") and Bank of America, N.A., as administrative agent (in such capacity, the "Administrative Agent") for the Secured Parties (defined below).

W I T N E S S E T H

WHEREAS, credit facilities are, simultaneously with the execution of this Security Agreement, being established in favor of Noodles & Company, a Delaware corporation (the "Borrower"), pursuant to the terms of that certain Credit Agreement dated as of the date hereof (as amended, modified, restated, supplemented or extended from time to time, the "Credit Agreement") among the Borrower, the Guarantors from time to time party thereto, the Lenders from time to time party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer;

WHEREAS, it is a condition precedent under the terms of the Credit Agreement that the Grantors execute and deliver this Security Agreement to the Administrative Agent for the benefit of the Secured Parties (as defined herein); and

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

(a) Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Credit Agreement.

(b) The following terms shall have the meanings assigned thereto in the UCC: Accession, Account, As-Extracted Collateral, Chattel Paper, Commercial Tort Claim, Consumer Goods, Deposit Account, Document, Electronic Chattel Paper, Equipment, Farm Products, Fixtures, General Intangible, Goods, Instrument, Inventory, Investment Property, Letter-of-Credit Right, Manufactured Home, Proceeds, Software, Standing Timber, Supporting Obligation and Tangible Chattel Paper.

(c) As used herein, the following terms shall have the meanings set forth below:

"Administrative Agent" has the meaning provided in the introductory paragraph hereof.

"Collateral" has the meaning provided in Section 2 hereof.

"Copyright License" means any written agreement, naming any Grantor as licensor, granting any right under any Copyright.

"Copyrights" means (a) all copyrights registered in the United States or any other country in all Works, now existing or hereafter created or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States, any state thereof or any other country or political subdivision thereof, and (b) all renewals thereof.

"Patent License" means any agreement, whether written or oral, providing for the grant by or to a Grantor of any right to manufacture, use or sell any invention covered by a Patent.

"Patents" means (a) all letters patent of the United States or any other country or any political subdivision thereof and all reissues and extensions thereof, and (b) all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof.

"Secured Obligations" means, without duplication, (i) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, Letter of Credit, Secured Cash Management Agreement or Secured Hedge Agreement, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding and (ii) all costs and expenses incurred in connection with enforcement and collection of the Secured Obligations described in the foregoing clauses (i) and (ii), including, without limitation, attorneys' fees and disbursements.

"Secured Parties" has the meaning set forth in the Credit Agreement.

"Stockholder Merger Cash" means cash payable to the former stockholders of the Company arising from the Transaction and maintained in a deposit account of the Borrower in an aggregate amount not greater than $1,400,000.

"Trademark License" means any agreement, written or oral, providing for the grant by or to a Grantor of any right to use any Trademark.

"Trademarks" means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and the goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States or any other country, any state thereof or any political subdivision thereof, or otherwise and (b) all renewals thereof.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than

the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"Work" means any work that is subject to copyright protection pursuant to Title 17 of the United States Code.

2. Grant of Security Interest in the Collateral. To secure the prompt payment and performance in full when due, whether by lapse of time, acceleration, mandatory prepayment or otherwise, of the Secured Obligations, each Grantor hereby grants to the Administrative Agent, for the benefit of the Secured Parties, a continuing security interest in, and a right to set off against, any and all right, title and interest of such Grantor in and to all of the following, whether now owned or existing or owned, acquired, or arising hereafter (collectively, the "Collateral"):

(a) all Accounts (including health-care-insurance receiveables);

(b) all present and future Equity Interests; provided that the Collateral shall only include 66% of the Equity Interests of any Foreign Subsidiary;

(c) all cash, Cash Equivalents and currency;

(d) all Cash Collateral;

(e) all Cash Collateral Accounts;

(f) all Chattel Paper (whether tangible or electronic);

(g) those Commercial Tort Claims identified on Schedule 2(g) attached hereto;

(h) all contract rights (including rights to the payment of money);

(i) all Copyrights;

(j) all Copyright Licenses;

(k) all Deposit Accounts;

(l) all Documents (including electronic documents);

(m) all Equipment;

(n) all financial assets;

(o) all Fixtures;

(p) all General Intangibles (including all payment intangibles);

(q) all Goods;

(r) all hedge agreements;

(s) all indemnification rights;

(t) all Instruments (including promissory notes);

(u) all insurance claims and proceeds;

(v) all present and future intercompany debt of Borrower and each Guarantor;

(w) all Inventory;

(x) all Investment Property;

(y) all Letter-of-Credit Rights (whether or not the Letter of Credit is evidenced in writing);

(z) all license rights

(aa) all Patents;

(bb) all Patent Licenses;

(cc) all Software;

(dd) all Supporting Obligations;

(ee) all tax refunds;

(ff) all Trademarks;

(gg) all Trademark Licenses; and

(hh) to the extent not otherwise included, all Accessions, Proceeds, income from, increases in and products of any of the foregoing to be held by the Administrative Agent, for the benefit of the Secured Parties and the Administrative Agent, subject to the terms and conditions hereinafter set forth.

The Grantors and the Administrative Agent, on behalf of the Secured Parties, hereby acknowledge and agree that the security interest created hereby in the Collateral constitutes continuing collateral security for all of the Secured Obligations, whether now existing or hereafter arising.

Notwithstanding anything to the contrary contained herein, the security interests granted under this Security Agreement shall not extend to (and the following shall not be included as Collateral) (i) any General Intangible, permit, lease, license, contract or other Instrument of a Grantor if the grant of a security interest in such General Intangible, permit, lease, license, contract or other Instrument in the manner contemplated by this Security Agreement, under the terms thereof or under applicable Law, is prohibited and would result in the termination thereof or give the other parties thereto the right to terminate, accelerate or otherwise alter such Grantor's rights, titles and interests thereunder (including upon the giving of notice or the lapse of time or both), (ii) any United States intent-to-use trademark or service mark application to the extent, and solely during the period in which, the grant of a Lien therein would impair the validity or the enforceability of such intent-to-use trademark or service mark under federal law, (iii) Equity Interests to the extent representing more than sixty-six percent (66%) of the Voting Equity (as defined in the Pledge Agreement) of any Foreign Subsidiary, including, without limitation, the certificates (or other agreements or instruments) representing such Equity Interests, (iv) any property subject to a Lien permitted by Section 7.01 of the Credit Agreement, if and for so long as the contractual obligation governing such Lien prohibits the Lien of this Security Agreement applying to such property, and (v) the Stockholder Merger Cash; provided that (a) any such limitation described above on the security interests granted hereunder shall only apply to the extent that any such prohibition is not rendered ineffective pursuant to the UCC or any other applicable Law (including Debtor Relief Laws) or principles of equity, (b) in the event of the termination or elimination of any such prohibition or the requirement for any consent contained in any applicable Law, General Intangible, permit, lease, license, contract or other Instrument, to the extent sufficient to permit any such item to become Collateral hereunder, upon the granting of any such consent, or waiving or terminating any requirement for such consent, a security interest in such General Intangible, permit, lease, license, contract or other Instrument shall be automatically and simultaneously granted hereunder and shall be included as Collateral hereunder and (c) Collateral shall include any proceeds, products, substitutions or replacements of the property described in the first sentence of this paragraph (except to the extent such proceeds, products, substitutions or replacements are otherwise included in such property descriptions).

3. Provisions Relating to Accounts.

(a) Anything herein to the contrary notwithstanding, each of the Grantors shall remain liable under each of the Accounts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to each such Account. Neither the Administrative Agent nor any Secured Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) by reason of or arising out of this Security Agreement or the receipt by the Administrative Agent or any Secured Party of any payment relating to such Account pursuant hereto, nor shall the Administrative Agent or any Secured Party be obligated in any manner to perform any of the obligations of a Grantor under or pursuant to any Account (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any agreement giving rise thereto), to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.

(b) At any time after the occurrence and during the continuation of an Event of Default, (i) the Administrative Agent shall have the right, but not the obligation, to make test verifications of the Accounts in any manner and through any medium that it reasonably considers advisable, and the Grantors shall furnish all such assistance and information as the Administrative Agent may reasonably require in connection with such test verifications, (ii) upon the Administrative Agent's request and at the expense of the Grantors, the Grantors shall cause independent public accountants or others satisfactory to the Administrative Agent to furnish to the Administrative Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the Accounts and (iii) the Administrative Agent in its own name or in the name of others may communicate with account debtors on the Accounts to verify with them to the Administrative Agent's satisfaction the existence, amount and terms of any Accounts.

4. Investment Property. If any securities, whether certificated or uncertificated, or other Investment Property now or hereafter acquired by any Grantor are held by such Grantor or its nominee through a securities intermediary or commodity intermediary, such Grantor shall promptly (but in any event within four (4) Business Days thereafter) notify the Administrative Agent thereof and, at the Administrative Agent's request and option, pursuant to an agreement in form and substance satisfactory to the Administrative Agent, either (i) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply, in each case without further consent of such Grantor or such nominee, at any time with entitlement orders or other instructions from the Administrative Agent to such securities intermediary as to such securities or other Investment Property, or (as the case may be) to apply any value distributed on account of any commodity contract as directed by the Administrative Agent to such commodity intermediary, or (ii) in the case of financial assets or other investment property held through a securities intermediary, arrange for the Administrative Agent to become the entitlement holder with respect to such investment property, with such Grantor being permitted, only with the consent of the Administrative Agent, to exercise rights to withdraw or otherwise deal with such investment property. The Administrative Agent agrees with each Grantor that the Administrative Agent shall not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and shall not withhold its consent to the exercise of any withdrawal or dealing rights by such Grantor, unless an Event of Default has occurred and is continuing. The provisions of this paragraph shall not apply to any financial assets credited to a securities account for which the Administrative Agent is the securities intermediary.

5. Collateral in the Possession of a Bailee. If any Collateral of any Grantor with a fair market value in excess of $200,000 is, now or at any time hereafter, in the possession of a bailee, such Grantor shall promptly (but in any event within four (4) Business Days thereafter) notify the Administrative Agent thereof and, at the Administrative Agent's request and option, shall promptly (but in any event within four (4) Business Days thereafter) obtain an acknowledgement from the bailee, in form and substance reasonably satisfactory to the Administrative Agent, that the bailee holds such Collateral for the benefit of the Administrative Agent and such bailee's agreement to comply, without further consent of such Grantor, at any time with instructions of

the Administrative Agent, as to such Collateral. The Administrative Agent agrees with each Grantor that the Administrative Agent shall not give any such instructions unless an Event of Default has occurred and is continuing or would occur after taking into account any action by such Grantor with respect to the bailee.

6. Electronic Chattel Paper, Electronic Documents and Transferable Records. If any Grantor, now or at any time hereafter, holds or acquires an interest in any electronic chattel paper, any electronic document or any "transferable record," as that term is defined in Section 201 of the federal Electronic Signatures in Global and National Commerce Act, or in §16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, in each case, with either individually or in the aggregate with all other such documents, has a fair market value in excess of $200,000, such Grantor shall promptly (but in any event within four(4) Business Days thereafter) notify the Administrative Agent thereof and, at the request and option of the Administrative Agent, shall take such action as the Administrative Agent may reasonably request to vest in the Administrative Agent control, under §9-105 of the Uniform Commercial Code of the State or any other relevant jurisdiction, of such electronic chattel paper, control, under §7 106 of the Uniform Commercial Code of the State or any other relevant jurisdiction, of such electronic document or control, under Section 201 of the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, §16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Administrative Agent agrees with each Grantor that the Administrative Agent will arrange, pursuant to procedures reasonably satisfactory to the Administrative Agent and so long as such procedures will not result in the Administrative Agent's loss of control, for such Grantor to make alterations to the electronic chattel paper, electronic document or transferable record permitted under UCC §9-105, UCC §7 106, or, as the case may be, Section 201 of the federal Electronic Signatures in Global and National Commerce Act or §16 of the Uniform Electronic Transactions Act for a party in control to make without loss of control, unless an Event of Default has occurred and is continuing or would occur after taking into account any action by such Grantor with respect to such electronic chattel paper, electronic document or transferable record.

7. Letter-of-credit Rights. If any Grantor is, now or at any time hereafter, a beneficiary under a letter of credit, which, either individually or in the aggregate with all other such letters of credit, has a fair market value in excess of $250,000, such Grantor shall promptly (but in any event within four (4) Business Days thereof) notify the Administrative Agent thereof and, at the request and option of the Administrative Agent, such Grantor shall, pursuant to an agreement in form and substance reasonably satisfactory to the Administrative Agent, either (a) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to the Administrative Agent of the proceeds of the letter of credit or (b) arrange for the Administrative Agent to become the transferee beneficiary of the letter of credit, with the Administrative Agent agreeing, in each case, that the proceeds of the letter of credit are to be applied to the Secured Obligations as provided in the Credit Agreement.

8. Representations and Warranties. Each Grantor hereby represents and warrants to the Administrative Agent, for the benefit of the Secured Parties, that so long as any of the Secured Obligations remains outstanding and until all of the commitments relating thereto have been terminated:

(a) Legal Status. Each Grantor has previously delivered to the Administrative Agent that certain certificate signed by the Grantors and entitled "Perfection Certificate (each a "Perfection Certificate"). As of the date hereof, each Grantor represents and warrants to the Secured parties and the Administrative Agent that:

(i) Each Grantor's exact legal name (and for the prior five years or since the date of its formation has been), and each Grantor's taxpayer identification number and organization identification number are as indicated on the Perfection Certificate.

(ii) Each Grantor's state of formation is (and for the prior five years or since the date of its formation has been) as indicated on the Perfection Certificate.

(b) Ownership. Each Grantor is the legal and beneficial owner of its Collateral and has the right to pledge, sell, assign or transfer the same.

(c) Security Interest/Priority. This Security Agreement creates a valid security interest in favor of the Administrative Agent, for the benefit of the Secured Parties, in the Collateral of such Grantor and, when properly perfected by filing, shall constitute a valid, perfected security interest in such Collateral, to the extent such security interest can be perfected by filing under the UCC, free and clear of all Liens except for Permitted Liens.

(d) Types of Collateral. None of the Collateral consists of, or is the Accessions or the Proceeds of, As-Extracted Collateral, Consumer Goods, Farm Products, Manufactured Homes, or Standing Timber.

(e) Accounts. With respect to the Accounts of the Grantors reflected as accounts receivable on the consolidated balance sheet of the Borrower and its Subsidiaries most recently delivered to the Administrative Agent pursuant to the Credit Agreement, (i) each Account of the Grantors and the papers and documents relating thereto are genuine and in all material respects what they purport to be, (ii) each Account arises out of (A) a bona fide sale of goods sold and delivered by such Grantor (or is in the process of being delivered) or (B) services theretofore actually rendered by such Grantor to, the account debtor named therein, (iii) any Account of a Grantor evidenced by any Instrument or Chattel Paper has, to the extent required hereby, been endorsed over and delivered to, or submitted to the control of, the Administrative Agent and (iv) no surety bond was required or given in connection with any Account of a Grantor or the contracts or purchase orders out of which they arose.

(f) Copyrights, Patents and Trademarks.

(i) Schedule 5.17 to the Credit Agreement includes all Copyrights, Copyright Licenses, Patents, Patent Licenses, Trademarks and Trademark Licenses owned by any Grantor in its own name, or to which any Grantor is a party, as of the date hereof (other than with respect to off-the-shelf software) and registered in the name of such Grantor.

(ii) Each Copyright, Patent and Trademark that is material to the business of the Grantors is valid, subsisting, unexpired, enforceable and has not been abandoned as of the date hereof.

(iii) Except as set forth in Schedule 5.17 to the Credit Agreement, none of the Copyrights, Patents and Trademarks that is material to the business of the Grantors is the subject of any licensing or franchise agreement as of the date hereof (other than with respect to off-the-shelf software).

(iv) No holding, decision or judgment has been rendered by any Governmental Authority that would limit, cancel or question the validity of any Copyright, Patent or Trademark that is material to the business of the Grantors.

(v) No action or proceeding is pending seeking to limit, cancel or question the validity of any Copyright, Patent or Trademark that is material to the business of the Grantors, or that, if adversely determined, could reasonably be expected to have a Material Adverse Effect on the value of

any Copyright, Patent or Trademark that is material to the business of the Grantors.

(vi) All applications pertaining to the Copyrights, Patents and Trademarks that is material to the business of the Grantors of each Grantor have been duly and properly filed, and all registrations or letters pertaining to such Copyrights, Patents and Trademarks have been duly and properly filed and issued, and all of such Copyrights, Patents and Trademarks are valid and enforceable.

(vii) No Grantor has made any assignment or agreement in conflict with the security interest in the Copyrights, Patents or Trademarks of any Grantor hereunder.

(g) Commercial Tort Claims. Such Grantor has no commercial tort claims other than (i) those listed on Schedule 2(g), or (ii) as to which the actions required by Section 8(k) have been taken.

9. Covenants. Each Grantor covenants that, so long as any of the Secured Obligations remains outstanding and until all of the commitments relating thereto have been terminated, such Grantor shall:

(a) Other Liens. Defend the Collateral against Liens therein other than Permitted Liens.

(b) Instruments/Tangible Chattel Paper/Documents. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any Instrument or Tangible Chattel Paper, or if any property constituting Collateral shall be stored or shipped subject to a Document, (i) ensure that such Instrument, Tangible Chattel Paper or Document is either in the possession of such Grantor at all times or, if requested by the Administrative Agent, is immediately delivered to the Administrative Agent, duly endorsed in a manner satisfactory to the Administrative Agent and (ii) ensure that any Collateral consisting of Tangible Chattel Paper with, either individually or in the aggregate with all other Tangible Chattel Paper, a fair market value in excess of $100,000, is marked with a legend acceptable to the Administrative Agent indicating the Administrative Agent's security interest in such Tangible Chattel Paper.

(c) Change in Structure, Location or Type. Not, without providing ten (10) days prior written notice to the Administrative Agent (i) change its name or state of formation, (ii) be party to a merger, consolidation or other change in structure except as permitted by the Credit Agreement or (iii) use any tradename other than as set forth in the Perfection Certificate.

(d) Perfection of Security Interest. Execute and deliver to the Administrative Agent such agreements, assignments or instruments and do all such other things as the Administrative Agent may reasonably deem necessary, appropriate or convenient (i) to assure to the Administrative Agent the effectiveness, perfection and priority of its security interests in the Collateral hereunder, including (A) such instruments as the Administrative Agent may from time to time reasonably request in order to perfect and maintain the security interests granted hereunder in accordance with the UCC, (B) with regard to Copyrights, a Notice of Grant of Security Interest in Copyrights for filing with the United States Copyright Office in the form of Exhibit 8(d)(i)(B) attached hereto, (C) with regard to Patents, a Notice of Grant of Security Interest in Patents for filing with the United States Patent and Trademark Office in the form of Exhibit 8(d)(i)(C) attached hereto and (D) with regard to Trademarks registered with the United States Patent and Trademark Office and all applications for Trademarks filed with the United States Patent and Trademark Office, a Notice of Grant of Security Interest in Trademarks for filing with the United States Patent and Trademark Office in the form of Exhibit 8(d)(i)(D) attached hereto, (ii) to consummate the transactions contemplated hereby and (iii) to otherwise protect and assure the Administrative Agent of its rights and interests hereunder. To that end, each Grantor authorizes the Administrative Agent to file one or more financing statements (with collateral descriptions broader, including without limitation "all assets" and/or "all personal property" collateral descriptions, and/or less specific than the description of the Collateral contained herein) disclosing the Administrative Agent's security interest in any or all of the Collateral of such Grantor without such Grantor's signature thereon, and further each Grantor also hereby irrevocably makes, constitutes and appoints the Administrative Agent, its nominee or any other Person whom the Administrative Agent may designate, as such Grantor's attorney-in-fact with full power and for the limited purpose to sign in the name of such Grantor any such financing statements (including renewal statements), amendments and supplements, notices or any similar documents that in the Administrative Agent's reasonable discretion would be necessary, appropriate or convenient in order to perfect and maintain perfection of the security interests granted hereunder, such power, being coupled with an interest, being and remaining irrevocable so long as the Secured Obligations remain unpaid and until the commitments relating thereto shall have been terminated.

Each Grantor hereby agrees that a carbon, photographic or other reproduction of this Security Agreement or any such financing statement is sufficient for filing as a financing statement by the Administrative Agent without notice thereof to such Grantor wherever the Administrative Agent may in its sole discretion desire to file the same. In the event for any reason the law of any jurisdiction other than New York becomes or is applicable to the Collateral of any Grantor or any part thereof, or to any of the Secured Obligations, such Grantor agrees to execute and deliver all such instruments and to do all such other things as the Administrative Agent in its sole discretion reasonably deems necessary, appropriate or convenient to preserve, protect and enforce the security interests of the Administrative Agent under the law of such other jurisdiction (and, if a Grantor shall fail to do so promptly upon the request of the Administrative Agent, then the Administrative Agent may execute any and all such requested documents on behalf of such Grantor pursuant to the power of attorney granted hereinabove). If any Collateral is in the possession or control of a Grantor's agents and the Administrative Agent so requests, such Grantor agrees to notify such agents in writing of the Administrative Agent's security interest therein and, upon the Administrative Agent's request, instruct them to hold all such Collateral for the account of the Secured Parties, subject to the Administrative Agent's instructions. Each Grantor agrees to mark its books and records to reflect the security interest of the Administrative Agent in the Collateral.

(e) Control. Execute and deliver (and cause to be executed and delivered) all agreements, assignments, instruments or other documents as the Administrative Agent shall reasonably request for the purpose of obtaining and maintaining control within the meaning of the UCC with respect to any Collateral consisting of Deposit Accounts, Investment Property, Letter-of-Credit Rights and Electronic Chattel Paper.

(f) Treatment of Accounts. Not grant or extend the time for payment of any Account, or compromise or settle any Account for less than the full amount thereof, or release any Person or property, in whole or in part, from payment thereof, or allow any credit or discount thereon, in each case other than as normal and customary in the ordinary course of a Grantor's business or as required by law.

(g) Covenants Relating to Copyrights.

(i) Not do any act or knowingly omit to do any act whereby any Copyright owned by it and material to the business of such Grantor may become invalidated and (A) not do any act, or knowingly omit to do any act, whereby any Copyright owned by it and material to the business of such Grantor may become injected into the public domain; (B) notify the Administrative Agent immediately if it knows that any Copyright owned by it and material to the business of such Grantor may become injected into the public domain or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any court or tribunal in the United States or any other country) regarding a Grantor's ownership of any such Copyright or its validity; (C) take all necessary steps as it shall deem appropriate under the circumstances, to maintain and pursue each application (and to obtain the relevant registration) of each Copyright owned by a Grantor and material to the business of such Grantor and to maintain each registration of each Copyright owned by a Grantor and material to the business of such Grantor including, without limitation, filing of applications for renewal where necessary; and (D) promptly notify the Administrative Agent of any infringement of any Copyright owned by a Grantor and material to the business of such Grantor of which it becomes aware and take such actions as it shall reasonably deem appropriate under the circumstances to protect such Copyright, including, where appropriate, the bringing of suit for infringement, seeking injunctive relief and seeking to recover any and all damages for such infringement.

(ii) Not make any assignment or agreement in conflict with the security interest in the Copyrights of each Grantor hereunder (other than in connection with a Permitted Lien or as otherwise provided in the Credit Agreement).

(h) Covenants Relating to Patents and Trademarks.

(i) With respect to each Trademark owned by a Grantor and material to the business of such Grantor (A) Continue to use such Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain such Trademark in full force free from any claim of abandonment for non-use, (B) maintain as in the past the quality of products and services offered under such Trademark, (C) employ such Trademark with the appropriate notice of registration, if applicable, (D) not adopt or use any mark that is confusingly similar or a colorable imitation of such Trademark unless the Administrative Agent, for the ratable benefit of the Secured Parties, shall obtain a perfected security interest in such Trademark pursuant to this Security Agreement, and (E) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any such Trademark owned by a Grantor and material to the business of such Grantor may become invalidated.

(ii) Not do any act, or omit to do any act, whereby any Patent owned by a Grantor and material to the business of such Grantor may become abandoned or dedicated.

(iii) Notify the Administrative Agent and the Secured Parties promptly if it knows that any application or registration relating to any Patent or Trademark owned by a Grantor and material to the business of such Grantor may become abandoned or dedicated, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court or tribunal in any country) regarding a Grantor's ownership of any Patent or Trademark material to the business of such Grantor or its right to register the same or to keep and maintain the same.

(iv) Whenever a Grantor, either by itself or through an agent, employee, licensee or designee, shall file an application for the registration of any Patent or Trademark with the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, such Grantor shall report such filing to the Administrative Agent to the extent required by the Credit Agreement. Upon request of the Administrative Agent, a Grantor shall execute and deliver any and all agreements, instruments, documents and papers as the Administrative Agent may reasonably request to evidence the security interest of the Administrative Agent and the Secured Parties in any Patent or Trademark material to the business of any Grantor in the Collateral and the goodwill and general intangibles of a Grantor relating thereto or represented thereby.

(v) Take all reasonable and necessary steps, including, without limitation, in any proceeding before the United States Patent and Trademark Office, or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of each Patent and Trademark owned by a Grantor and material to the business of such Grantor, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability.

(vi) Promptly notify the Administrative Agent after it learns that any Patent or Trademark included in the Collateral and material to the business of such Grantor is infringed, misappropriated or diluted by a third party and take such actions as shall be commercially appropriate under the circumstances to protect and defend each Patent or Trademark material to its business.

(vii) Not make any assignment or agreement in conflict with the security interest in any material Patents or Trademarks of each Grantor hereunder (other than in connection with a Permitted Lien or as otherwise provided in the Credit Agreement).

(i) Insurance. Insure, repair and replace the Collateral of such Grantor as set forth in the Credit Agreement. All insurance proceeds shall be subject to the security interest of the Administrative Agent hereunder.

(j) Commercial Tort Claims.

(i) Promptly, but in any event within two (2) Business Days, notify the Administrative Agent in writing of the initiation of any Commercial Tort Claim with a value reasonably expected to exceed $100,000 before any Governmental Authority by or in favor of such Grantor.

(ii) Execute and deliver such statements, documents and notices and do and cause to be done all such things as the Administrative Agent may reasonably deem necessary, appropriate or convenient, or as are required by law, to create, perfect and maintain the Administrative Agent's security interest in such Commercial Tort Claim.

10. Advances by Administrative Agent. On failure of any Grantor to perform any of the covenants and agreements contained herein which constitutes an Event of Default and while such Event of Default continues, the Administrative Agent may, at its sole option and in its sole discretion, perform the same and in so doing may expend such sums as the Administrative Agent may reasonably deem advisable in the performance thereof, including, without limitation, the payment of any insurance premiums, the payment of any taxes, a payment to obtain a release of a Lien or potential Lien, expenditures made in defending against any

adverse claim and all other expenditures that the Administrative Agent may make for the protection of the security hereof or that may be compelled to make by operation of law. All such sums and amounts so expended shall be repayable by the Grantors on a joint and several basis (subject to Section 27 hereof) promptly upon timely notice thereof and demand therefor, shall constitute additional Secured Obligations and shall bear interest from the date said amounts are expended at the Default Rate. No such performance of any covenant or agreement by the Administrative Agent on behalf of any Grantor, and no such advance or expenditure therefor, shall relieve the Grantors of any default under the terms of this Security Agreement, the other Loan Documents or any other documents relating to the Secured Obligations. The Administrative Agent may make any payment hereby authorized in accordance with any bill, statement or estimate procured from the appropriate public office or holder of the claim to be discharged, without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax assessment, sale, forfeiture, tax lien, title or claim except to the extent such payment is being contested in good faith by a Grantor in appropriate proceedings and against which adequate reserves are being maintained in accordance with GAAP.

11. Remedies.

(a) General Remedies. Upon the occurrence of an Event of Default and during the continuation thereof, the Administrative Agent shall have, in addition to the rights and remedies provided herein, in the Loan Documents, in any other documents relating to the Secured Obligations, or by law (including, without limitation, levy of attachment and garnishment), the rights and remedies of a secured party under the UCC of the jurisdiction applicable to the affected Collateral and, further, the Administrative Agent may, with or without judicial process or the aid and assistance of others to the extent permitted by applicable law, (i) enter on any premises on which any of the Collateral may be located and, without resistance or interference by the Grantors, take possession of the Collateral, (ii) dispose of any Collateral on any such premises, (iii) require the Grantors to assemble and make available to the Administrative Agent at the expense of the Grantors any Collateral at any place and time designated by the Administrative Agent that is reasonably convenient to both parties, (iv) remove any Collateral from any such premises for the purpose of effecting sale or other disposition thereof, (v) without demand and without advertisement, notice, hearing or process of law, all of which each of the Grantors hereby waives to the fullest extent permitted by law, at any place and time or times, sell and deliver any or all Collateral held by or for it at public or private sale, by one or more contracts, in one or more parcels, for cash, upon credit or otherwise, at such prices and upon such terms as the

Administrative Agent deems advisable, in its sole discretion (subject to any and all mandatory legal requirements) and/or (vi) upon the occurrence of an Event of Default and during the continuation thereof, the Administrative Agent may set-off against the Secured Obligations any and all sums deposited with it or held by it, without any notice to the Grantors, including without limitation, any sums standing to the credit of any Cash Collateral Account and any time deposits issued by the Administrative Agent. Each of the Grantors acknowledges that any private sale referenced above may be at prices and on terms less favorable to the seller than the prices and terms that might have been obtained at a public sale. In addition to all other sums due the Administrative Agent and the Secured Parties with respect to the Secured Obligations, the Grantors shall pay the Administrative Agent and each of the Secured Parties all costs and expenses incurred by the Administrative Agent or any such Secured Party, in enforcing its remedies hereunder including, but not limited to, attorneys' fees and court costs, in obtaining or liquidating the Collateral, in enforcing payment of the Secured Obligations, or in the prosecution or defense of any action or proceeding by or against the Administrative Agent or the Secured Parties or the Grantors concerning any matter arising out of or connected with this Security Agreement, any Collateral or the Secured Obligations, including, without limitation, any of the foregoing arising in, arising under or related to a case under the Debtor Relief Laws. To the extent the rights of notice cannot be legally waived hereunder, each Grantor agrees that any requirement of reasonable notice shall be met if such notice is personally served on or mailed, postage prepaid, to the Borrower in accordance with the notice provisions of Section 11.02 of the Credit Agreement at least ten (10) Business Days before the time of sale or other event giving rise to the requirement of such notice. The Administrative Agent shall not be obligated to make any sale or other disposition of the Collateral regardless of notice having been given. To the extent permitted by law, any Secured Party may be a purchaser at any such sale. To the extent permitted by applicable law, each of the Grantors hereby waives all of its rights of redemption with respect to any such sale. Subject to the provisions of applicable law, the Administrative Agent and the Secured Parties may postpone or cause the postponement of the sale of all or any portion of the Collateral by announcement at the time and place of such sale, and such sale may, without further notice, to the extent permitted by law, be made at the time and place to which the sale was postponed, or the Administrative Agent may further postpone such sale by announcement made at such time and place.

(b) Remedies relating to Accounts. Upon the occurrence of an Event of Default and during the continuation thereof, whether or not the Administrative Agent has exercised any or all of its rights and remedies hereunder, (i) each Grantor will promptly upon request of the Administrative Agent instruct all account debtors to remit all payments in respect of Accounts to a mailing location selected by the Administrative Agent and (ii) the Administrative Agent shall have the right to enforce any Grantor's rights against its customers and account debtors, and the Administrative Agent or its designee may notify (or require any Grantor to notify) any Grantor's customers and account debtors that the Accounts of such Grantor have been assigned to the Administrative Agent or of the Administrative Agent's security interest therein, and may (either in its own name or in the name of a Grantor or both) demand, collect (including without limitation by way of a lockbox arrangement), receive, take receipt for, sell, sue for, compound, settle, compromise and give acquittance for any and all amounts due or to become due on any Account, and, in the Administrative Agent's discretion, file any claim or take any other action or proceeding to protect and realize upon the security interest of the Secured Parties in the Accounts. Each Grantor acknowledges and agrees that the Proceeds of its Accounts remitted to or on behalf of the Administrative Agent in accordance with the provisions hereof shall be solely for the Administrative Agent's own convenience. The Administrative Agent and the Secured Parties shall have no liability or responsibility to any Grantor for acceptance of a check, draft or other order for payment of money bearing the legend "payment in full" or words of similar import or any other restrictive legend or endorsement or be responsible for determining the correctness of any remittance. Each Grantor hereby agrees to indemnify the Administrative Agent and the Secured Parties from and against all liabilities, damages, losses, actions, claims, judgments, costs, expenses, charges and attorneys' fees suffered or incurred by the Administrative Agent or the Secured Parties (each, an "Indemnified Party") because of the maintenance of the foregoing arrangements except as relating to or arising out of the gross negligence or willful misconduct of an Indemnified Party or its officers, employees or agents. In the case of any investigation, litigation or other proceeding, the foregoing indemnity shall be effective whether or not

such investigation, litigation or proceeding is brought by a Grantor, its directors, shareholders or creditors or an Indemnified Party or any other Person or any other Indemnified Party is otherwise a party thereto.

(c) Access. In addition to the rights and remedies hereunder, upon the occurrence of an Event of Default and during the continuation thereof, the Administrative Agent shall have the right to enter and remain upon the various premises of the Grantors without cost or charge to the Administrative Agent, and use the same, together with materials, supplies, books and records of the Grantors for the purpose of collecting and liquidating the Collateral, or for preparing for sale and conducting the sale of the Collateral, whether by foreclosure, auction or otherwise. In addition, the Administrative Agent may remove Collateral, or any part thereof, from such premises and/or any records with respect thereto, in order to effectively collect or liquidate such Collateral.

(d) Nonexclusive Nature of Remedies. Failure by the Administrative Agent or the Secured Parties to exercise any right, remedy or option under this Security Agreement, any other Loan Document, any other documents relating to the Secured Obligations, or as provided by law, or any delay by the Administrative Agent or the Secured Parties in exercising the same, shall not operate as a waiver of any such right, remedy or option. No waiver hereunder shall be effective unless it is in writing, signed by the party against whom such waiver is sought to be enforced and then only to the extent specifically stated, which in the case of the Administrative Agent or the Secured Parties shall only be granted as provided herein. To the extent permitted by law, neither the Administrative Agent, the Secured Parties, nor any party acting as attorney for the Administrative Agent or the Secured Parties, shall be liable hereunder for any acts or omissions or for any error of judgment or mistake of fact or law other than their gross negligence or willful misconduct hereunder. The rights and remedies of the Administrative Agent and the Secured Parties under this Security Agreement shall be cumulative and not exclusive of any other right or remedy that the Administrative Agent or the Secured Parties may have.

(e) Retention of Collateral. To the extent permitted under applicable law, in addition to the rights and remedies hereunder, upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, after providing the notices required by Sections 9-620 and 9-621 of the UCC or otherwise complying with the requirements of applicable law of the relevant jurisdiction, accept or retain all or any portion of the Collateral in satisfaction of the Secured Obligations. Unless and until the Administrative Agent shall have provided such notices, however, the Administrative Agent shall not be deemed to have accepted or retained any Collateral in satisfaction of any Secured Obligations for any reason.

(f) Deficiency. In the event that the proceeds of any sale, collection or realization are insufficient to pay all amounts to which the Administrative Agent or the Secured Parties are legally entitled, the Grantors shall be jointly and severally liable for the deficiency (subject to Section 27 hereof), together with interest thereon at the Default Rate, together with the costs of collection and attorneys' fees. Any surplus remaining after the full payment and satisfaction of the Secured Obligations shall be returned to the Grantors or to whomsoever a court of competent jurisdiction shall determine to be entitled thereto.

12. Rights of the Administrative Agent.

(a) Power of Attorney. In addition to other powers of attorney contained herein, each Grantor hereby designates and appoints the Administrative Agent, on behalf of the Secured Parties, and each of its designees or agents, as attorney-in-fact of such Grantor, irrevocably and with power of substitution, with authority to take any or all of the following actions upon the occurrence and during the continuation of an Event of Default:

(i) to demand, collect, settle, compromise and adjust, and give discharges and releases concerning the Collateral, all as the Administrative Agent may reasonably deem appropriate;

(ii) to commence and prosecute any actions at any court for the purposes of collecting any of the Collateral and enforcing any other right in respect thereof;

(iii) to defend, settle or compromise any action, suit or proceeding brought and, in connection therewith, give such discharge or release as the Administrative Agent may deem appropriate;

(iv) to receive, open and dispose of mail addressed to a Grantor and endorse checks, notes, drafts, acceptances, money orders, bills of lading, warehouse receipts or other instruments or documents evidencing payment, shipment or storage of the goods giving rise to the Collateral on behalf of and in the name of such Grantor, or securing, or relating to such Collateral;

(v) to pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral;

(vi) to direct any parties liable for any payment in connection with any of the Collateral to make payment of any and all monies due and to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct;

(vii) to receive payment of and receipt for any and all monies, claims, and other amounts due and to become due at any time in respect of or arising out of any Collateral;

(viii) to sell, assign, transfer, make any agreement in respect of, or otherwise deal with or exercise rights in respect of, any Collateral or the goods or services that have given rise thereto, as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes;

(ix) to adjust and settle claims under any insurance policy relating thereto;

(x) to execute and deliver all assignments, conveyances, statements, financing statements, renewal financing statements, security and pledge agreements, affidavits, notices and other agreements, instruments and documents that the Administrative Agent may reasonably deem appropriate in order to perfect and maintain the security interests and liens granted in this Security Agreement and in order to fully consummate all of the transactions contemplated therein;

(xi) to institute any foreclosure proceedings that the Administrative Agent may reasonably deem appropriate; and

(xii) to do and perform all such other acts and things as the Administrative Agent may reasonably deem appropriate or convenient in connection with the Collateral.

This power of attorney is a power coupled with an interest and shall be irrevocable for so long as any of the Secured Obligations shall remain outstanding and until all of the commitments relating thereto shall have been terminated. The Administrative Agent shall be under no duty to exercise or withhold the exercise of any of the rights, powers, privileges and options expressly or implicitly granted to the Administrative Agent in this Security Agreement, and shall not be liable for any failure to do so or any delay in doing so. The Administrative Agent shall not be liable for any act or omission or for any error of judgment or any mistake of fact or law in its individual capacity or its capacity as attorney-in-fact except acts or omissions resulting from its gross negligence or willful misconduct. This power of attorney is conferred on the Administrative Agent solely to protect, preserve and realize upon its security interest in the Collateral.

(b) Administrative Agent's Exoneration. Under no circumstances shall the Administrative Agent be deemed to assume any responsibility for or obligation or duty with respect to any part or all of the

Collateral of any nature or kind or any matter or proceedings arising out of or relating thereto, other than (a) to exercise reasonable care in the physical custody of the Collateral and (b) after a Default or an Event of Default shall have occurred and be continuing to act in a commercially reasonable manner. Neither the Administrative Agent nor any Secured Party shall be required to take any action of any kind to collect, preserve or protect its or any Grantor's rights in the Collateral or against other parties thereto. The Administrative Agent's prior recourse to any part or all of the Collateral shall not constitute a condition of any demand, suit or proceeding for payment or collection of any of the Obligations. This Security Agreement constitutes a pledge of the Collateral, and not an assignment of any duties or obligations of Grantors with respect thereto, and by its acceptance hereof and whether or not the Administrative Agent shall have exercised any of its rights or remedies hereunder, none of the Administrative Agent or the Secured Parties undertakes to perform or discharge, and none of the Administrative Agent or the Secured Parties shall be responsible or liable for the performance or discharge of any such duties or responsibilities, including, without limitation, for any capital calls. Without limiting the generality of the foregoing, none of the Administrative Agent or the Secured Parties shall have any fiduciary duty as such to Grantors or any other equity owner of any of their Subsidiaries by reason of this Security Agreement, whether by virtue of the security interests and liens hereunder, or any enforcement action in respect of such security interests and liens, unless and until the Administrative Agent or such Secured Party is actually admitted to the applicable Subsidiary as a substitute member or substitute equity owner thereof after exercising enforcement rights under the Pledge Agreements and part 6 of Article 9 of the UCC in effect in the applicable jurisdiction, or otherwise.

13. Rights of Required Lenders. All rights of the Administrative Agent hereunder, if not exercised by the Administrative Agent, may be exercised by the Required Lenders.

14. Application of Proceeds. Upon the occurrence and during the continuation of an Event of Default, any payments in respect of the Secured Obligations and any proceeds of the Collateral, when received by the Administrative Agent or any of the Secured Parties in cash or its equivalent, will be applied in reduction of the Secured Obligations in the order set forth in Section 8.03 of the Credit Agreement, and each Grantor irrevocably waives the right to direct the application of such payments and proceeds and acknowledges and agrees that the Administrative Agent shall have the continuing and exclusive right to apply and reapply any and all such payments and proceeds in the Administrative Agent's sole discretion, notwithstanding any entry to the contrary upon any of its books and records.

15. Continuing Agreement.

(a) This Security Agreement shall be a continuing agreement in every respect and shall remain in full force and effect so long as any of the Secured Obligations remains outstanding and until all of the commitments relating thereto have been terminated and all Letters of Credit have been cancelled. Upon payment in full in cash of all Secured Obligations, the cancellation of all Letters of Credit and termination of the commitments related thereto, this Security Agreement and the liens and security interests of the Administrative Agent hereunder shall be automatically terminated and the Administrative Agent shall, upon the request and at the expense of the Grantors, execute and deliver all UCC termination statements and/or other documents reasonably requested by the Grantors evidencing such termination and return to Grantors all Collateral in its possession. Notwithstanding the foregoing, all releases and indemnities provided hereunder shall survive termination of this Security Agreement.

(b) This Security Agreement shall continue to be effective or be automatically reinstated, as the case may be, if at any time payment, in whole or in part, of any of the Secured Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Secured Party as a preference, fraudulent conveyance or otherwise under any bankruptcy, insolvency or similar law, all as though such payment had not been made; provided that in the event payment of all or any part of the Secured Obligations is rescinded or must be restored or returned, all costs and expenses (including, without limitation, attorneys'

fees and disbursements) incurred by the Administrative Agent or any Secured Party in defending and enforcing such reinstatement shall be deemed to be included as a part of the Secured Obligations.

16. Amendments and Waivers. This Security Agreement and the provisions hereof may not be amended, waived, modified, changed, discharged or terminated except as set forth in Section 11.01 of the Credit Agreement.

17. Successors in Interest. This Security Agreement shall create a continuing security interest in the Collateral and shall be binding upon each Grantor, its successors and assigns, and shall inure, together with the rights and remedies of the Administrative Agent and the Secured Parties hereunder, to the benefit of the Administrative Agent and the Secured Parties and their successors and permitted assigns; provided, however, none of the Grantors may assign its rights or delegate its duties hereunder without the prior written consent of the requisite Lenders under the Credit Agreement. To the fullest extent permitted by law, each Grantor hereby releases the Administrative Agent and each Secured Party, their respective successors and assigns and their respective officers, attorneys, employees and agents, from any liability for any act or omission or any error of judgment or mistake of fact or of law relating to this Security Agreement or the Collateral, except for any liability arising from the gross negligence or willful misconduct of the Administrative Agent or such holder, or their respective officers, attorneys, employees or agents.

18. Notices. All notices required or permitted to be given under this Security Agreement shall be given as provided in Section 11.02 of the Credit Agreement.

19. Counterparts. This Security Agreement may be executed in any number of counterparts, each of which where so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. It shall not be necessary in making proof of this Security Agreement to produce or account for more than one such counterpart.

20. Headings. The headings of the sections and subsections hereof are provided for convenience only and shall not in any way affect the meaning or construction of any provision of this Security Agreement.

21. Inconsistencies with Credit Agreement. In the event that any terms hereof are inconsistent with the terms of the Credit Agreement, the terms of the Credit Agreement shall control solely to the extent of such conflict.

22. Governing Law; Submission to Jurisdiction; Venue.

(a) GOVERNING LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND

5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

(b) SUBMISSION TO JURISDICTION. EACH GRANTOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION

OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS SECURITY AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, OR ANY SECURED PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH GRANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02 OF THE CREDIT AGREEMENT. NOTHING IN THIS SECURITY AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

23. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

24. Severability. If any provision of this Security Agreement is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

25. Entirety. This Security Agreement, the other Loan Documents and the other documents relating to the Secured Obligations represent the entire agreement of the parties hereto and thereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or correspondence relating to the Loan Documents, any other documents relating to the Secured Obligations, or the transactions contemplated herein and therein.

26. Survival. All representations and warranties of the Grantors hereunder shall survive the execution and delivery of this Security Agreement, the other Loan Documents and the other documents relating to the Secured Obligations, the delivery of the Notes and the extension of credit thereunder or in connection therewith.

27. Other Security. To the extent that any of the Secured Obligations are now or hereafter secured by property other than the Collateral (including, without limitation, real property and securities owned by a Grantor), or by a guarantee, endorsement or property of any other Person, then to the extent permitted by applicable law the Administrative Agent shall have the right to proceed against such other property, guarantee or endorsement upon the occurrence and during the continuation of any Event of Default, and the Administrative Agent shall have the right, in its sole discretion, to determine which rights, security, liens, security interests or remedies the Administrative Agent shall at any time pursue, relinquish, subordinate, modify or take with respect thereto, without in any way modifying or affecting any of them or the Secured Obligations or any of the rights of the Administrative Agent or the Secured Parties under this Security Agreement, under any of the other Loan Documents or under any other document relating to the Secured Obligations.

28. Joint and Several Obligations of Grantors.

(a) Subject to subsection (c) of this Section 27, each of the Grantors is accepting joint and several liability hereunder in consideration of the financial accommodation to be provided by the Secured Parties, for the mutual benefit, directly and indirectly, of each of the Grantors and in consideration of the undertakings of each of the Grantors to accept joint and several liability for the obligations of each of them.

(b) Subject to subsection (c) of this Section 27, each of the Grantors jointly and severally hereby irrevocably and unconditionally accepts, not merely as a surety but also as a primary obligor, joint and several liability with the other Grantors with respect to the payment and performance of all of the Secured Obligations arising under this Security Agreement, the other Loan Documents and any other documents relating to the Secured Obligations, it being the intention of the parties hereto that all the Secured Obligations shall be the joint and several obligations of each of the Grantors without preferences or distinction among them.

(c) Notwithstanding any provision to the contrary contained herein, in any other of the Loan Documents or in any other documents relating to the Secured Obligations, the obligations of each Grantor under the Credit Agreement, the other Loan Documents and the other documents relating to the Secured

Obligations shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provisions of any applicable state law.

[Signature Pages Follow]

Each of the parties hereto has caused a counterpart of this Security Agreement to be duly executed and delivered as of the date first above written.

GRANTORS:

NOODLES & COMPANY,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

TNSC, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY SERVICES CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY FINANCE CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — COLORADO, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — WISCONSIN, INC.,
a Wisconsin corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MINNESOTA, INC.,
a Minnesota corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

THE NOODLE SHOP, CO. — ILLINOIS, INC.,
an Illinois corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — VIRGINIA, INC.,
a Virginia corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MARYLAND, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — COLLEGE PARK, LLC,
a Maryland limited liability company

By: **Noodles & Company**, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — BALTIMORE COUNTY, LLC,
a Maryland limited liability company

By: **Noodles & Company,** a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — ANNAPOLIS, LLC,
a Maryland limited liability company

By: **Noodles & Company,** a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — MONTGOMERY COUNTY, MARYLAND,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — CHARLES COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — HOWARD COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — KANSAS, LLC,
a Kansas limited liability company

By: **TNSC, Inc.,** a Colorado corporation, its Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — DELAWARE, INC.,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

Accepted and agreed to as of the date first above written.

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Erik M. Truette
Name: Erik M. Truette
Title: Assistant Vice President

SCHEDULE 2(g)

COMMERCIAL TORT CLAIMS

None.

EXHIBIT 8(d)(i)(B)

NOTICE

OF

GRANT OF SECURITY INTEREST

IN

COPYRIGHTS

United States Copyright Office

Ladies and Gentlemen:

Please be advised that pursuant to the Security Agreement dated as of February 28, 2011 (as the same may be amended, modified, restated, extended or supplemented from time to time, the "Security Agreement") by and among the Grantors from time to time party thereto (each an "Grantor" and collectively, the "Grantors") and Bank of America, N.A., as Administrative Agent (the "Administrative Agent") for the Secured Parties referenced therein, the undersigned Grantor has granted a continuing security interest in and continuing lien upon, the copyrights and copyright applications shown on Schedule 1 attached hereto to the Administrative Agent for the ratable benefit of the Secured Parties.

The undersigned Grantor and the Administrative Agent, on behalf of the Secured Parties, hereby acknowledge and agree that the security interest in the copyrights and copyright applications set forth on Schedule 1 attached hereto (i) may only be terminated in accordance with the terms of the Security Agreement and (ii) is not to be construed as an assignment of any copyright or copyright application.

Very truly yours,

[Grantor]

By: _____
Name:
Title:

Acknowledged and Accepted:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name:
Title:

EXHIBIT 8(d)(i)(C)

NOTICE

OF

GRANT OF SECURITY INTEREST

IN

PATENTS

United States Patent and Trademark Office

Ladies and Gentlemen:

Please be advised that pursuant to the Security Agreement dated as of February 28, 2011 (as the same may be amended, modified, restated. extended or supplemented from time to time, the "Security Agreement") by and among the Grantors from time to time party thereto (each an "Grantor" and collectively, the "Grantors") and Bank of America, N.A., as Administrative Agent (the "Administrative Agent") for the Secured Parties referenced therein, the undersigned Grantor has granted a continuing security interest in and continuing lien upon, the patents and patent applications set forth on Schedule 1 attached hereto to the Administrative Agent for the ratable benefit of the Secured Parties.

The undersigned Grantor and the Administrative Agent, on behalf of the Secured Parties, hereby acknowledge and agree that the security interest in the patents and patent applications set forth on Schedule 1 attached hereto (i) may only be terminated in accordance with the terms of the Security Agreement and (ii) is not to be construed as an assignment of any patent or patent application.

Very truly yours,

_____
[Grantor]

By: _____
Name:
Title:

Acknowledged and Accepted:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name:
Title:

EXHIBIT 8(d)(i)(D)

NOTICE

OF

GRANT OF SECURITY INTEREST

IN

TRADEMARKS

United States Patent and Trademark Office

Ladies and Gentlemen:

Please be advised that pursuant to the Security Agreement dated as of February 28, 2011 (as the same may be amended, modified, restated, extended or supplemented from time to time, the "Security Agreement") by and among the Grantors from time to time party thereto (each an "Grantor" and collectively, the "Grantors") and Bank of America, N.A., as Administrative Agent (the "Administrative Agent") for the Secured Parties referenced therein, the undersigned Grantor has granted a continuing security interest in and continuing lien upon, the trademarks and trademark applications set forth on Schedule 1 attached hereto to the Administrative Agent for the ratable benefit of the Secured Parties.

The undersigned Grantor and the Administrative Agent, on behalf of the Secured Parties, hereby acknowledge and agree that the security interest in the trademarks and trademark applications set forth on Schedule 1 attached hereto (i) may only be terminated in accordance with the terms of the Security Agreement and (ii) is not to be construed as an assignment of any trademark or trademark application.

Very truly yours,

_____

[Grantor]

By: _____
Name:
Title:

Acknowledged and Accepted:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name:
Title:

Exhibit 10.14

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT dated as of February 28, 2011 (as amended, modified, restated or supplemented or extended from time to time, this "Pledge Agreement") is by and among the parties identified as "Pledgors" on the signature pages hereto and such other parties as may become Pledgors hereunder after the date hereof (individually a "Pledgor", and collectively the "Pledgors") and Bank of America, N.A., as administrative agent (in such capacity, the "Administrative Agent") for the Secured Parties (defined below).

W I T N E S S E T H

WHEREAS, credit facilities are, simultaneously with the execution of this Pledge Agreement, being established in favor of Noodles & Company, a Delaware corporation (the "Borrower"), pursuant to the terms of that certain Credit Agreement dated as of the date hereof (as amended, modified, restated, supplemented or extended from time to time, the "Credit Agreement") among the Borrower, the Guarantors from time to time party thereto, the Lenders from time to time party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer;

WHEREAS, each Pledgor is the direct legal and beneficial owner of all of the issued and outstanding capital stock and all of the units of outstanding membership interests, or other equity interests, as the case may be, of each of the entities opposite such Pledgor's name on Schedule 2(a) hereto (the "Subsidiaries"); and

WHEREAS, it is a condition precedent under the terms of the Credit Agreement that the Pledgors execute and deliver this Pledge Agreement to the Administrative Agent for the benefit of the Secured Parties (as defined herein); and

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

(a) Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Credit Agreement.

(b) As used herein, the following terms shall have the meanings assigned thereto in the UCC: "Accession", "Financial Asset", "Proceeds" and "Security."

(c) As used herein, the following terms shall have the meanings set forth below:

"Administrative Agent" has the meaning provided in the introductory paragraph hereof.

"Pledged Collateral" has the meaning provided in Section 2 hereof.

"Pledged Shares" has the meaning provided in Section 2 hereof.

"Secured Obligations" means, without duplication, (i) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document

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or otherwise with respect to any Loan, Letter of Credit, Secured Cash Management Agreement or Secured Hedge Agreement, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding and (ii) all costs and expenses incurred in connection with enforcement and collection of the Secured Obligations described in the foregoing clauses (i) and (ii), including, without limitation, attorneys' fees and disbursements.

"Secured Parties" has the meaning set forth in the Credit Agreement.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

2. Pledge and Grant of Security Interest. To secure the prompt payment and performance in full when due, whether by lapse of time, acceleration, mandatory prepayment or otherwise, of the Secured Obligations, each Pledgor hereby grants, pledges and assigns to the Administrative Agent, for the benefit of the Secured Parties, a continuing security interest in, and a right to set-off against, any and all right, title and interest of such Pledgor in and to the following, whether now owned or existing or owned, acquired, or arising hereafter (collectively, the "Pledged Collateral"):

(a) Pledged Shares. (i) One hundred percent (100%) (or, if less, the full amount owned by such Pledgor) of the right, title and interest in the issued and outstanding Equity Interests owned by such Pledgor of each Domestic Subsidiary set forth on Schedule 2(a) attached hereto and (ii) sixty-six percent (66%) (or, if less, the full amount owned by such Pledgor) of the right, title and interest in the issued and outstanding shares of Equity Interests entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)) ("Voting Equity") and one hundred percent (100%) (or, if less, the full amount owned by such Pledgor) of the issued and outstanding Equity Interests not entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)) ("Non-Voting Equity") owned by such Pledgor of each Foreign Subsidiary directly owned by such Pledgor set forth on Schedule 2(a) attached hereto, in each case together with the certificates (or other agreements or instruments), if any, representing such Equity Interests, and all options and other rights, contractual or otherwise, with respect thereto (collectively, together with the Equity Interests described in Section 2(b) and 2(c) below, the "Pledged Shares"), including, but not limited to, the following:

i. all shares, securities, membership interests and other Equity Interests, cash or other property representing a dividend, payment or other distribution on or in respect of any of the Pledged Shares, or representing a distribution or return of capital upon or in respect of the Pledged Shares, or resulting from a stock split, revision, reclassification or other exchange therefor, and any other dividends, distributions, subscriptions, warrants, cash, securities, instruments, rights, options or other property issued to or received or receivable by the holder of, or otherwise in respect of, the Pledged Shares;

ii. without affecting the obligations of the Pledgors under any provision prohibiting such action hereunder or under the Credit Agreement, in the event of any consolidation or merger involving the issuer of any Pledged Shares and in which such issuer is not the surviving entity, all Equity Interests of the successor entity formed by or resulting from such consolidation or merger;

iii. all of such Pledgor's rights and interests under each of the partnership agreements or operating agreements, as applicable, including all voting and management rights and all rights to grant or withhold consents or approvals;

iv. subject to Section 6.10 of the Credit Agreement, all rights of access and inspection to and use of all books and records, including computer software and computer software programs, of each of the Subsidiaries; and

v. all other rights, interests, property or claims to which such Pledgor may be entitled in its capacity as a partner or the managing member or member of any Subsidiary of such Pledgor.

(b) Additional Shares. (i) One hundred percent (100%) (or, if less, the full amount owned by such Pledgor) of the right, title and interest in the issued and outstanding Equity Interests owned by such Pledgor of any Person that hereafter becomes a Domestic Subsidiary and (ii) sixty-six percent (66%) (or, if less, the full amount owned by such Pledgor) of the Voting Equity and one hundred percent (100%) (or, if less, the full amount owned by such Pledgor) of the Non-Voting Equity owned by such Pledgor of any Person that hereafter becomes a Foreign Subsidiary directly owned by such Pledgor, including, without limitation, the certificates (or other agreements or instruments), if any, representing such Equity Interests.

(c) Accessions and Proceeds. All Accessions, Proceeds, income from, increases in and products of any of the foregoing, subject to the terms and conditions hereinafter set forth.

Without limiting the generality of the foregoing, it is hereby specifically understood and agreed that a Pledgor may from time to time hereafter deliver additional Equity Interests to the Administrative Agent as collateral security for the Secured Obligations. Upon delivery to the Administrative Agent, such additional Equity Interests shall be deemed to be part of the Pledged Collateral of such Pledgor and shall be subject to the terms of this Pledge Agreement whether or not Schedule 2(a) is amended to refer to such additional Equity Interests. Each Pledgor agrees that the Administrative Agent may from time to time attach as Schedule 2(a) hereto an updated list of capital stock or other Equity Interests at the time pledged to the Administrative Agent hereunder.

(d) Waiver of Certain Partnership Agreement and Operating Agreement Provisions. Each Pledgor irrevocably waives any and all provisions of the partnership agreements and operating agreements of each Subsidiary of such Pledgor (as applicable) that (a) prohibit, restrict, condition or otherwise affect the grant hereunder of any Lien on any of the Pledged Collateral (as such term is hereinafter defined) or any enforcement action which may be taken in respect of any such Lien or (b) otherwise conflict with the terms of this Pledge Agreement.

3. Security for Secured Obligations. The security interest created hereby in the Pledged Collateral of each Pledgor constitutes continuing collateral security for all of the Secured Obligations (subject to Section 29 hereof).

4. Delivery of the Pledged Collateral. Each Pledgor hereby agrees that:

(a) Delivery of Certificates. Each Pledgor shall deliver to the Administrative Agent (i) simultaneously with or promptly following the execution and delivery of this Pledge Agreement, all certificates representing the Pledged Shares of such Pledgor and (ii) promptly upon the receipt thereof by or on behalf of a Pledgor, all other certificates and instruments constituting Pledged Collateral of a Pledgor. Prior to delivery to the Administrative Agent, all such certificates and instruments constituting Pledged Collateral of a Pledgor shall be held in trust by such Pledgor for the benefit of the Administrative Agent pursuant hereto. All such certificates and instruments shall be delivered in suitable form for transfer by delivery or shall be accompanied by duly executed instruments of transfer or assignment in blank, substantially in the form provided in Exhibit 4(a) attached hereto.

(b) Additional Securities. If any Pledgor shall receive (or become entitled to receive) by virtue of its being or having been the owner of any Pledged Collateral, any (i) certificate or instrument, including without limitation, any certificate representing a dividend or distribution in connection with any increase or reduction of capital, reclassification, merger, consolidation, sale of assets, combination of shares or membership or other Equity Interests, stock splits, spin-off or split-off, promissory notes or other instruments; (ii) option or right, whether as an addition to, substitution for, conversion of, or an exchange for, any Pledged Collateral or otherwise in respect thereof; (iii) dividends payable in securities; or (iv) distributions of securities or other Equity Interests, cash or other property in connection with a partial or total liquidation, dissolution or reduction of capital, capital surplus or paid-in surplus, then such Pledgor shall accept and receive each such certificate, instrument, option, right, dividend or distribution in trust for the benefit of the Administrative Agent, shall segregate it from such Pledgor's other property and shall deliver it forthwith to the Administrative Agent in the exact form received together with any necessary endorsement and/or appropriate stock power duly executed in blank, substantially in the form provided in Exhibit 4(a), to be held by the Administrative Agent as Pledged Collateral and as further collateral security for the Secured Obligations.

(c) Financing Statements. Each Pledgor authorizes the Administrative Agent to file one or more financing statements (with the description of the Pledged Collateral contained herein, including without limitation "all assets" and/or "all personal property" collateral descriptions) disclosing the Administrative Agent's security interest in the Pledged Collateral. Each Pledgor agrees to execute and deliver to the Administrative Agent such financing statements and other filings as may be requested by the Administrative Agent in order to perfect and protect the security interest created hereby in the Pledged Collateral of such Pledgor.

5. Representations and Warranties. Each Pledgor hereby represents and warrants to the Administrative Agent, for the benefit of the Secured Parties, that so long as any of the Secured Obligations remains outstanding and until all of the commitments relating thereto have been terminated:

(a) Authorization of Pledged Shares. The Pledged Shares are duly authorized and validly issued, are fully paid and nonassessable and are not subject to the preemptive rights of any Person.

(b) Title. Each Pledgor has good and indefeasible title to the Pledged Collateral of such Pledgor and is the legal and beneficial owner of such Pledged Collateral free and clear of any Lien, other than Permitted Liens. There exists no "adverse claim" within the meaning of Section 8-102 of the UCC with respect to the Pledged Shares of such Pledgor other than Permitted Liens.

(c) Exercising of Rights. The exercise by the Administrative Agent of its rights and remedies hereunder will not violate any law or governmental regulation or any material contractual restriction binding on or affecting a Pledgor or any of its property.

(d) Pledgor's Authority. No authorization, approval or action by, and no notice or filing with any Governmental Authority or with the issuer of any Pledged Collateral or any other Person is required either (i) for the pledge made by a Pledgor or for the granting of the security interest by a Pledgor pursuant to this Pledge Agreement (except as have been already obtained) or (ii) for the exercise by the Administrative Agent or the Secured Parties of their rights and remedies hereunder (except as may be required by the UCC or applicable foreign laws or laws affecting the offering and sale of securities).

(e) Security Interest/Priority. This Pledge Agreement creates a valid security interest in favor of the Administrative Agent for the benefit of the Secured Parties, in the Pledged Collateral. The taking of possession by the Administrative Agent of the certificates representing the Pledged Shares and all other certificates and instruments constituting Pledged Collateral will perfect and establish the first priority of the Administrative Agent's security interest in the Pledged Shares consisting of certificated securities of Domestic Subsidiaries and, when properly perfected by filing or registration, in all other Pledged Collateral represented by such Pledged Shares and instruments securing the Secured Obligations. Except as set forth in this Section 5(e), no action is necessary to perfect or otherwise protect such security interest.

(f) Partnership and Membership Interests. Except as previously disclosed to the Administrative Agent, none of the Pledged Shares consisting of partnership or limited liability company interests (i) is dealt in or traded on a securities exchange or in a securities market, (ii) by its terms expressly provides that it is a security governed by Article 8 of the UCC, (iii) is an investment company security, (iv) is held in a securities account or (v) constitutes a Security or a financial asset.

(g) No Other Interests. As of the date hereof, no Pledgor owns any Equity Interests in any Subsidiary other than as set forth on Schedule 2(a) attached hereto.

6. Covenants. Each Pledgor hereby covenants, that so long as any of the Secured Obligations remain outstanding and until all of the commitments relating thereto have been terminated, such Pledgor shall:

(a) Books and Records. Mark its books and records (and shall cause the issuer of the Pledged Shares of such Pledgor to mark its books and records) to reflect the security interest granted to the Administrative Agent, for the benefit of the Secured Parties, pursuant to this Pledge Agreement.

(b) Defense of Title. Warrant and defend title to and ownership of the Pledged Collateral of such Pledgor at its own expense against the claims and demands of all other parties claiming an interest therein, keep the Pledged Collateral free from all Liens, except for Permitted Liens, and not sell, exchange, transfer, assign, lease or otherwise dispose of Pledged Collateral of such Pledgor or any interest therein, except as permitted under the Credit Agreement and the other Loan Documents.

(c) Further Assurances. Promptly execute and deliver at its expense all further instruments and documents and take all further action that may be necessary or that the

Administrative Agent may reasonably request in order to (i) perfect and protect the security interest created hereby in the Pledged Collateral of such Pledgor (including, without limitation, any and all action necessary to reasonably satisfy the Administrative Agent that the Administrative Agent has obtained a first priority perfected security interest in all Pledged Collateral); (ii) enable the Administrative Agent to exercise and enforce its rights and remedies hereunder in respect of the Pledged Collateral of such Pledgor; and (iii) otherwise effect the purposes of this Pledge Agreement, including, without limitation and if reasonably requested by the Administrative Agent, delivering to the Administrative Agent upon its request after the occurrence of an Event of Default, irrevocable proxies in respect of the Pledged Collateral of such Pledgor.

(d) Amendments. Not make or consent to any amendment or other modification or waiver with respect to any of the Pledged Collateral of such Pledgor or enter into any agreement or allow to exist any restriction with respect to any of the Pledged Collateral of such Pledgor other than pursuant hereto or as may be permitted under the Credit Agreement.

(e) Compliance with Securities Laws. File all reports and other information now or hereafter required to be filed by such Pledgor with the United States Securities and Exchange Commission and any other state, federal or foreign agency in connection with the ownership of the Pledged Collateral of such Pledgor.

(f) Issuance or Acquisition of Equity Interests. Not, without executing and delivering, or causing to be executed and delivered, to the Administrative Agent such agreements, documents and instruments as the Administrative Agent may request for the purpose of perfecting its security interest therein, issue or acquire any Equity Interests constituting Pledged Collateral consisting of an interest in a partnership or a limited liability company that (i) is dealt in or traded on a securities exchange or in a securities market, (ii) by its terms expressly provides that it is a security governed by Article 8 of the UCC, (iii) is an investment company security, (iv) is held in a securities account or (v) constitutes a Security or a Financial Asset.

7. Transfer, etc., by Pledgors. Except as expressly permitted under the Credit Agreement, without the prior written consent of the Administrative Agent, no Pledgor will sell, assign, transfer or otherwise dispose of, grant any option with respect to, or pledge or grant any security interest in or otherwise

encumber or restrict any of the Pledged Collateral or any interest therein, except for the pledge thereof and security interest therein provided for in this Pledge Agreement and the other Loan Documents.

8. Pledgors' Obligations Not Affected. The obligations of each Pledgor hereunder shall remain in full force and effect without regard to, and shall not be impaired by (a) any exercise or nonexercise, or any waiver, by the Administrative Agent or any Secured Party of any right, remedy, power or privilege under or in respect of any of the Secured Obligations or any security thereof (including this Pledge Agreement); (b) any amendment to or modification of the Credit Agreement, any Note, the other Loan Documents or any of the Secured Obligations; (c) any amendment to or modification of any instrument (other than this Pledge Agreement) securing any of the Secured Obligations, including, without limitation, any of the Collateral Documents; or (d) the taking of additional security for, or any other assurances of payment of, any of the Secured Obligations or the release or discharge or termination of any security or other assurances of payment or performance for any of the Secured Obligations; whether or not such Pledgor shall have notice or knowledge of any of the foregoing, such Pledgor hereby generally waiving all suretyship defenses to the extent applicable.

9. Advances by Secured Parties. On failure of any Pledgor to perform any of the covenants and agreements contained herein which constitutes an Event of Default and while such Event of Default is continuing, the Administrative Agent may, at its sole option and in its sole discretion, upon notice to the Pledgors, perform the same and in so doing may expend such sums as the Administrative Agent may deem advisable in the performance thereof, including, without limitation, the payment of any insurance premiums, the payment of any taxes, a payment to obtain a release of a Lien or potential Lien, expenditures made in defending against any adverse claim and all other expenditures that the Administrative Agent or the Secured Parties may make for the protection of the security hereof or may be compelled to make by operation of law. All such sums and amounts so expended shall be repayable by the Pledgors on a joint and several basis (subject to Section 29 hereof) promptly upon timely notice thereof and demand therefor, shall constitute additional Secured Obligations and shall bear interest from the date said amounts are expended at the Default Rate. No such performance of any covenant or agreement by the Administrative Agent or the Secured Parties on behalf of any Pledgor, and no such advance or expenditure therefor, shall relieve the Pledgors of any default under the terms of this Pledge Agreement, the other Loan Documents or any other documents relating to the Secured Obligations. The Secured Parties may make any payment hereby authorized in accordance with any bill, statement or estimate procured from the appropriate public office or holder of the claim to be discharged without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax assessment, sale, forfeiture, tax lien, title or claim.

10. Remedies.

(a) General Remedies. Upon the occurrence of an Event of Default and during the continuation thereof, the Administrative Agent and the Secured Parties shall have, in addition to the rights and remedies provided herein, in the Loan Documents, in any other documents relating to the Secured Obligations, or by law (including, without limitation, levy of attachment and garnishment), the rights and remedies of a secured party under the Uniform Commercial Code of the jurisdiction applicable to the affected Pledged Collateral.

(b) Sale of Pledged Collateral. Upon the occurrence of an Event of Default and during the continuation thereof, without limiting the generality of this Section 10 and without notice, the Administrative Agent may, in its sole discretion, sell or otherwise dispose of or realize upon the Pledged Collateral, or any part thereof, in one or more parcels, at public or private sale, at any exchange or broker's board or elsewhere, at such price or prices and on such other terms as the Administrative Agent may deem commercially reasonable, for cash, credit or for future delivery or otherwise in accordance with applicable law. To the extent permitted by law, any Secured Party may in such event, bid for the purchase of such securities. Each Pledgor agrees that, to the extent notice of sale shall be required by law and has not been waived by such Pledgor, any requirement of reasonable notice shall be met if notice, specifying the place of any public sale or the time after which any private sale is to be made, is personally served on or mailed, postage prepaid, to such Pledgor, in accordance with the notice provisions of Section 11.02 of the Credit Agreement at least ten Business Days before the time of such sale. The Administrative Agent shall not be obligated to make any sale of Pledged Collateral of such Pledgor regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(c) Private Sale. Upon the occurrence of an Event of Default and during the continuation thereof, the Pledgors recognize that the Administrative Agent may be unable or deem it impracticable to effect a public sale of all or any part of the Pledged Shares or any of the securities constituting Pledged Collateral and that the Administrative Agent may, therefore, determine to

make one or more private sales of any such Pledged Collateral to a restricted group of purchasers who will be obligated to agree, among other things, to acquire such Pledged Collateral for their own account, for investment and not with a view to the distribution or resale thereof. Each Pledgor acknowledges and agrees that any such private sale may be at prices and on other terms less favorable than the prices and other terms that might have been obtained at a public sale and, notwithstanding the foregoing, agrees that such private sale shall be deemed to have been made in a commercially reasonable manner and that the Administrative Agent shall have no obligation to delay sale of any such Pledged Collateral for the period of time necessary to permit the issuer of such Pledged Collateral to register such Pledged Collateral for public sale under the Securities Act or under applicable state securities laws. Each Pledgor further acknowledges and agrees that any offer to sell such Pledged Collateral that has been publicly advertised on a bona fide basis in a newspaper or other publication of general circulation in the financial community of New York, New York (to the extent that such offer may be advertised without prior registration under the Securities Act of 1933, as amended (the "Securities Act")), notwithstanding that such sale may not constitute a "public offering" under the Securities Act, and the Administrative Agent may, in such event, bid for the purchase of such Pledged Collateral.

(d) Retention of Pledged Collateral. To the extent permitted under applicable law, in addition to the rights and remedies hereunder, upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, after providing the notices required by Sections 9-620 and 9-621 of the UCC or otherwise complying with the requirements of applicable law of the relevant jurisdiction, accept or retain all or any portion of the Pledged Collateral in satisfaction of the Secured Obligations. Unless and until the Administrative Agent shall have provided such notices, however, the Administrative Agent shall not be deemed to have accepted or retained any Pledged Collateral in satisfaction of any Secured Obligations for any reason.

(e) Deficiency. In the event that the proceeds of any sale, collection or realization are insufficient to pay all amounts to which the Administrative Agent or the Secured Parties are legally entitled, the Pledgors shall be jointly and severally liable (subject to Section 29 hereof) for the deficiency, together with interest thereon at the Default Rate, together with the costs of collection and attorneys' fees and expenses. Any surplus remaining after the full payment and satisfaction of the Secured Obligations shall be returned to the Pledgors or to whomsoever a court of competent jurisdiction shall determine to be entitled thereto.

(f) Management and Voting Rights. Upon the occurrence of an Event of Default and during the continuation thereof, if the Administrative Agent so elects and gives notice of such election to the Pledgors, the Administrative Agent may exercise any management or voting rights relating to the Pledged Collateral (whether or not the same shall have been transferred into its name or the name of its nominee or nominees) for any lawful purpose, including, without limitation, if the Administrative Agent so elects, for the liquidation of the assets of the issuer thereof or for the amendment or modification of any of the charters, by-laws, operating agreements, partnership agreements or other governing documents, and give all consents, waivers and ratifications in respect of the Pledged Collateral and otherwise act with respect thereto as though it were the outright owner thereof (each Pledgor hereby irrevocably constituting and appointing the Administrative Agent its proxy and attorney-in-fact, with full power of substitution, to do so).

(g) Transfer. Upon the occurrence of an Event of Default and during the continuation thereof, the Administrative Agent may cause all or any part of the Pledged Collateral held by it to be transferred into its name or the name of its nominee or nominees.

(h) Set-Off. Upon the occurrence of an Event of Default and during the continuation thereof, the Administrative Agent may set-off against the Secured Obligations any and all sums deposited with it or held by it, without any notice to the Pledgors, including without limitation, any sums standing to the credit of any Cash Collateral Account and any time deposits issued by the Administrative Agent.

11. Rights of the Administrative Agent.

(a) Power of Attorney. Each Pledgor hereby designates and appoints the Administrative Agent, on behalf of the Secured Parties, and each of its designees or agents, as attorney-in-fact of such Pledgor, irrevocably and with power of substitution, with authority to take any or all of the following actions upon the occurrence and during the continuation of an Event of Default:

i. to demand, collect, settle, compromise and adjust, and give discharges and releases concerning the Pledged Collateral, all as the Administrative Agent may deem appropriate;

ii. to commence and prosecute any actions at any court for the purposes of collecting any of the Pledged Collateral and enforcing any other right in respect thereof;

iii. to defend, settle or compromise any action brought and, in connection therewith, give such discharge or release as the Administrative Agent may deem appropriate;

iv. to pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Pledged Collateral;

v. to direct any parties liable for any payment in connection with any of the Pledged Collateral to make payment of any and all monies due and to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct;

vi. to receive payment of and receipt for any and all monies, claims, and other amounts due and to become due at any time in respect of or arising out of any Pledged Collateral;

vii. to sign and endorse any drafts, assignments, proxies, stock powers, verifications, notices and other documents relating to the Pledged Collateral;

viii. to execute and deliver all assignments, conveyances, statements, financing statements, renewal financing statements, security and pledge agreements, affidavits, notices and other agreements, instruments and documents that the Administrative Agent may deem appropriate in order to perfect and maintain the security interests and liens granted in this Pledge Agreement and in order to fully consummate all of the transactions contemplated therein;

ix. to exchange any of the Pledged Collateral or other property upon any merger, consolidation, reorganization, recapitalization or other readjustment of the issuer

thereof and, in connection therewith, deposit any of the Pledged Collateral with any committee, depository, transfer agent, registrar or other designated agency upon such terms as the Administrative Agent may deem appropriate;

x. to vote for a shareholder or member resolution, or to sign an instrument in writing, sanctioning the transfer of any or all of the Pledged Collateral into the name of the Administrative Agent or one or more of the Secured Parties or into the name of any transferee to whom the Pledged Collateral or any part thereof may be sold pursuant to Section 10 hereof; and

xi. to do and perform all such other acts and things as the Administrative Agent may deem appropriate or convenient in connection with the Pledged Collateral.

This power of attorney is a power coupled with an interest and shall be irrevocable for so long as any of the Secured Obligations shall remain outstanding and until all of the commitments relating thereto shall have been terminated. The Administrative Agent shall be under no duty to exercise or withhold the exercise of any of the rights, powers, privileges and options expressly or implicitly granted to the Administrative Agent in this Pledge Agreement, and shall not be liable for any failure to do so or any delay in doing so. The Administrative Agent shall not be liable for any act or omission or for any error of judgment or any mistake of fact or law in its individual capacity or its capacity as attorney-in-fact except acts or omissions resulting from its gross negligence or willful misconduct. This power of attorney is conferred on the Administrative Agent solely to protect, preserve and realize upon its security interest in the Pledged Collateral.

(b) Assignment by the Administrative Agent. The Administrative Agent may from time to time assign the Pledged Collateral and any portion thereof to a successor agent in accordance with the Credit Agreement, and the assignee shall be entitled to all of the rights and remedies of the

Administrative Agent under this Pledge Agreement in relation thereto.

(c) Voting Rights in Respect of the Pledged Collateral.

i. So long as no Event of Default shall have occurred and be continuing, each Pledgor may exercise any and all voting and other consensual rights pertaining to the Pledged Collateral of such Pledgor or any part thereof for any purpose not inconsistent with the terms of this Pledge Agreement or the Credit Agreement; and

ii. Upon the occurrence and during the continuation of an Event of Default and upon notice to Pledgors from the Administrative Agent, all rights of a Pledgor to exercise the voting and other consensual rights that it would otherwise be entitled to exercise pursuant to paragraph (i) of this subsection shall cease and all such rights shall thereupon become vested in the Administrative Agent, which shall then have the sole right to exercise such voting and other consensual rights.

iii. Each Pledgor hereby grants the Administrative Agent a proxy to exercise all of its voting rights with respect to the Pledged Collateral upon an Event of Default.

(d) Dividend Rights in Respect of the Pledged Collateral.

i. So long as no Event of Default shall have occurred and be continuing and subject to Section 4(b) hereof, each Pledgor may receive and retain any and all dividends and distributions (other than stock dividends and other dividends and distributions constituting Pledged Collateral which are required to be pledged hereunder) or interest paid in respect of the Pledged Collateral to the extent they are allowed under the Credit Agreement.

ii. Upon the occurrence and during the continuance of an Event of Default:

A. all rights of a Pledgor to receive the dividends, distributions and interest payments that it would otherwise be authorized to receive and retain pursuant to paragraph (i) of this subsection shall cease and all such rights shall thereupon be vested in the Administrative Agent, which shall then have the sole right to receive and hold as Pledged Collateral such dividends, distributions and interest payments; and

B. all dividends and interest payments that are received by a Pledgor contrary to the provisions of paragraph A. of this subsection shall be received in trust for the benefit of the Administrative Agent, shall be segregated from other property or funds of such Pledgor, and shall be forthwith paid over to the Administrative Agent as Pledged Collateral in the exact form received, to be held by the Administrative Agent as Pledged Collateral and as further collateral security for the Secured Obligations.

(e) Release of Pledged Collateral. The Administrative Agent may release any of the Pledged Collateral from this Pledge Agreement or may substitute any of the Pledged Collateral for other Pledged Collateral without altering, varying or diminishing in any way the force, effect, lien, pledge or security interest of this Pledge Agreement as to any Pledged Collateral not expressly released or substituted, and this Pledge Agreement shall continue as a first priority lien on all Pledged Collateral not expressly released or substituted.

12. Rights of Required Lenders. All rights of the Administrative Agent hereunder, if not exercised by the Administrative Agent, may be exercised by the Required Lenders.

13. Application of Proceeds. Upon the occurrence and during the continuation of an Event of Default, any payments in respect of the Secured Obligations and any proceeds of the Pledged Collateral, when received by the Administrative Agent or any of the Secured Parties in cash or its equivalent, will be applied in reduction of the Secured Obligations in the order set forth in Section 8.03 of the Credit Agreement, and each Pledgor irrevocably waives the right to direct the application of such payments and proceeds and acknowledges and agrees that the Administrative Agent shall have the continuing and exclusive right to apply and reapply any and all such payments and proceeds in the Administrative Agent's sole discretion, notwithstanding any entry to the contrary upon its books and records.

14. Continuing Agreement.

(a) This Pledge Agreement shall be a continuing agreement in every respect and shall remain in full force and effect so long as any of the Secured Obligations remains outstanding and until all of the commitments relating thereto have been terminated and all Letters of Credit have been

terminated. Upon payment in full in cash of all Secured Obligations, the cancellation of all Letters of Credit and termination of all commitments relating thereto, this Pledge Agreement shall be automatically terminated and the Administrative Agent and the Secured Parties shall, upon the request and at the expense of the Pledgors, forthwith release all of its liens and security interests hereunder, shall return all certificates or instruments pledged hereunder and shall execute and deliver all UCC termination statements and/or other documents reasonably requested by the Pledgors evidencing such termination. Notwithstanding the foregoing, all releases and indemnities provided hereunder shall survive termination of this Pledge Agreement.

(b) This Pledge Agreement shall continue to be effective or be automatically reinstated, as the case may be, if at any time payment, in whole or in part, of any of the Secured Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Secured Party as a preference, fraudulent conveyance or otherwise under any bankruptcy, insolvency or similar law, all as though such payment had not been made; provided that in the event payment of all or any part of the Secured Obligations is rescinded or must be restored or returned, all costs and expenses (including, without limitation, attorneys' fees and disbursements) incurred by the Administrative Agent or any Secured Party in defending and enforcing such reinstatement shall be deemed to be included as a part of the Secured Obligations.

15. Administrative Agent's Exoneration. Under no circumstances shall the Administrative Agent be deemed to assume any responsibility for or obligation or duty with respect to any part or all of the Pledged Collateral of any nature or kind or any matter or proceedings arising out of or relating thereto, other than (a) to exercise reasonable care in the physical custody of the Pledged Collateral and (b) after a Default or an Event of Default shall have occurred and be continuing to act in a commercially reasonable manner. Neither the Administrative Agent nor any Secured Party shall be required to take any action of any kind to collect, preserve or protect its or any Pledgor's rights in the Pledged Collateral or against other parties thereto. The Administrative Agent's prior recourse to any part or all of the Pledged Collateral shall not constitute a condition of any demand, suit or proceeding for payment or collection of any of the Secured Obligations. This Pledge Agreement constitutes a pledge of the Pledged Collateral and any other applicable collateral hereunder only, and not an assignment of any duties or obligations of Pledgors with respect thereto, and by its acceptance hereof and whether or not the Administrative Agent shall have exercised any of its rights or remedies hereunder, none of the Administrative Agent or the Secured Parties undertakes to perform or discharge, and none of the Administrative Agent or the Secured Parties shall be responsible or liable for the performance or discharge of any such duties or responsibilities, including, without limitation, for any capital calls. Each Pledgor agrees that, notwithstanding the exercise by the Administrative Agent of any of its rights hereunder, such Pledgor shall remain liable nonetheless for the full and prompt performance of all of such Pledgor's obligations and liabilities under any operating agreement, limited partnership agreement, or similar document evidencing or governing any units of membership interest or limited partnership interest in any limited liability company or limited partnership included in the Pledged Collateral. Under no circumstances shall the Administrative Agent, any of the Secured Parties or any holder of any of the Secured Obligations as such be deemed to be a member, limited partner, or other equity owner of any of the Subsidiaries by virtue of the provisions of this Pledge Agreement unless expressly agreed to in writing by the Administrative Agent or such Secured Party or holder. Without limiting the generality of the foregoing, none of the Administrative Agent or the Secured Parties shall have any fiduciary duty as such to Pledgors or any other equity owner of any of their Subsidiaries by reason of this Pledge Agreement, whether by virtue of the security interests and liens hereunder, or any enforcement action in respect of such security interests and liens, unless and until the Administrative Agent or such Secured Party is actually admitted to the applicable Subsidiary as a substitute member or substitute equity owner thereof

after exercising enforcement rights under part 6 of Article 9 of the Uniform Commercial Code in effect in the applicable jurisdiction, or otherwise.

16. Amendments and Waivers. This Pledge Agreement and the provisions hereof may not be amended, waived, modified, changed, discharged or terminated except as set forth in Section 11.01 of the Credit Agreement.

17. Successors in Interest. This Pledge Agreement shall create a continuing security interest in the Pledged Collateral and shall be binding upon each Pledgor, its successors and assigns, and shall inure, together with the rights and remedies of the Administrative Agent and the Secured Parties hereunder, to the benefit of the Administrative Agent and the Secured Parties and their successors and permitted assigns; provided, however, that, except as provided in the Credit Agreement, none of the Pledgors may assign its rights or delegate its duties hereunder without the prior written consent of the requisite Lenders under the Credit Agreement. To the fullest extent permitted by law, each Pledgor hereby releases the Administrative Agent and each Secured Party, and their respective successors and assigns, from any liability for any act or omission relating to this Pledge Agreement or the Pledged Collateral, except for any liability arising from the gross negligence or willful misconduct of the Administrative Agent or such holder, or their respective officers, employees or agents.

18. Notices. All notices required or permitted to be given under this Pledge Agreement shall be given as provided in Section 11.02 of the Credit Agreement.

19. Counterparts. This Pledge Agreement may be executed in any number of counterparts, each of which where so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. It shall not be necessary in making proof of this Pledge Agreement to produce or account for more than one such counterpart.

20. Headings. The headings of the sections and subsections hereof are provided for convenience only and shall not in any way affect the meaning or construction of any provision of this Pledge Agreement.

21. Inconsistencies With Credit Agreement. In the event that any terms hereof are inconsistent with the terms of the Credit Agreement, the terms of the Credit Agreement shall control solely to the extent of any such conflict.

22. Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS PLEDGE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

(b) SUBMISSION TO JURISDICTION. EACH PLEDGOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO

IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS PLEDGE AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, OR ANY SECURED PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS PLEDGE AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY PLEDGOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH PLEDGOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY

ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (b) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02 OF THE CREDIT AGREEMENT. NOTHING IN THIS PLEDGE AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW

23. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS PLEDGE AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

24. Additional Pledgors. Subsidiaries of the Borrower ("Additional Pledgors") may hereafter become parties to this Pledge Agreement by executing a counterpart hereof, and there shall be no need to re-execute, amend or restate this Pledge Agreement in connection therewith. Upon such execution and delivery by any Additional Pledgor, such Additional Pledgor shall be deemed to have made the representations and warranties set forth in Section 5 hereof, and shall be bound by all of the terms, covenants and conditions hereof to the same extent as if such Additional Pledgor had executed this Pledge Agreement as of the Closing Date, and the Administrative Agent, for itself and the benefit of the Secured Parties, shall be entitled to all of the benefits of such Additional Pledgor's obligations hereunder.

25. Severability. If any provision of this Pledge Agreement is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

26. Entirety. This Pledge Agreement, the other Loan Documents and the other documents relating to the Secured Obligations represent the entire agreement of the parties hereto and thereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or correspondence relating to the Loan Documents, any other documents relating to the Secured Obligations, or the transactions contemplated herein and therein.

27. Survival. All representations and warranties of the Pledgors hereunder shall survive the execution and delivery of this Pledge Agreement, the other Loan Documents and the other documents relating to the Secured Obligations, the delivery of the Notes and the extension of credit thereunder or in connection therewith.

28. Other Security. To the extent that any of the Secured Obligations are now or hereafter secured by property other than the Pledged Collateral (including, without limitation, real and other personal property owned by a Pledgor), or by a guarantee, endorsement or property of any other Person, then to the maximum extent permitted by applicable law the Administrative Agent shall have the right to proceed against such other property, guarantee or endorsement upon the occurrence and during the continuance of any Event of Default, and the Administrative Agent shall have the right, in its sole discretion, to determine which rights, security, liens, security interests or remedies the Administrative Agent shall at any time pursue, relinquish, subordinate, modify or take with respect thereto, without in any way modifying or affecting any of them or the Secured Obligations or any of the rights of the Administrative Agent or the Secured Parties under this Pledge Agreement, under any of the other Loan Documents or under any other document relating to the Secured Obligations.

29. Joint and Several Obligations of Pledgors.

(a) Each of the Pledgors is accepting joint and several liability hereunder in consideration of the financial accommodation to be provided by the Secured Parties, for the mutual benefit, directly and indirectly, of each of the Pledgors and in consideration of the undertakings of each of the Pledgors to accept joint and several liability for the obligations of each of them.

(b) Each of the Pledgors jointly and severally hereby irrevocably and unconditionally accepts, not merely as a surety but also as a primary obligor, joint and several liability with the other Pledgors with respect to the payment and performance of all of the Secured Obligations arising under this Pledge Agreement, the other Loan Documents and any other documents relating to the Secured Obligations, it being the intention of the parties hereto that all the Secured Obligations shall be the joint and several obligations of each of the Pledgors without preferences or distinction among them.

(c) Notwithstanding any provision to the contrary contained herein, in any other of the Loan Documents or in any other documents relating to the Secured Obligations, the obligations of each Guarantor under the Credit Agreement, the other Loan Documents and the documents relating to the Secured Obligations shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under Section 548 of the Bankruptcy Code or any comparable provisions of any applicable state law.

[Signature Pages Follow]

Each of the parties hereto has caused a counterpart of this Pledge Agreement to be duly executed and delivered as of the date first above written.

PLEDGORS:

NOODLES & COMPANY,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

TNSC, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY SERVICES CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY FINANCE CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — COLORADO, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — WISCONSIN, INC.,
a Wisconsin corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MINNESOTA, INC.,
a Minnesota corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

THE NOODLE SHOP, CO. — ILLINOIS, INC.,
an Illinois corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — VIRGINIA, INC.,
a Virginia corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MARYLAND, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — COLLEGE PARK, LLC,
a Maryland limited liability company

By: **Noodles & Company,** a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — BALTIMORE COUNTY, LLC,
a Maryland limited liability company

By: **Noodles & Company,** a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — ANNAPOLIS, LLC,
a Maryland limited liability company

By: **Noodles & Company,** a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — MONTGOMERY COUNTY, MARYLAND,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — CHARLES COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — HOWARD COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — KANSAS, LLC,
a Kansas limited liability company

By: **TNSC, Inc.,** a Colorado corporation, its Member

By: /s/ Paul A. Strasen

Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — DELAWARE, INC.,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

Accepted and agreed to as of the date first above written.

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Erik M. Truette
Name: Erik M. Truette
Title: Assistant Vice President

PLEDGEES:

TNSC, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY SERVICES CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

NOODLES & COMPANY FINANCE CORP.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — COLORADO, INC.,
a Colorado corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — WISCONSIN, INC.,
a Wisconsin corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MINNESOTA, INC.,
a Minnesota corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

THE NOODLE SHOP, CO. — ILLINOIS, INC.,
an Illinois corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — VIRGINIA, INC.,
a Virginia corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — MARYLAND, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — COLLEGE PARK, LLC,
a Maryland limited liability company

By: **Noodles & Company,** a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — BALTIMORE COUNTY, LLC,
a Maryland limited liability company

By: **Noodles & Company,** a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — ANNAPOLIS, LLC,
a Maryland limited liability company

By: Noodles & Company, a Delaware corporation, its Class A Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Executive Vice President

THE NOODLE SHOP, CO. — MONTGOMERY COUNTY, MARYLAND,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — CHARLES COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen

Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — HOWARD COUNTY, INC.,
a Maryland corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Assistant Secretary

THE NOODLE SHOP, CO. — KANSAS, LLC,

By: **TNSC, Inc.,** a Colorado corporation, its Member

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: Vice President

THE NOODLE SHOP, CO. — DELAWARE, INC.,
a Delaware corporation

By: /s/ Paul A. Strasen
Name: Paul A. Strasen
Title: President

SCHEDULE 2(a)

EQUITY INTERESTS

Pledgor	Issuer	Number of Shares Issued	Certificate Number	Percentage Ownership
TNSC, Inc.	The Noodle Shop, Co. — Colorado, Inc.	1,000	2	100%
Noodles & Company	TNSC, Inc.	1,000	1	100%
Noodles & Company	Noodles & Company Services Corp.	1,000	1	100%
Noodles & Company	Noodles & Company Finance Corp.	1,000	1	100%
Noodles & Company	The Noodle Shop, Co. — Illinois, Inc.	1,000	1	100%
TNSC, Inc.	The Noodle Shop, Co. — Kansas, LLC	N/A	N/A	100%
Noodles & Company	The Noodle Shop, Co. — Maryland, Inc.	1,000	1	100%
Noodles & Company	The Noodle Shop, Co. — College Park, LLC	N/A	N/A	75%
Noodles & Company	The Noodle Shop, Co. — Montgomery County, Maryland	100	1	100%

Pledgor	Issuer	Number of Shares Issued	Certificate Number	Percentage Ownership
Noodles & Company	The Noodle Shop, Co. — Howard County, Inc.	90	2	90%
Noodles & Company	The Noodle Shop, Co. — Charles County, Inc.	60	006	60%
Noodles & Company	The Noodle Shop, Co. — Annapolis, LLC	N/A	N/A	99%
Noodles & Company	The Noodle Shop, Co. — Baltimore County, LLC	N/A	N/A	98%
Noodles & Company	The Noodle Shop, Co. — Minnesota, Inc.	1,000	2	100%
Noodles & Company	The Noodle Shop, Co. — Virginia, Inc.	1,000	1	100%
Noodles & Company	The Noodle Shop, Co. — Wisconsin, Inc.	1,000	1	100%

Pledgor	Issuer	Number of Shares Issued	Certificate Number	Percentage Ownership
The Noodle Shop, Co. — Colorado, Inc.	The Noodle Shop, Co. — Delaware, Inc.	1,000	1	100%

EXHIBIT 4(a)

FORM OF IRREVOCABLE STOCK POWER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers to

[ ] of capital stock of , a [corporation]:

and irrevocably appoints its agent and attorney-in-fact to transfer all or any part of such capital stock and to take all necessary and appropriate action to effect any such transfer. The agent and attorney-in-fact may substitute and appoint one or more persons to act for him.

[HOLDER]

By: _____
Name:
Title:

Exhibit 10.16

NOODLES & COMPANY
AREA DEVELOPMENT AGREEMENT

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NOODLES & COMPANY
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (this "Agreement") is made as of the day of , between Noodles & Company ("Franchisor," "we," "us" or "Noodles & Company"), a Delaware corporation, with its principal place of business located at 520 Zang Street, Suite D, Broomfield, CO 80021 and ("Area Operator" or "you"), a(n) whose principal address is .

1. **INTRODUCTION.**

1.01 Noodles & Company Restaurants. We own, operate, and franchise Noodles & Company Restaurants, serving noodle dishes, salads, sandwiches, soups, desserts, breads, beverages, beer, wine, and other menu items, and merchandise related to the Noodles & Company concept as we may authorize from time to time. We have developed and own a comprehensive system for developing and operating Noodles & Company restaurants, including trademarks, trade dress, signage, building designs, and layouts, equipment, ingredients, specifications, and recipes for authorized food products, methods of inventory control, training programs, and certain operational and business standards, policies and procedures, all of which we may improve, further develop or otherwise modify from time to time.

1.02 Your Acknowledgments. You acknowledge that you have read and understand this Agreement and our Franchise Disclosure Document and accept the terms, conditions, and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at each Noodles & Company Restaurant and thereby to protect and preserve the goodwill of the Marks. You acknowledge that you have conducted an independent investigation of the business venture contemplated by this Agreement and recognize that, like any other business, the nature of the business conducted by a Noodles & Company Restaurant may evolve and change over time; that an investment in a Noodles & Company Restaurant involves business risks; and that your business abilities and efforts are vital to the success of the venture. You understand that the restaurant industry is highly competitive, that market conditions evolve and change over time, and that an investment in a Noodles & Company franchise involves business risks. You acknowledge that, in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity. All business dealings between you and such persons as a result of this Agreement are solely between you and us. You further acknowledge that we have advised you to have this Agreement reviewed and explained to you by an attorney and you acknowledge that you have reviewed the Agreement with your attorney or you waive your right to do so.

1.03 Your Representations. You and your Principal Owners jointly and severally represent and warrant to us as an inducement to our entering into this agreement that: (a) all statements you have made and all materials you have submitted to us in connection with your application to us are accurate and complete and that you have made no material misrepresentations or material omissions in obtaining the franchise; (b) neither you nor any of your Principal Owners has made any untrue statement of any material fact or has failed to state material fact in the ADA Application, the Personal Profile, or any other written information in obtaining the rights granted hereunder; (c) neither you nor any of your Owners has any direct or

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indirect legal or beneficial interest in any business that may be deemed a Competitive Business, except as otherwise completely and accurately disclosed in your Personal Profile; and (d) the execution and performance of this Agreement will not violate any other agreement to which you or any of your Owners may be bound. You recognize that we have executed this Agreement in reliance on all of the statements you and your Owners have made in the Personal Profile, the ADA Application, and any other written information.

1.04 Certain Definitions.* The terms listed below have the meanings throughout this Agreement and include the plural as well as the singular. He, his, or him means she, hers, or her as applicable. Other terms are defined elsewhere in this Agreement in the context in which they arise.

"ADA Application" - The area development agreement application submitted to us by you and/or your Owners.

"Affiliate" - Any person or entity that directly or indirectly owns or controls the referenced party that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise.

"Area Operator" - The term Area Operator is applicable to one or more persons, a corporation, limited liability company, or a partnership, and it's owners as the case may be.

"Competitive Business" - Any business that operates or franchises one of more restaurants: (1) whose sales of Specified Dishes (as defined below) collectively constitute more than 10% of restaurant operating revenues; (2) that are the same as, or substantially similar to, the Noodles & Company concept as it evolves or changes over time; or (3) that operate in a fast casual or quick casual format. As used in this Agreement, "Specified Dishes" means noodle dishes, pasta dishes, Asian dishes, Italian or Mediterranean dishes and any other dishes that are the same or substantially similar to the dishes on the Noodles & Company menu ("Noodles & Company Dishes") as it may evolve or change over time. Restrictions in this Agreement on competitive activities do not apply to: (a) the ownership or operation of other Noodles & Company restaurants we or our Affiliates licenses; (b) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities; or (c) any restaurant concept whose per person average check during the preceding twelve (12) months was more than fifty percent (50%) higher or lower than Noodles & Company per person average check for the same period. Revenue of a restaurant, as used in this definition means the aggregate amount of all sales of food, beverages and other products sold in or by such restaurant, whether for cash or credit, but excluding all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities, all coupons, promotions, discounts and refunds.

"Confidential Information" - Our proprietary and confidential information relating to the development and operation of Noodles & Company restaurants, including: (1) ingredients, recipes, and methods of preparation and presentation of authorized food products; (2) site selection criteria for Noodles & Company restaurants and plans and

specifications for the development of Noodles & Company restaurants; (3) sales, marketing, and advertising programs and techniques for Noodles & Company restaurants; (4) identity of suppliers and knowledge of specifications, processes, procedures, and equipment, and pricing for authorized food products, materials, supplies, and equipment; (5) knowledge of operating results and financial performance of Noodles & Company restaurants, other than Noodles & Company restaurants you own; (6) methods of inventory control, storage, product handling, training, and management relating to Noodles & Company restaurants; (7) computer systems and software programs used or useful in Noodles & Company restaurants; (8) this Agreement and the terms hereof; and (9) any information that we provide you that is labeled proprietary or confidential.

"Development Area" - As defined in Section 2.02.

"Development Fee" - As defined in Section 2.01.

"Development Obligations" - As defined in Section 2.03.

"Development Period" - Means each of the time periods indicated on Exhibit A during which Area Operator shall have the right and obligation to construct, equip, open, and thereafter continue to operate Noodles & Company Restaurants in accordance with the Area Development Agreement.

"Development Rights" - As defined in Section 2.02.

"Development Term" - As defined in Section 2.01.

"Development Schedule" - As defined in Section 2.03.

"Entity" - Business corporation, partnership, limited liability company or other legal entity.

"Franchise Agreement" - As defined in Section 3.04.

"Franchise Fee" - As defined in Section 3.04.

"Immediate Family" - Spouse, parents, brothers, sisters, and children, whether natural or adopted.

"Limited Access Highway" - means that portion of a highway with oasis or service center facilities for motorists and truckers. Includes highways with limited access from surface roads, often commonly referred to as freeways or Interstate Highways.

"Marks" - The current and future trade names, trademarks, service marks, and trade dress used to identify the services and/or products Noodles & Company restaurants offer, including the mark "Noodles & Company" and the distinctive Noodles & Company restaurants' building design and color scheme.

"Noodles & Company restaurants" - Restaurants that we or any of our Affiliates own, operate, or franchise and which use the Marks and the System.

"Non-Traditional Venues" - As defined in Section 2.02.

"Operating Partner" - The individual you designate in Exhibit B and any replacement we approve.

"Owner" - Each person or entity that has a direct or indirect legal or beneficial ownership interest in you, if you are an entity.

"Personal Profile" - The personal, financial, business, and other information relating to you and your Owners set forth in our personal profile form(s) which you and your Owners have completed and submitted to us prior to or together with the ADA Application.

"Principal Owner" - Each Owner that has a ten percent (10%) or greater interest in you, if you are an entity or an individual that owns ten percent (10%) or more of the interest in the ADA.

"Protected Area" - As defined in Section 2.04.

"Publicly Held Entity" - An entity for which any of the following are true: (1) securities of such entity would be required to be registered pursuant to the Securities Act of 1933, as amended, or such securities would be owned by more than thirty five (35) persons; or (2) after such issuance or sale, such entity (or you) would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended.

"Site Approval Form" - As defined in Section 3.02.

"Site Package" - As defend in Section 3.02.

"System" - The business methods, designs, and arrangements for developing and operating Noodles & Company restaurants, including the Marks, building design and layouts, equipment, ingredients, recipes, methods of preparation and specifications for authorized food products, food safety procedures, training, methods of inventory control and certain operating and business standards, policies and procedures, all of which we may improve, further develop or otherwise modify from time to time.

"Term" - As defined in Section 2.01.

"Transfer the Development Rights" - or similar words - The voluntary, involuntary, direct or indirect sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, inter-vivos transfer, testamentary disposition or other disposition of this Agreement, of any interest in or right under this Agreement, or any form of ownership interest in Area Operator, including: (1) any transfer, redemption or issuance of a legal or beneficial ownership interest in the capital stock of, or a partnership interest in, Area Operator or of any interest convertible to or exchangeable for capital stock of, or a partnership interest in, Area Operator; (2) any merger or consolidation of Area Operator, whether or not Area Operator is the surviving corporation; (3) any transfer in, or as a result of, a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; or (4) any transfer upon the death of Area Operator or any Principal Owner of Area Operator by will, declaration or transfer in trust or under the laws of intestate succession.

*Any capitalized term not defined herein shall have the same meaning as that prescribed in the Franchise Agreement.

2. DEVELOPMENT RIGHTS.

2.01 Term and Development Fee. Unless sooner terminated in accordance with Section 8, the term of this Agreement (the "Term") starts on the date hereof and expires on the earlier of the expiration date set forth in Exhibit A or the date upon which Area Operator opens for operation the cumulative number of Noodles & Company restaurants in the Development Area (as such term is defined in Section 2.02 hereof) set forth in Exhibit A. At the time you sign this Agreement, you must pay us the nonrefundable Development Fee ("Development Fee") set forth in Exhibit A.

2.02 Development Rights.

(a) Upon the terms and subject to the conditions of this Agreement, Company hereby grants to Area Operator, and Area Operator hereby accepts, the right and obligation, during the Term (defined below), to develop Noodles & Company Restaurants in the geographic area defined as the Development Area defined below (the "Development Rights"). You shall have no right to subfranchise, sublicense, or otherwise grant sub rights to anyone.

(b) No right or license is granted to Area Operator hereunder to use any trademarks, trade names, service marks, logotypes, insignias, trade dress, or designs owned by Noodles & Company, such right and license being granted solely pursuant to Franchise Agreements. Without limiting the generality of the foregoing, nothing in this Agreement shall permit Area Operator to own or operate a Noodles & Company Restaurant, except pursuant to duly executed and substituting Franchise Agreement, and Area Operator shall not use such trademarks, trade names, service marks, logotypes, insignias, trade dress, or designs without the prior express written consent of Noodles & Company.

(c) During the Term, and provided you and your Affiliates are in compliance with this Agreement and all other agreements with us or any of our Affiliates (including Franchise Agreements signed pursuant to this Agreement), we will: (i) grant to you, in accordance with Section 3, that cumulative number of franchises for Noodles & Company restaurants set forth in Exhibit A, all of which are to be located within the geographical area described in Exhibit A and within the specific trade areas as agreed to by us and you therein ("the Development Area"); and (ii) not operate (directly or through an Affiliate), nor grant the right to operate, any Noodles & Company restaurants located within the Development Area, except for: (1) franchises granted pursuant to this Agreement; (2) Noodles & Company restaurants open (or under lease, construction, or other commitment to open) as of the date hereof; and (3) as set forth below in Sections 2.02(d) and (e).

(d) You acknowledge, however, that certain locations within the Development Area are by their nature unique and separate in character from the sites to which we intend to grant you a franchise or area Development Rights pursuant to this Agreement; such sites are referred to as "Non-Traditional Venues." As a result, you agree that Non-Traditional Venues are excluded from the Development Area (and any Protected Area under any Franchise Agreement) and we shall have the right to develop (by direct ownership, franchising, licensing or other means) such locations, even if such sites are located within the Development Area (and any Protected Area under any Franchise Agreement) and regardless of the proximity of such sites to any Noodles & Company restaurant for which you have or might have in the foreseeable future

a franchise. Non-Traditional Venues include, for example: (i) transportation facilities, including airports, train stations, subways and rail, and bus stations; (ii) military bases and government offices; (iii) sports facilities, including stadiums and arenas; (iv) amusement parks, zoos, and convention centers; (v) car and truck rest stops, and travel centers and Limited Access Highway oasis and rest and service areas; (vi) casinos, (vii) food courts; (viii) Indian reservations; and (ix) museums.

(e) Additional Reservation of Rights. Except for the rights specifically granted to you, we reserve all other rights, including, for example, the following rights:

(i) We reserve the right to manufacture and sell anywhere products that are the same or similar to products sold in Noodles & Company restaurants using brand names that are similar to or the same as the Marks through any channel of distribution, including, for example, grocery stores, supermarkets, convenience stores, caterers and gas stations.

(ii) We reserve the right to sell products and services through other channels of distribution including Internet, wholesale, mail order and catalog. The Internet is a channel of distribution reserved exclusively to us and you may not independently market on the Internet or conduct e-commerce except as we approve, in our sole discretion.

(iii) We reserve the right to operate and franchise and license others to operate other concept restaurants.

(iv) We reserve the right to develop and/or own other franchise systems for the same or similar products and services using different trademarks than those licensed to you.

(v) We reserve the right to produce, license, manufacture, sell, distribute and market Noodles & Company brand named products, and products bearing other marks, including food and beverage products, clothing, souvenirs, and novelty items through any channel of distribution, including, for example, grocery stores, supermarkets, convenience stores, caterers, and gas stations.

(vi) We reserve the right to purchase or be purchased by, or merge or combine with, competing businesses wherever located.

2.03 Development Obligations. You must have open and operating continuously in the Development Area in accordance with and pursuant to Franchise Agreements, that cumulative number of Noodles & Company restaurants set forth in Exhibit A by the corresponding dates set forth therein ("Development Schedule"). Time is of the essence in this Agreement. In the event you fail to develop and operate Noodles & Company restaurants (i) in accordance with the Development Schedule; (ii) on an accepted site; (iii) in accordance with our then current design, construction, and equipment specifications; (iv) consistent with the plans accepted for said site; and (v) in accordance with the System, you would be in material breach of this Agreement; however, except as provided in Section 3.04(e) our right to terminate this Agreement shall be our exclusive remedy for your failure to meet the Development Schedule. If your right to develop Noodles & Company restaurants expires, is terminated in accordance with this Agreement or is otherwise terminated, we shall have the right thereafter to develop and operate, or to allow others to develop and operate, Noodles & Company restaurants, and to use, and to allow others to use, the Marks and the System in the Development Area, subject to such protection granted via the Protected Area as may be granted pursuant to previously executed Franchise

Agreements executed pursuant hereto. Notwithstanding any other term or condition of this Section 2.03, you shall not be deemed to be in breach of this Section 2.03 or the Development Schedule set forth in Exhibit A if your failure to timely open the requisite number of Noodles & Company restaurants results solely from substantial and significant weather delays, fires or other natural disasters not exceeding twenty (20) days in the aggregate for all such delays; any delay resulting from any of such causes shall extend performance only as mutually agreed upon by the parties, but in any event not to exceed in the aggregate twenty (20) days during the Term of this Agreement and the Franchise Agreement.

2.04 Protected Area. Each of the restaurants you develop will have a Protected Area, as such is designated in the Franchise Agreement for such restaurant. The Protected Area may be designated as a radius, polygon or other geometric shape or as a specific trade area as Noodles and Company shall determine prior to execution of the Franchise Agreement for such restaurant.

2.05 Restrictions on Debt. In connection with the development of the Development Area and operation of the Franchised Noodles & Company Restaurants, including payment to us of the development fee set forth in Exhibit A of the Area Development Agreement, the payment of franchise fees and the costs and expenses to be incurred pursuant to Franchise Agreements, you and each Owner represent, warrant, covenant and agree that neither you nor any Owner borrowed any funds or otherwise incurred any debt to obtain any funds for the payment of any such fees, costs and expenses, except as specifically permitted in this Section 2.05. You and each Owner shall not, without our prior written consent, which shall not be unreasonably withheld, directly or indirectly borrow any money or incur any debt or liability (other than lease obligations for each Restaurant's land and building and trade payables in the ordinary course of business) to develop the Development Area or to establish, operate and maintain Noodles & Company Restaurants, which may be established in the Development Area pursuant to this Agreement, except as provided in this Section 2.05. You may incur debt in connection with the development of Noodles & Company Restaurants hereunder, provided that (a) you will, in connection with the development of each such Restaurant, receive equity contributions from your Owners equal to not less than 25% of the total development cost of the Restaurant (which shall consist for this purpose of the cost of all leasehold improvements, furniture, fixtures and equipment) and (b) from and after the first anniversary of the opening of your first Restaurant hereunder, at no time shall your total indebtedness outstanding at any time during any fiscal year exceed 4.0 times your earnings (determined in accordance with generally accepted accounting principles consistently applied) before interest, taxes, depreciation and amortization (EBITDA) minus any distributions to Owners for such fiscal year. You agree to provide within 90 days after the end of each fiscal year a statement certified by one of your executive officers setting forth the amount of your EBITDA and distributions to Owners (if any) for such year and your indebtedness at year end. Such debt shall have an initial amortization schedule of no more than ten (10) years from inception. You shall not extend, renew, refinance, modify or amend any debt or liability permitted by this Section 2.05 without our prior written consent, which consent shall not be unreasonably withheld.

Furthermore, any debt instrument must provide to us the following protections, and any others that we from time to time require, (i) Franchisor shall be provided notice of any default of any such debt instrument simultaneous with notice being provided to you and Owners; (ii) Franchisor shall have a right of first refusal to purchase any restaurant to be sold, disposed of, or otherwise transferred by the lender of such debt instrument; (iii) Franchisor shall have the right, but not the obligation, to cure your and Owner's default under such debt instruments; and (iv) Franchisor shall have the right to operate the restaurant(s) that is the subject of the debt

instrument upon your or Owner's default of such instrument. In the event you default on your debt and we elect to pursue any of the foregoing protections available to us, your right to cure such default shall expire as of the date we pursue any such protections notwithstanding any longer cure period set forth elsewhere in any agreement between you and us. Additionally you shall be liable for the full amount we pay to cure your default plus interest at eighteen percent (18%) per annum, or the highest rate allowable by law, and all costs we incur, including legal fees and appraisal fees relating to the evaluation of and exercise of any such protections. Breach of this Section 2.05 is a material breach of this Agreement.

3. GRANT OF FRANCHISES.

3.01 Site Selection Assistance. We will furnish you with our site selection criteria for Noodles & Company restaurants, as we may establish from time to time. We also will provide such on-site evaluation of sites proposed pursuant hereto as we deem necessary or appropriate.

3.02 Site Evaluation and Acceptance. We will accept sites for the cumulative number of Noodles & Company restaurants set forth in Exhibit A located within the Development Area in accordance with the following provisions:

(a) We will provide you our then current site criteria upon notice from you that you are actively seeking a site for one of your restaurants. You must submit to us, in accordance with procedures we establish from time to time, a complete Site Package, as we may establish from time to time (the "Site Package"), containing all information that we reasonably require for each site for a Noodles & Company restaurant that you propose to develop and operate and that meets our then current standard site selection criteria for Noodles & Company restaurants. The Site Package shall be submitted in a format defined by Noodles & Company to allow submittal and presentation to the Real Estate Site Approval Committee (currently submitted electronically). The Real Estate Site Approval Committee meets approximately every two (2) weeks, and Area Operators are responsible for submitting their sites for approval at least one (1) week prior to the meeting. FAO's are required to attend meetings or participate via conference call. It is a material obligation of yours under this Agreement that you select and submit the required information for sites that are acceptable to us in a timely manner to cause your compliance with the Development Schedule;

(b) We will approve or reject each site for which you submit to us a complete Site Package in accordance with Section 3.02(a) and, if we approve the site, we will do so by delivering our standard Site Approval Form. Our Site Approval Form, duly executed by us, is the exclusive means by which we approve a proposed site, and no other direct or indirect representation, approval or acceptance, whether in writing or verbally, by any of our officers, employees or agents, shall be effective or bind us. We will use all reasonable efforts to make a site approval decision and, if the site is accepted, deliver a Site Approval Form to you within forty-five (45) days after we receive the complete Site Package and any other materials we have requested. In deciding whether to approve or reject a site you propose, we may consider such factors as we, in our sole discretion, deem appropriate, including, but not limited to, the general location and neighborhood, demographic information, traffic patterns, access, visibility, site economics, location of other retail food establishments (including other Noodles & Company restaurants) and size, condition trade dress, configuration, appearance, and other physical characteristics of the site. Noodles & Company reserves the right to require you to prepare and submit a prediction of sales volumes derived from software that has been approved by Noodles & Company in its sole discretion. Neither our approval of a proposed site, nor any information

communicated to you regarding our standard site selection criteria or the proposed site constitute a warranty or representation of any kind, express or implied, as to the suitability of the proposed site for a Noodles & Company restaurant or for any other purpose. Our approval of a proposed site merely signifies that we are willing to grant a franchise for a Noodles & Company restaurant at that location in accordance with the terms of this Agreement. Your decision to develop and operate a Noodles & Company restaurant at any site is based solely on your own independent investigation of the suitability or success of the site for a Noodles & Company restaurant. In consideration of our approval of a proposed site, you and your Owners agree to release us, and our Affiliate, officers, directors, employees and agents from any and all loss, damages, and liability arising from or in connection with the selection and/or approval of such site for the development of a Noodles & Company restaurant. Your restaurants may not be relocated without our prior written consent and compliance with our then current site criteria.

(c) Within sixty (60) days following the execution of the Area Development Agreement, the Area Operator shall prepare and submit to Noodles & Company a Trade Area Map, derived from mapping software that has been approved in writing by Noodles & Company in its sole discretion, that defines the proposed real estate strategy for the entire franchise territory. The Trade Area Map shall outline all of the proposed trade areas that are targeted for a Noodles & Company restaurant, and rank the trade areas as follows:

Primary Trade Area: This would be a premier trade area in the market that tends to attract customers from throughout the market or region. Such trade areas may include entertainment districts, regional shopping centers, universities, hospital complexes, sports arenas and other similar activities that provide brand awareness to a larger portion of the population. Such trade areas should be targeted for the first two (2) to three (3) restaurants to open in the market.

Secondary Trade Area: This would be a solid, good performing trade area that primarily serves customers working or living within the trade area boundary. Such trade areas commonly include concentrated employment centers, and a variety of quality shopping centers serving daily needs. Secondary trade areas typically make up the largest number of trade areas in a market, and should be targeted to immediately follow the initial primary trade areas.

Tertiary Trade Areas: These would be good trades areas that are distinctly independent of Primary and Secondary Trade Areas, but would likely not perform as well on average as the other trades areas. Tertiary Trade Areas would typically be the last trade areas developed in a market.

The Area Operator may be asked to provide the Trade Area Map along with supporting information to Noodles & Company on an annual basis, but not more frequently than twice per year.

(d) No lease for an approved site may be entered into without our prior written consent, which shall not be unreasonably withheld.

3.03 Financial Qualifications. In conjunction with our decision whether to accept or reject a proposed site, we may require that you and your Principal Owners furnish us financial statements (historical and pro forma), of the sources and uses of capital funds, budgets and other information regarding yourself, your Principal Owners and each legal entity, if any, involved in the development, ownership and operation of any Noodles & Company restaurant

you propose, as well as any then existing Noodles & Company restaurants you or your Affiliates own. We may require some if not all of the following information, and reserve the right to make additional reasonable requests for information:

· Audited financial statements for the last three (3) fiscal years

· Interim unaudited financial statements consisting of a balance sheet, income statement and statement of cash flows, prepared in accordance with generally accepted accounting principles, for the current fiscal year

· Restaurant level income statements for the last three (3) years and current interim period for other franchise operations owned containing at a minimum a disclosure of net sales, comparables, cost of goods sold, labor, taxes and benefits, controllable expenses, occupancy costs and non-controllable expenses

· Calculation of restaurant same store sales for the last three (3) years and current interim period for all other franchise restaurants owned

All such information shall be verified by you and your Principal Owners as being complete and accurate in all respects, shall be submitted to us in accordance with our requirements and will be relied on by us in determining whether to grant a franchise for the proposed Noodles & Company restaurant. We may refuse to grant you a franchise for a Noodles & Company restaurant; (i) if you fail to demonstrate sufficient financial and management capabilities to properly develop and operate the proposed Noodles & Company restaurant and the then-existing Noodles & Company restaurants you and your Affiliates own; (ii) you have failed to properly develop and operate on a continuous basis the then-existing Noodles & Company restaurants you and your Affiliates own; (iii) you have failed to fully comply with this Agreement and any franchise agreements between you and us, including the Development Schedule within the Development Periods; or (iv) you are ineligible to hold or will be, in our opinion, unable to obtain a liquor license for each Noodles & Company restaurant contemplated by this Agreement. We will evaluate such financial and management capabilities in accordance with the then-current standards we use to establish Noodles & Company restaurants in other comparable market areas. We may also require you to submit a business plan for any proposed site. The absence of any of the failures described in Section 3.03 (i) through (iv) herein is each a condition precedent to any obligation of Noodles & Company to grant a franchise agreement for any proposed site or other performance of this Agreement.

3.04 Grant of Franchise. If we accept a proposed site pursuant to Section 3.02, and you demonstrate the requisite financial and management capabilities (if requested by us) pursuant to Section 3.03 and have satisfied all conditions precedent, then we agree to offer you a franchise to operate a Noodles & Company restaurant at the proposed site by delivering to you our then-current form of franchise agreement, together with all standard ancillary documents (including exhibits, riders, collateral assignments of leases, Principal Owner guarantees and other related documents) that we then customarily use in granting franchises for the operation of Noodles & Company restaurants in the state in which the Noodles & Company restaurant is to be located ("the Franchise Agreement") subject to the following terms and conditions.

(a) The Franchise Agreement and all ancillary documents must be executed by you and your Owners and returned to us not earlier than five (5) days and not later than thirty (30) days after signing a lease for a Noodles & Company premises or when construction begins, whichever first occurs. If we do not receive the fully executed Franchise Agreement and

payment of the Franchise Fee as required hereunder, we may revoke our offer to grant you a franchise to operate a Noodles & Company restaurant at the proposed site and may revoke our acceptance of the proposed site.

(b) The Development Fee shall be $10,000.00 per restaurant listed on Exhibit A for each restaurant, except the Development Fee for the first restaurant developed pursuant to this Agreement shall be $35,000. All Development Fees must be paid in full on or before the day we execute this Agreement. See Exhibit A for the total amount due upon execution of this Agreement. You acknowledge and agree that no portion of the Development Fee shall be refundable for any Noodles & Company restaurants that you have failed (for any reason or no reason) to develop in accordance with the terms of this Agreement. The Development Fee and each Franchise Fee is fully earned by Noodles & Company at such time it is paid.

(c) The Franchise Fee payable for each Noodles & Company restaurant required to be developed by Area Operator pursuant to this Agreement shall be $35,000.00, payable in accordance with the payment requirements of this Agreement and the Franchise Agreement. The Franchise Fee for the first restaurant shall be deemed paid when the Development Fee is paid in full. Additionally, for each subsequent restaurant, the first $10,000 of the Franchise Fee for such restaurants shall be deemed paid when the Development Fee is paid in full. The balance of the Franchise Fee shall be payable in accordance with the due date set forth in the Franchise Agreement, except as set forth in Section 3.04(e). You acknowledge and agree that no portion of the Development Fee shall be refundable for any Noodles & Company restaurants that you have failed (for any reason or no reason) to develop or open in accordance with the terms of this Agreement and the Franchise Fee or Franchise Agreement. The Development Fee and each Franchise Fee is fully earned by Noodles & Company at such time it is paid; and

(d) The Royalty Fees shall not exceed the percentage set forth in our standard form Franchise Agreement being offered as of the date of this Agreement.

(e) Notwithstanding anything to the contrary in the Franchise Agreement, the Franchise Fee for a restaurant to be developed hereunder must be paid by the Required Opening Date as set forth in Exhibit A, regardless of whether the Franchise Agreement for the restaurant has been signed or the restaurant is open for operation or under construction. The obligation to pay the Franchise Fee for restaurants that were required to be open prior to termination of this Agreement shall survive termination of this Agreement.

4. YOUR ORGANIZATION AND MANAGEMENT.

4.01 Organizational Documents. You must be a business corporation, partnership, limited liability company or other legal entity formed for the sole purpose of developing and holding franchises to operate Noodles & Company restaurants. You and each of your Owners represent, warrant and agree that: (a) you are duly organized and validly existing under the laws of the state of your organization, and you are duly qualified to transact business in the state(s) in which the Development Area is located; (b) you have the authority to execute and deliver this Agreement and to perform your obligations hereunder; (c) true and complete copies of the articles of incorporation, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to your ownership, organization, capitalization, management, and control have been delivered to us and all amendments thereto shall be promptly delivered to us; (d) your entity's activities are restricted to those necessary solely for the development, ownership, and operation of Noodles & Company restaurants in accordance with this Agreement and in accordance with any other agreements

entered into with us or our Affiliate if applicable; (e) the articles of incorporation, partnership agreement, or other organizational documents recite that the issuance, transfer, or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of this Agreement; (f) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued must bear a legend in conformity with applicable law reciting or referring to such restrictions; and (g) you will deliver to us a Secretary/Clerk's Certificate or attestation or other evidence satisfactory to us that the execution, delivery and performance of this Agreement, each Franchise Agreement as it is executed, and all other agreements and ancillary documents contemplated hereby or thereby have been duly authorized by all necessary action by your corporation, partnership, limited liability company, or other legal entity, as applicable. You may not change the form of your entity unless we mutually agree in writing that such a change is warranted. Neither you, your partners, shareholders, members of an LLC nor the entity formed to operate the restaurants may be, or become, during the term of this Agreement and any other agreements between us, including the Franchise Agreement, a Publicly Held Entity.

4.02 Disclosure of Ownership Interests. You and each of your Owners represent, warrant and agree that Exhibit B is current, complete and accurate and shall not be changed without our prior written consent. You agree that updated Exhibits B will be furnished promptly to us, so that Exhibit B (as so revised and signed by you) is at all times current, complete and accurate. Failure to promptly provide us a revised and corrected Exhibit B, and to obtain our prior written consent prior to such changes, is a material breach and default of this Agreement. Each person who is or becomes a Principal Owner must execute an agreement in the form we prescribe, undertaking to be bound jointly and severally by the terms of this Agreement, the current form of which is attached hereto as Exhibit C. Each person who is or becomes an Owner or an Operating Partner must execute an agreement in the form we prescribe, undertaking to be bound by the confidentiality and non-competition covenants contained in the Agreement, the current form of which is attached hereto as Exhibit D. Each Owner must be an individual acting in his individual capacity, unless we waive this requirement. The initial owners who execute this agreement as of its effective date shall at all times continue to own and have voting authority of at least fifty-one percent (51%) of the ownership and voting rights under this agreement.

4.03 Operating Partner/Management of Business**.** You must designate in Exhibit B as the "Operating Partner" an individual accepted by us who must: (a) have completed our Operating Partner training program to our satisfaction; (b) be the senior management individual who is involved in day-to-day operations of your Noodles & Company restaurants; (c) be the person with whom we communicate as to development, operations and Area Operator matters; (d) have the authority to bind you regarding all operational decisions with respect to your Noodles & Company restaurants; and (e) have primary residency in the Development Area continuously during the term of this Agreement.

Your Operating Partner: (a) shall exert full-time and best efforts to the development and operation of your Noodles & Company restaurants and all other Noodles & Company restaurants you own; and (b) may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with your obligations hereunder. You agree to provide us with an executed copy of any arrangement, agreement, or contract, and all amendments thereto, with your Operating Partner. We shall have no responsibility, liability or obligation to any party to any such arrangement, agreement, or contract, or any amendments thereto, on account of our approval thereof or otherwise, and you agree to indemnify and hold us, and our Affiliates if

applicable, harmless with respect thereto. Your Noodles & Company restaurants at all times must be managed by your Operating Partner or by an on-site general or assistant manager or a shift supervisor who has completed the appropriate training programs.

Prior to opening your first Noodles & Company restaurant, you, your Operating Partner, general managers and any other personnel who are intended to have, or who actually have, responsibilities for operating any Noodles & Company restaurant must complete the appropriate training program to our satisfaction.

Thereafter, subsequently hired personnel must complete the appropriate training program that is approved by or provided by Noodles & Company personnel to our satisfaction before assuming their position in accordance with our then-current Operations Manual.

5. RELATIONSHIP OF THE PARTIES.

5.01 Independent Contractors. Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between or among the parties. Franchisor and Area Operator, as between themselves, are and shall be independent contractors.

If applicable law shall imply a covenant of good faith and fair dealing in this Agreement, the parties agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply such covenant, we and you acknowledge and agree that: (a) this Agreement (and the relationship of the parties which arises from this Agreement) grants us the discretion to make decisions, take actions, and/or refrain from taking actions not inconsistent with your explicit rights and obligations hereunder that may affect favorably or adversely your interests; (b) we will use our judgment in exercising such discretion based on our assessment of our own interests and balancing those interests against the interests of the owners of Noodles & Company restaurants generally (including ourselves, and our Affiliates and other Area Operators), and specifically without considering your individual interests or the interests of any other particular Area Operator; (c) we will have no liability to you for the exercise of our discretion in this manner so long as such discretion is not exercised in bad faith toward you; and (d) in the absence of such bad faith, no trier of fact in any legal action or arbitration proceeding shall substitute its judgment for our judgment so exercised.

Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner, or employee of the other party for any purpose whatsoever. You must conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the FAO granted hereunder and must place such other notices of independent ownership on such forms, business cards, stationery, advertising, and other materials as we may require from time to time.

You may not make any express or implied agreements, warranties, guarantees, or representations or incur any debt in our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of your business hereunder.

5.02 Indemnification. You agree to indemnify us, our Affiliates and our respective directors, officers, employees, shareholders, agents, successors, and assigns (collectively "Indemnitees"), and to hold the Indemnitees harmless to the fullest extent permitted by law, from any and all losses and expenses (as defined below) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party against any one or more of the Indemnitees in connection with the development, ownership, operation or closing of any of your Noodles & Company restaurants (collectively "Event"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Indemnitees, provided, however, that this indemnity will not apply to any liability arising from the negligent acts of Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to you). The term "losses and expenses" includes compensatory, exemplary, and punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to our reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. We agree to give you reasonable notice of any Event of which we become aware for which indemnification may be required and we may elect (but are not obligated) to direct the defense thereof, provided that the selection of counsel shall be subject to your consent, which consent shall not be unreasonably withheld or delayed. We shall not be required to consent to any settlement that admits any fault, directly or indirectly, on our part. We may, in our reasonable discretion, take such actions as we deem necessary and appropriate to investigate, defend or settle any Event or take other remedial or corrective actions with respect thereto as may be necessary for the protection of Indemnitees or Noodles & Company restaurants generally, provided however, that any settlement shall be subject to your consent, which consent shall not be unreasonably withheld or delayed. Further, notwithstanding the foregoing, if the insurer on a policy or policies obtained in compliance with your Franchise Agreement agrees to undertake the defense of an Event (an "Insured Event"), we agree not to exercise our right to select counsel to defend the Event if such would cause your insurer to deny coverage so long as your insurer provides suitable skilled counsel to defend the action. We reserve the right to retain counsel to represent us with respect to an Insured Event. This Section 5.02 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

5.03 Ownership of the Marks. You acknowledge that we, or our Affiliates, if applicable, own the Marks and that you are not granted the right under this Agreement to use the Marks. Your right to use the Marks arises solely from, and is limited to, Franchise Agreements entered into between you and us. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate or legal business name or in any other manner not explicitly authorized in writing by us. You may not, at any time during or after the Term, contest, or assist any other person or entity in contesting, the validity or ownership of any of the Marks.

If we determine that it becomes advisable at any time for us and/or you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks, service marks or trade dress, you agree to comply with our directions within fourteen (14) days after notice. Neither we nor any of our Affiliates shall have any liability or obligation whatsoever with respect to any such required modification or discontinuance of any Mark or the promotion of a substitute trademark, service mark or trade dress.

6. RESTRICTIVE COVENANTS.

6.01 Confidential Information. We will disclose parts of our Confidential Information to you solely for your use in connection with this Agreement and only as specifically permitted by the Operations Manual. The Confidential Information is proprietary and includes our trade secrets. During the Term and indefinitely thereafter: (a) you and your Owners may not use the Confidential Information in any other business or capacity (you acknowledge such use is an unfair method of competition); (b) you and your Owners must exert your best efforts to maintain the confidentiality of the Confidential Information; (c) you and your Owners may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; (d) you and your Owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors and general managers, and you and your Owners must deliver such agreements to us; and (e) you and your Owners must not disclose or distribute the Confidential Information except as permitted by us in writing prior to such disclosure. At the end of the Term, you and your Owners must deliver to us all such Confidential Information in your possession, except for such information as you are permitted to retain pursuant to Franchise Agreements then in effect. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the restaurant industry (other than through your own disclosure or the wrongful disclosure of another), provided you obtain our prior written consent to such disclosure or use.

6.02 In-Term Covenants. During the Term, you shall not, without Noodles & Company's prior written consent, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was within a period of six (6) months prior to such recruiting or hiring an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours, without obtaining the employer's consent, which consent may be withheld for any reason. We may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) the United States.

6.03. Post-Term Covenants. For a continuous uninterrupted period commencing upon the expiration or termination of this Agreement and for two (2) years thereafter, you shall not, without Noodles & Company's prior written consent, either directory or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was within a period of six (6) months prior to such recruiting or hiring an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours. In addition to any other rights and remedies available to us under this Agreement, we may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) any Designated Market Area (as defined by Nielsen Media Research) where a Noodles & Company Restaurant is located.

6.04 Independent Covenant. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction, the parties desire the court to reform the covenant to render the covenant enforceable, but only to the extent required to render the covenant enforceable, so that Noodles & Company may obtain the greatest possible level of protection from the misuse of Confidential Information, the diversion of customers, the solicitation of its employees and unfair competition; and in such event, you 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 state in and made a part of this Agreement.

6.05 Reduction in Scope. You understand and acknowledge that Noodles & Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without your consent, effective immediately upon written notice to you. You shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions hereof.

6.06 Offset/Counterclaim. You expressly agree that the existence of any claims you may have against Noodles & Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Noodles & Company of the covenants in this Section 6.

6.07 Injunctive Relief. You acknowledge and agree: (a) that any failure to comply with the covenants in this Agreement shall constitute a default hereunder; (b) that a violation of the requirements of this Agreement would result in irreparable injury to Noodles & Company for which no adequate remedy at law may be available; and (c) therefore, Noodles & Company shall be entitled, in addition to any other remedies which it may have hereunder, at law, or in equity, to obtain specific performance of or an injunction against the violation of the requirement of this Agreement, without the necessity of showing actual or threatened damage and without being required to furnish a bond or other security.

6.08 Information Exchange. All recipes, processes, ideas, concepts, methods, and techniques used or useful to a restaurant, grocery store, or other business offering restaurant products, whether or not constituting protectable intellectual property, that you create, or that are created on your behalf, in connection with the development or operation of your Noodles & Company restaurants must be promptly disclosed to us. If we adopt any of them as part of the System, they will be deemed to be our sole and exclusive property and deemed to be works made-for-hire for us. You hereby assign and further agree to sign whatever further assignment or other documents we request to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques, or materials.

6.09 Confidentiality and Non-Compete Agreements. You agree to cause each of your Owners and Operating Partners and any other management personel primarily involved in Noodles & Company to enter into and comply with the confidentiality and non-compete agreement referred to in Section 4.02 hereof.

7. AREA OPERATOR'S RIGHT TO TRANSFER.

7.01 Franchisor's Approval. Your rights and duties under this Agreement are personal to you and your Principal Owners. Accordingly, neither you nor any of your Owners may Transfer the Development Rights or any direct or indirect interest therein without our prior written consent, which may be withheld in our sole discretion. If we are required by applicable law to permit a transfer, the criteria in Section 7.02 must be met and you must obtain our approval. Any such transfer without such approval or compliance constitutes a breach of this Agreement and is void and of no force or effect. You may not, under any circumstances, directly or indirectly, subfranchise or sublicense any of your rights hereunder. If applicable law does not require us to permit a transfer, no transfer shall be permitted and Section 7.02 will not apply.

7.02 Conditions for Approval. If we have not exercised our right of first refusal under Section 7.06, and we are required by law to permit a transfer of this Agreement, we will not unreasonably withhold our approval of a Transfer of the Development Rights that meets all of the restrictions, requirements and conditions we impose on the transfer, the transferor(s) and the transferee(s), including without limitation the following:

(a) you and your Owners and Affiliates must be in compliance with the provisions of this Agreement, all Franchise Agreements executed pursuant hereto and all other agreements with us or our Affiliate, if applicable;

(b) the proposed transferee must be a corporation, partnership, limited liability company or other legal entity; transferee and its owners must provide us on a timely basis all information we request, and the owners must be individuals acting in their individual capacities who are of good character and reputation, who must have sufficient business experience, aptitude and financial resources to develop Noodles & Company restaurants pursuant to this Agreement, and who must otherwise meet our then current standards for approval;

(c) the proposed transferee may not be, or become, an entity, or be, or become, affiliated with an entity, that is a Publicly Held Entity;

(d) the transferee and its owners must agree to be bound by all of the provisions of our then current Area Development Agreement for the remainder of the Term;

(e) the transferee must acquire, in a concurrent transaction, all of your rights and the rights of your Owners and Affiliates under all agreements between you or your Affiliates and us or our Affiliate, regarding all restaurants contemplated by this agreement not yet developed and/or operating;

(f) you or the transferee must pay us a transfer fee in an amount equal to $7,500, plus $3,500 for each Noodles & Company restaurant for which a Franchise Agreement has been executed, or is contemplated by the terms of this Agreement, plus any transfer fee required by any other agreement between you or your Affiliates and us or our Affiliates and all costs associated with such transfer;

(g) you and your Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute a general release, in form and substance satisfactory to us, of any and all claims against us, our Affiliates and stockholders, officers, directors, employees, agents, successors, and assigns;

(h) we must not have disapproved the material terms and conditions of such transfer on the basis that they are so burdensome as to be likely, in our reasonable judgment, to adversely affect the transferee's operation of Noodles & Company restaurants or its compliance with its franchise agreements, any area development agreements and any other agreements being transferred;

(i) if you (or any of your Owners or Affiliates) finance any part of the sale price of the transferred interest, you and/or your Owners or Affiliates must agree that all obligations of the transferee, and security interests reserved by any of them in the assets transferred, will be subordinate to the transferee's obligations to pay all amounts due us and our Affiliates and to otherwise comply with this Agreement, any Franchise Agreement being transferred or any franchise agreement to be executed by the transferee;

(j) you and your Owners must execute a noncompetition covenant, in form and substances satisfactory to us, in favor of us and the transferee agreeing that, for a period of two (2) years, starting on the effective date of the transfer, you and your Owners will not, directly or indirectly (such as through a member of his or their Immediate Families), own any legal or beneficial interest in, or render services or give advice to: (1) any Competitive Business; or (2) any entity that grants franchises, licenses, or other interests to others to operate any Competitive Business in any Designated Market Area (as defined by Nielsen Media Research) where a Noodles & Company Restaurant is located, whether Company-owned or franchised, or

within any area that is or was within an Area Development Area or a Protected Area, as those terms are defined in the Area Development Agreement and Franchise Agreement;

(k) we determine that no applicable federal or state statute, regulation, rule, or law, which is enacted, promulgated, or amended after the date hereof, may have a material adverse effect on our rights, remedies, or discretion with respect to our relationship with the proposed transferee;

(l) you and your Owners and Affiliates must execute such other documents and do such other things as we reasonably require to protect our rights under this Agreement, any Franchise Agreements, and any other agreements being transferred;

(m) transferee must demonstrate that it is eligible to hold and shall be able to obtain liquor licenses for each Noodles & Company restaurant contemplated by this Agreement;

(n) transferee must have obtained an acceptable assignment of Lease(s) from each landlord for each Noodles & Company restaurant contemplated by this Agreement and as to each restaurant which is proposed to be transferred and

(o) transferee, after the transfer, must own the minimum number of Noodles & Company restaurants we require of other Area Operators.

7.03 Effect of Approval. Our approval of a Transfer of the Development Rights does not constitute: (a) a representation as to the fairness of the terms of any agreement or arrangement between you or your Owners and the transferee or as to the prospects for success by the transferee; or (b) a release of you and your Owners, a waiver of any claims against you or your Owners, or a waiver of our right to demand the transferee's compliance with this Agreement. Any approval shall apply only to the specific Transfer of the Development Rights being proposed and shall not constitute our approval of, or have any bearing on, any other proposed Transfer of the Development Rights.

7.04 Special Transfers. Neither Section 7.06 nor Section 7.02(f) shall apply to any Transfer of the Development Rights among any of your then current Owners. Following our receipt of thirty (30) days' notice to us, you may, if you are a partnership, transfer this Agreement, in conjunction with a transfer of all of the Franchise Agreements executed pursuant hereto and all of the assets of the Noodles & Company restaurants operated pursuant thereto, by an agreement in form and substance approved by us, to a business corporation or limited liability company which conducts no business other than the development and operation of Noodles & Company restaurants, and of which you own and control all of the equity and voting power of all issued and outstanding capital stock. None of the foregoing assignments shall relieve you or your Principal Owners of your obligations hereunder, and you and your Principal Owners shall remain jointly and severally liable for all obligations hereunder. We will also permit transfers among partners so long as the transfer is to a prior existing partner that was previously approved by us and who meets our then current requirements for Area Operators and Franchisees.

7.05 Death or Disability of Operating Partner or Area Operator. Upon your death or permanent disability, or the death or permanent disability of your Operating Partner or an Owner of a controlling interest in Area Operator, if we have not exercised our Right of First Refusal, the executor, administrator, or other personal representative of such person shall transfer his interest in this Agreement or his interest in Area Operator to a third party approved by us in

accordance with all of the applicable provisions of Section 7 within a reasonable period of time, not to exceed six (6) months from the date of death or permanent disability. We agree not to exercise our right of first refusal in the case of death or disability if the proposed purchaser or transferee is a family member who meets our then current requirements for Area Operators and Franchisees or is a prior existing partner that was previously approved by us and who meets our then current requirements for Area Operators and Franchisees.

7.06 Noodles & Company's Right of First Refusal. If you or any of your Owners desires to Transfer the Development Rights for legal consideration, you or such Owner(s) must obtain a *bona fide*, executed written offer from a responsible and fully disclosed purchaser and must deliver immediately to us a complete and accurate copy of such offer. If the offeror proposes to buy any other property or rights from you or any of your Owners or Affiliates (other than rights under Area Development and Franchise Agreements for Noodles & Company restaurants) as part of the *bona fide* offer, the proposal for such property or rights must be set forth in a separate, contemporaneous offer that is fully disclosed to us, and the price and terms of purchase offered to you or your Owners for the transfer of the Development Rights must reflect the *bona fide* price offered therefore and not reflect any value for any other property or rights.

We have the option, exercisable by notice delivered to you or your Owners within sixty (60) days from the date of delivery of a complete and accurate copy of such offer to us to purchase such interest for the price and on the terms and conditions contained in such offer, provided that: (a) we may substitute cash for any form of payment proposed in such offer; (b) our credit shall be deemed equal to the credit of any proposed purchaser; and (c) we shall have not less than ninety (90) days from the option exercise date to consummate the transaction. We have the right to investigate and analyze the business, assets, and liabilities and all other matters we deem necessary or desirable in order to make an informed investment decision with respect to the fairness of the terms of the right of first refusal and we may conduct such investigation and analysis in any manner we deem reasonably appropriate, and you and your Owners agree to cooperate fully with us in connection therewith.

If we decide to exercise our option to purchase, we are then entitled to purchase such interest subject to all representations and warranties, closing documents and indemnities as we reasonably may require, provided if we exercise our option as a result of a written offer reflected in a fully negotiated definitive agreement with the proposed purchaser, we will not be entitled to any additional representations, warranties, closing documents, or indemnities that will have a materially adverse effect on your rights and obligations under the definitive agreement. If we do not exercise our option to purchase, you or your Owners may complete the sale to such offeror pursuant to and on the exact terms of such offer, subject to our approval of the transfer as provided in Sections 7.01 and 7.02; provided that we will have another option to purchase if the sale to such offeror is not completed within ninety (90) days after we elect not to exercise our option to purchase, or if there is a material change in the terms of the offer. You will promptly notify us in either event and we will have an additional thirty-day (30) period to exercise our option following receipt of that notice.

7.07 Securities Offerings. Neither you nor any of your Owners shall issue or sell, or offer to issue or sell, any of your securities or any securities of any of your Affiliates, regardless of whether such sale or offer would be required to be registered pursuant to the provisions of the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction, without our mutual written agreement and complying with all of our requirements and restrictions concerning use of information about us and our Affiliate, if applicable. Neither you nor any of your Owners may issue or sell your securities or any securities of any of your Affiliates if: (a) such securities

would be required to be registered pursuant to the Securities Act of 1933, as amended, or such securities would be owned by more than thirty-five (35) persons; or (b) after such issuance or sale, you or such Affiliate would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended, hereinafter defined as "Publicly Held Entity," or (c) the result would be that the initial Owners would own less than fifty-one percent (51%) of your and/or your Affiliates' securities and voting rights.

Any proposed private placement of your securities or the securities of your Affiliates must be approved by us and our legal counsel prior to the offering of securities. You shall pay the costs of our review and associated legal fees.

8. TERMINATION OF THE AGREEMENT.

8.01 Immediate Termination. You are in material breach of this Agreement, and this Agreement will automatically terminate without notice, at our discretion, if you become insolvent by reason of your inability to pay your debts as they mature or if you admit your inability to pay your debts as they mature; if you are adjudicated bankrupt or insolvent; if you file a petition in bankruptcy, reorganization, or similar proceeding under the bankruptcy laws of the United States or have such a petition filed against you, which is not discharged within thirty (30) days; if a receiver or other custodian, permanent or temporary, is appointed for your business, assets or property; if you request the appointment of a receiver or make a general assignment for the benefit of creditors; if a final judgment against you in the amount of $25,000 or more remains unsatisfied of record for thirty (30) days or longer; if your bank accounts, property, or accounts receivable are attached; if execution is levied against your business or property; if suit is filed to foreclose any lien or mortgage against any of your assets and such suit is not dismissed within thirty (30) days; or if you voluntarily dissolve or liquidate or have a petition filed for corporate or partnership dissolution and such petition is not dismissed within thirty (30) days.

8.02 Termination Upon Notice. In addition to our right to terminate pursuant to other provisions of this Agreement or under applicable law, we may terminate this Agreement, effective upon delivery of notice of termination to you, if you or any of your Principal Owners or Affiliates:

(a) fail to meet the Development Schedule and not cure such failure as soon as possible, and in any event within twenty (20) days after receipt of notice, unless no cure is possible, in which case there shall be no cure period;

(b) make an unauthorized Transfer of the Development Rights or fail to Transfer the Development Rights or the interest of a deceased or disabled Owner as required hereby;

(c) make any material misstatement or omission in the Personal Profile, the ADA Application, or in any other written information provided to us;

(d) are convicted of, or plead no contest to, a felony or other crime or offense that we reasonably believe may adversely affect the System or the goodwill associated with the Marks;

(e) fail to comply with any other provision of this Agreement and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you;

(f) are in breach of any Franchise Agreement such that we have the right to terminate the Franchise Agreement, whether or not we elect to exercise our right to terminate the Franchise Agreement;

(g) make any unauthorized use or disclosure of the Confidential Information;

(h) are in breach of any other agreement between you or any of your Affiliates and us or our Affiliate, if applicable, such that we have a right to terminate any such agreement, whether or not we elect to exercise our right to terminate such agreement;

(i) if we determine that any applicable federal or state statute, regulation, rule, or law, which is enacted, promulgated, or amended after the date hereof, may have a material adverse effect on our rights, remedies, or discretion in franchising Noodles & Company restaurants;

(j) shall default in any material obligations of any Lease, any agreement between Noodles & Company (or its Affiliate) and Area Operator, any obligations to any Advertising Cooperative of which you are a member or to any vendor of Noodles & Company related Proprietary and Non-Proprietary Products, construction suppliers, or providers of services, and not cure such failure as soon as possible, and in any event within twenty (20) days after receipt of notice, unless no cure is possible, in which case there shall be no cure period;;

(k) violate any law that materially impacts the Agreement or the franchise;

(l) fail to construct the Premises in the manner and with the materials from Approved Suppliers and Designated Suppliers as required by the Franchise Agreement and not cure such failure as soon as possible, and in any event within twenty (20) days after receipt of notice, unless no cure is possible, in which case there shall be no cure period;

(m) fail to timely obtain and continue in force all licenses and permits, including liquor licenses necessary to open and construct the restaurant and not cure such failure as soon as possible and in any event within twenty (20) days after receipt of notice unless no cure is possible, in which case there shall be no cure period;;

(n) shall default in three (3) or more material obligations within the Term of the Agreement for which written notice has been provided, if required, or for which no notice was given if none was required, such repeated course of conduct, which need not be the same or identical breaches, shall itself be grounds for termination of this Agreement without further notice or an opportunity to cure; or

(o) fail to operate in accordance with the System and not cure such failure as soon as possible, and in any event within twenty (20) days after receipt of notice, unless no cure is possible, in which case there shall be no cure period.

(p) violate any of the covenants relating to non-competition in Sections 6.02 and 6.03 and in Exhibit D.

(q) failure to timely and successfully complete Operating Partners training as described in Section 4.03 to our satisfaction, or failure to timely and successfully complete the training program described in any Franchise Agreement.

Each of the foregoing (a) through (q) are material breaches and material defaults.

The Development Fee shall be fully earned by us upon execution of this Agreement for administrative and other expenses incurred by us and for the development opportunities lost or deferred as a result of the rights granted to you herein. We have no obligation whatsoever to refund any portion of the Development Fee upon any termination.

8.03. Statutory Limitations. Notwithstanding anything to the contrary contained in this Section 8, in the event any valid, applicable law of a competent Governmental Authority having jurisdiction over this Agreement and the parties hereto shall limit Noodles & Company's rights of termination hereunder or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by such laws and regulations. Noodles & Company shall not, however, be precluded from contesting the validity, enforceability, or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination thereof.

9. EFFECT OF TERMINATION AND EXPIRATION.

9.01 Continuing Obligations. All obligations under this Agreement, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect until they are satisfied in full or by their nature expire. Expiration or termination of this Agreement does not of itself terminate any Franchise Agreements between us.

9.02 Post-Term Covenants. Without limiting the generality of Section 9.01 hereof, the Post-Term covenants provided in Section 6.03 of this Agreement shall apply up on the expiration or termination of this Agreement.

You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and other opportunities for exploiting such skills in other ways, so that enforcement of the covenants contained in this Agreement will not deprive any of you of your personal goodwill or ability to earn a living. If you or any of your Owners fail or refuse to abide by any of the foregoing covenants and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will continue in effect for a period of time ending two (2) years after the date such person starts compliance with the order enforcing the covenant.

10. DISPUTE RESOLUTION.

10.01 Mediation, Jurisdiction and Venue. Except for claims by either party for payments owed by one party to the other and except for claims requesting injunctive relief, any controversy or claim arising out of or relating to this Agreement or the making, interpretation, or performance hereof, shall first be submitted to mediation. The parties shall agree on a single mediator within thirty (30) days after notice by the complaining party, and if no mediator is mutually agreed upon within such thirty (30) days, then the mediation shall be submitted by the complaining party to the American Arbitration Association's ("AAA's") regional office located closest to our principal place of business. The mediation proceedings shall be conducted in the city where we then have our principal place of business. You agree and acknowledge that Noodles & Company may, through manuals, or otherwise in writing, designate different procedures or rules for any mediation.

Subject to the foregoing, you and your Owners irrevocably submit to the jurisdiction of the Federal Courts of the United States in the state in which our principal place of business is located (which is Colorado as of the date hereof) and of the state courts of the city and county in which our principal place of business is located (which is as of the date hereof, the State of Colorado, City and County of Broomfield) in any suit, action, or proceeding, arising out of or relating to this Agreement or any other dispute between you and us. You irrevocably agree that all claims in respect of any such suit, action, or proceeding brought by you must be brought therein. You irrevocably waive, to the fullest extent you may lawfully do so, the defense of an inconvenient forum to the maintenance of such suit, action, or proceeding, and the defense of lack of personal jurisdiction.

You agree that service of process for purposes of any such suit, action, or proceeding arising out of this Agreement may be made by serving a person of suitable age and discretion (such as the person in charge of the office) at the notice address specified on the signature page of this Agreement.

10.02 Injunctive Relief. Notwithstanding the above, we may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. We may pursue such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your Owners acknowledge that any violation of Sections 5 or 6 would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners consent to the issuance of an injunction at our request prohibiting any conduct in violation of any of those Sections and agree that the existence of any claim you or any of your Owners may have against us, whether arising from this Agreement, shall not constitute a defense to the enforcement of any of those Sections.

10.03 Attorneys' Fees. If any party brings an action or arbitration against another party, with respect to the subject matter of this Agreement, the prevailing party, if any, shall be entitled to recover from the adverse party all of the reasonable expenses of the prevailing party, including attorney's fees.

10.04 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the State of Colorado, excluding its choice of laws rules. This Agreement shall be construed under the laws of the State of Colorado, provided the foregoing shall not constitute an unlawful waiver of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Colorado law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Colorado law, and if the Development Area is predominantly located outside of Colorado and such provision would be enforceable under the laws of the state in which the Development Area is predominantly located, then such provision shall be construed under the laws of that state. Nothing in this Section 10 is intended to subject this Agreement to any franchise or similar law, rule, or regulation of the State of Colorado or any other state or political subdivision to which it otherwise would not be subject.

10.05 Limitations on Legal Actions.

(a) Waiver of Punitive and Exemplary Damages. Except with respect to your obligations regarding use of the Marks in Section 5 and the Confidential Information in Section 6.01, Franchisor and Area Operator (and its Owners) each waives, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other.

(b) Claims Barred After One Year. Any and all claims, controversies or disputes arising out of or relating to this Agreement, or the performance of Noodles & Company hereunder, shall be commenced by you against Noodles & Company within one (1) year from the occurrence first giving rise to such claim, controversy or dispute, or such claim controversy or dispute shall be barred.

(c) Prohibition Against Class and Collective Action. You agree that, for our franchise system to function properly, we should not be burdened with the costs of litigating system-wide disputes. Accordingly, any disagreement between you (and your Owners) and us shall be considered unique as to its facts and shall not be brought as a class action, and you (and each of your Owners) waive any right to proceed against us or our Affiliate, if applicable, officers, directors, employees, agents, successors, and assigns by way of class action, or by way of a multi-plaintiff, consolidated, or collective action. In any legal action between the parties, the court shall not be precluded from making its own independent determination of the issues in question, notwithstanding the similarity of issues in any other legal action involving us and any other Area Operator, and each party waives the right to claim that a prior disposition of the same or similar issues precludes such independent determination.

(d) Waiver of Jury Trial. Furthermore, the parties agree that any legal action in connection with this Agreement shall be tried to the court sitting without a jury, and all parties hereto waive any right to have any action tried by jury.

The provisions of this Section 10 shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

11. MISCELLANEOUS.

11.01 Severability and Substitution of Provisions. Every part of this Agreement shall be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination shall not impair the other parts of this Agreement. If any covenant herein, which restricts competitive activity, is deemed unenforceable by virtue of its scope or in terms of geographical area, type of business activity-prohibited, and/or length of time it shall be reformed to make it enforceable to the maximum extent permitted by law; but if such provision could not be rendered enforceable by reducing or reforming any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

If any applicable law requires a greater prior notice of the termination than is required hereunder, a different standard of "good cause" to terminate this Agreement, or the taking of some other action not required hereunder, the prior notice, the "good cause" standard, and/or the other action required by such law shall be substituted for the comparable provisions hereof. If any provision of this Agreement is invalid or unenforceable under applicable law, we have the right, after consultation with you, in our sole discretion, to modify such invalid or unenforceable provision to the extent required to make it valid and enforceable.

11.02 Waiver of Obligations. You and we may, by written instrument, unilaterally waive or reduce any obligation of the other under this Agreement. Any such waiver granted shall be without prejudice to any other rights the waiving party may have, will be subject to continuing review by such party, and may be revoked, in such party's sole discretion, at any time and for any reason, effective upon delivery to the other party of ten (10) days' prior notice. You and we shall not be deemed to have waived any right reserved by this Agreement or be deemed to have modified this Agreement by virtue of any custom or practice of the parties at variance with it.

11.03 Exercise of Rights. Except as otherwise expressly provided herein, the rights of Noodles & Company and Area Operator hereunder are cumulative and no exercise or enforcement by Noodles & Company or Area Operator of any right or remedy hereunder shall preclude the exercise or enforcement by Noodles & Company or Area Operator of any other right or remedy hereunder, which Noodles & Company or Area Operator is entitled to enforce by applicable law. Notwithstanding the foregoing, and except as otherwise prohibited or limited by applicable law, any failure, neglect, or delay of a party to assert any breach or violation of any legal or equitable right arising from or in connection with this Agreement, shall constitute a waiver of such right and shall preclude the exercise or enforcement of any legal or equitable remedy arising therefrom (however, such violations may be considered in evaluating any request to renew or transfer the franchise), unless written notice specifying such breach or violation is provided to the other party within twenty-four (24) months after the later of: (a) the date of such breach or violation; or (b) the date of discovery of the facts (or the date the facts could have been discovered, using reasonable diligence) giving rise to such breach or violation.

11.04 Successors and Assigns. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns, and successors in interest. This Agreement is fully transferable and assignable by us, whether by operation of law or otherwise, and shall inure to the benefit of any transferee or other legal successor to our interest herein.

11.05 Construction. The language of this Agreement shall be construed according to its fair meaning and not strictly against any party. The introduction, personal guarantees, exhibits, and riders (if any) to this Agreement are a part of this Agreement, which constitutes the entire agreement of the parties. Except as otherwise expressly provided herein, there are no other oral or written agreements, understandings, representations, or statements between us and you relating to the subject matter of this Agreement, other than our Franchise Disclosure Document and Franchise Agreement, that either party may or does rely on or that will have any force or effect. Nothing in this Agreement is intended or shall be deemed to confer any rights or remedies on any person or legal entity not a party hereto. This Agreement shall not be modified except by mutual agreement of the parties evidenced by written agreement signed by both parties.

The headings of the Sections are for convenience only and do not limit or construe their contents. The term "including" shall be construed to include the words "without limitation." The term "Area Operator" or "you" is applicable to one or more persons, a corporation, limited liability company, or a partnership, and its owners, as the case may be. If two or more persons are at any time Area Operator hereunder, whether as partners, joint venturers, or otherwise, their obligations and liabilities to us shall be joint and several. References to a controlling interest in an entity shall mean more than fifty percent (50%) of the equity or voting control of such entity.

This Agreement may be executed in multiple copies, each of which shall be deemed an original. Time is of the essence in this Agreement.

11.06 Approvals and Consents. Whenever this Agreement requires the approval, acceptance, or consent of either party, the other party shall make written request therefore, and such approval, acceptance, or consent shall be obtained in writing; provided, however, unless specified otherwise in this Agreement, such party may withhold approval, acceptance, or consent, for any reason or for no reason at all. Furthermore, unless specified otherwise in this Agreement, no such approval, acceptance, or consent shall be deemed to constitute a warranty or representation of any kind, express or implied, and the approving, accepting, or consenting party shall have no responsibility, liability, or obligation arising therefrom.

11.07 Notices. All notices, requests, and reports permitted or required to be made by the provisions of this Agreement shall be in writing and shall be deemed delivered: (a) at the time delivered by hand to the recipient party or any officer, director or partner of the recipient party; (b) on the same date of the transmission by facsimile, telegraph, or other reasonably reliable electronic communication system, provided verification of receipt is retained and it is a business day (otherwise on the next business day); (c) one (1) business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (d) five (5) days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. All notices to us must include a copy to our General Counsel and our Chief Financial Officer to be effective. Such notices, requests, and reports shall be sent to the addresses identified in this Agreement unless and until a different address has been designated by appropriate written notice to the other party.

11.08 Additional Services. We may, upon your request or in our sole discretion, provide additional services to you. The then-current Operations Manual will include the fees we are entitled to charge you for said services.

11.09 Receipt of Franchise Disclosure Document. You acknowledge having received our FDD fourteen (14) days before you (a) sign any agreement with us, or (b) make any payment to us.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the day and year first above written.

FRANCHISOR **AREA OPERATOR**

Noodles & Company,
A Delaware Corporation

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Notice to Noodles & Company shall be sent to:

Noodles & Company
520 Zang Street, Suite D
Broomfield, Colorado 80021

To the attention of:

General Counsel

If a corporation, partnership, limited liability company or other legal entity:

_____
(Name of corporation, partnership, limited liability company or other legal entity)

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

If Individuals:

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

Notice to Area Developer shall be sent to:

To the attention of:

EXHIBIT A

TO THE AREA DEVELOPMENT AGREEMENT
BETWEEN NOODLES & COMPANY AND

_____

DATED ,

TERM AND DEVELOPMENT

1. The term expires on: ("expiration date").

2. The Development Area is the geographical area described as follows and shown on the map attached hereto as Exhibit A-1:

City, County, State and other similar municipal governmental boundaries shall be considered fixed as of the date of this Agreement and shall not change for the purpose hereof, notwithstanding a political reorganization or change to such boundaries or regions. All street boundaries shall be deemed to end at the street center line unless otherwise specified above.

3. You must have open and in operation in the Development Area, pursuant to Franchise Agreements, the cumulative number of Noodles & Company restaurants set for below as of each of the following dates:

Number of Noodles & Company Restaurants to be Opened	Required Opening Date	Cumulative Number of Noodles & Company Restaurants

For purposes hereof, no Noodles & Company restaurants that are open and operating as of the date of this Agreement shall be counted for purposes of the Development Schedule. In addition, a Noodles & Company restaurant that is permanently closed after having been opened, other than as a result of noncompliance by you with the terms of the applicable Franchise Agreement or other agreement by and between the parties, shall be deemed open for a period of six (6) months after the last day it was open for business, provided that: (i) during such period of time, you continuously and diligently take such actions as may be required to

develop and open a substitute Noodles & Company restaurant within the Development Area pursuant to a new Franchise Agreement therefore; and (ii) by the end of such period you have the substitute Noodles & Company restaurant open and operating in compliance with the Franchise Agreement thereof.

4. The development fee shall be $ and has been determined by multiplying ten thousand dollars ($10,000) by the total number of Franchise Agreements to be entered into pursuant to this Agreement for restaurants 2- , plus thirty-five thousand dollars ($35,000) for the first restaurant.

[SIGNATURE PAGE TO FOLLOW]

EXHIBIT A
TO THE AREA DEVELOPMENT AGREEMENT

(continued)

FRANCHISOR

Noodles & Company,
A Delaware Corporation

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

AREA OPERATOR

If a corporation, partnership, limited liability company or other legal entity:

_____
(Name of corporation, partnership, limited liability company or other legal entity)

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

If Individuals:

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

EXHIBIT A-1
MAP OF DEVELOPMENT AREA
(attach)

EXHIBIT B

AREA OPERATOR INFORMATION
TO THE AREA DEVELOPMENT AGREEMENT BETWEEN
NOODLES & COMPANY AND

_____

DATED ,

AREA OPERATOR INFORMATION

1. Operating Partner. The name and home address of the Operating Partner is as follows:

2. Form of Entity of Area Operator. (Complete the applicable paragraph below.)

(a) Corporation or Limited Liability Company. Area Operator was organized on , , under the laws of the State of . Its Federal Identification Number is . It has not conducted business under any name other than its corporate or company name. The following is a list of all Area Operator's directors and officers or managing members as of , .

Name of Each Director/Officer/Managing Member	Position(s) Held

(b) Partnership. Area Operator is a [general] [limited] partnership formed on under the laws of the State of . Its Federal Identification Number is . It has not conducted business under any name other than its partnership name. The following is a list of all of Area Operator's general partners as of .

Name of Each General Partner

EXHIBIT B
TO THE AREA DEVELOPMENT AGREEMENT
(continued)

3. Owners. Area Operators and each of its Owners represents and warrants that the following is a complete and accurate list of all Owners of Area Operator, including the full name and mailing address of each Owner, and fully describes the nature and extent of each Owner's interest in Area Operator. Area Operator and each Owner as to his ownership interest, represents, and warrants that each Owner is the sole and exclusive legal and beneficial owner of his ownership interest in Area Operator, free and clear of all liens, restrictions, agreements, and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

Owner's Name and Address	Percentage and Nature of Ownership Interest

Submitted by Area Operator on

_____

Accepted by Franchisor and made a part of the Area Development Agreement as of

_____

NOODLES & COMPANY,
a Delaware corporation

(Name of corporation or partnership)

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Owners:

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

EXHIBIT C
TO THE AREA DEVELOPMENT AGREEMENT

PRINCIPAL OWNERS' PERSONAL GUARANTY
OF AREA OPERATOR'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the NOODLES & COMPANY Area Development Agreement dated as of , (the "Agreement") by and between NOODLES & COMPANY("Franchisor"), and ("Area Operator"), each of the undersigned Principal Owners of a ten percent (10%) or greater interest in Area Operator hereby personally, unconditionally, and irrevocably, jointly and severally: (1) guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Area Operator shall timely perform each and every undertaking, agreement, and covenant set forth in the Agreement (and any amendments), including the timely performance of all financial obligations, and that each and every representation of Area Operator made in connection with the Agreement (and any amendments) are true, correct and complete in all respects at and as of the time given; and (2) agrees personally to be bound by each and every provision in the Agreement (and any amendments). Notwithstanding the foregoing, the undersigned shall have no obligation under Section 6.02 or 6.03 of the Agreement after the second anniversary of the later of (a) the date the undersigned ceasees to have an ownership interest in The Area Operator or (b) the date the undersigned ceases to render services to the Area Operator.

Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right he or she may have to require that an action be brought against Area Operator or any other person as a condition of liability; (e) notice of any amendment to the Agreement; and (f) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that: (i) his or her direct and immediate liability under this guaranty shall be joint and several; (ii) he or she shall render any payment or performance required under the Agreement upon demand if Area Operator fails or refuses to do so timely; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Area Operator or any other person; and (iv) such liability shall not be diminished, relieved, or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Area Operator or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable until satisfied in full.

Except for claims by either party for payments owed by one party to the other and except for claims requesting injunctive relief, any controversy or claim arising out of or relating to this Agreement or the making, interpretation, or performance hereof, shall first be submitted to mediation. The parties shall agree on a single mediator within thirty (30) days after notice by the complaining party, and if no mediator is mutually agreed upon within such thirty (30) days, then the mediation shall be submitted by the complaining party to the American Arbitration Association's ("AAA's") regional office located closest to our principal place of business. The

mediation proceedings shall be conducted in the city where we then have our principal place of business.

Subject to the foregoing, you and your Owners irrevocably submit to the jurisdiction of the Federal Courts of the United States in the state in which our principal place of business is located (which is Colorado as of the date here of) and of the state courts of the city and county in which our principal place of business is located (which is as of the date hereof, the State of Colorado, City and County of Broomfield) in any suit, action, or proceeding, arising out of or relating to this Agreement or any other dispute between you and us. You irrevocably agree that all claims in respect of any such suit, action, or proceeding brought by you must be brought therein. You irrevocably waive, to the fullest extent you may lawfully do so, the defense of an inconvenient forum to the maintenance of such suit, action, or proceeding, and the defense of lack of personal jurisdiction.

You agree that service of process for purposes of any such suit, action, or proceeding arising out of this Agreement may be made by serving a person of suitable age and discretion (such as the person in charge of the office) at the notice address specified on the signature page of this Agreement.

You agree that any legal action in connection with this Agreement shall be tried to the court sitting without jury, and all parties hereto waive any right to have any action tried by jury.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature, under seal, on the same day and year as the Agreement was executed.

PERCENTAGE OF OWNERSHIP INTERESTS IN AREA OPERATOR	**GUARANTOR(S)**
	(Signature)
	(Print Name)
	(Signature)
	(Print Name)
	(Signature)
	(Print Name)
	(Signature)
	(Print Name)

Subscribed and sworn to before me this day of ,

Notary Public
My Commission expires:

EXHIBIT D
TO THE AREA DEVELOPMENT AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(To be executed by all owners
and Operating Partners)

In conjunction with your investment in or provision of services to ("Area Operator"), you ("Investor" or "you") acknowledge and agree as follows:

1. Area Operator owns and operates, or is developing, Noodles & Company restaurants pursuant to an Area Development Agreement, ("Area Development Agreement") with Noodles & Company, a copy of which is attached hereto. The Area Development Agreement requires persons with legal or beneficial ownership interests in Area Operator under certain circumstances to be personally bound by the confidentiality and non-competition covenants contained in the Area Development Agreement. You are entering into this Agreement to induce Noodles & Company to enter into the Area Development Agreement. All capitalized terms contained herein and not otherwise defined herein shall have the same meaning set forth in the Area Development Agreement.

2. You acknowledge and agree that your execution of this Agreement is a condition to Noodles & Company entering into the Area Development Agreement that you have received good and valuable consideration for executing this Agreement. Noodles & Company may enforce this Agreement directly against you and your Owners (as defined below).

3. If you are a corporation, partnership, limited liability company, or other entity, all persons who have a legal or beneficial interest in you, including your Director of Operations ("Owners") must also execute this Agreement.

4. You and your Owners, if any, may gain access to parts of Noodles & Company's Confidential Information as a result of investing in Area Operator. The Confidential Information is proprietary and includes Noodles & Company's trade secrets. You and your Owners hereby agree that while you and they have a legal or beneficial ownership interest in Franchisee and indefinitely thereafter you and they: (a) will not use the Confidential Information in any other business or capacity (such use being an unfair method of competition); (b) will exert best efforts to maintain the confidentiality of the Confidential Information; (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic, or other form; and, will not distribute, disclose, or otherwise cause the distribution of any Noodles & Company Confidential Information. If you or your Owners cease to have an interest in Franchisee, you and your Owners, if any, must deliver to Noodles & Company any such Confidential Information in your or their possession.

5. During the term of the Development Agreement, you and your Owners shall not, without Noodles & Company's prior written consent, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform,

directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was within a period of six (6) months prior to such recruiting or hiring an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours, without obtaining the employer's consent, which consent may be withheld for any reason. We may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) the United States.

6. For a continuous uninterrupted period commencing upon the expiration or termination of the Development Agreement and for two (2) years thereafter, you and your Owners, shall not, without Noodles & Company's prior written consent, either directory or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours. This restriction shall apply, except as otherwise approved by us in writing in our sole discretion, 1) within the Protected Area and within fifteen (15) miles of any then-existing Noodles & Company Restaurant, and 2) for six (6) months from the last day of such employee's employment. In addition to any other rights and remedies available to us under this Agreement, we may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) any Designated Market Area (as defined by Nielsen Media Research) where a Noodles & Company Restaurant is located.

7. Notwithstanding the foregoing, you will have no obligation under Section 5 or Section 6 after the second anniversary of the later of (a) the date you cease to have an ownership interest in Franchisee or (b) the date you cease to render services to Franchisee.

8. You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit such skills in other ways, so that enforcement of the covenants contained in Sections 5 and 6 will not deprive any of you of your personal goodwill or ability to earn a living. If any covenant herein, which restricts competitive activity, is deemed unenforceable by virtue of its scope or in terms of geographical area, type of business activity prohibited, and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy. Noodles & Company may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause it irreparable harm. You, and each of your Owners, acknowledge that any violation of Sections 4, 5, or 6 hereof would result in irreparable injury for which no adequate remedy at law may be available. If Noodles & Company files a claim to enforce this Agreement and prevails in such proceeding, you agree to reimburse Noodles & Company for all its costs and expenses, including reasonable attorneys' fees.

9. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the State of Colorado, excluding its choice of laws rules. This Agreement shall be construed under the laws of the State of Colorado, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Colorado law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Colorado law, and if your Noodles & Company Restaurant is located outside of Colorado and such provision would be enforceable under the laws of the state in which your Noodles & Company Restaurant is located, then such provision shall be construed under the laws of that state.

10. You understand and acknowledge that Noodles & Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without your consent, effective immediately upon written notice to you. You shall comply forthwith with any covenant as so modified, which shall be full enforceable notwithstanding the provisions hereof.

11. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction, the parties desire the court to reform the covenant to render the covenant enforceable, but only to the extent required to render the covenant enforceable, so that Noodles & Company may obtain the greatest possible level of protection from the misuse of Confidential Information, the

diversion of customers, the solicitation of its employees and unfair competition; and in such event, you 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 Agreement.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement on the day of , .

INVESTOR

If an Individual:

_____
Signature

_____
Print Name

If a corporation, partnership, limited liability company or other legal entity:

_____
Name of entity

By: _____

Print Name: _____

Title: _____

OWNERS

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

Exhibit 10.17

NOODLES & COMPANY
FRANCHISE AGREEMENT

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NOODLES & COMPANY
FRANCHISE AGREEMENT

This Franchise Agreement (this "Agreement") is made as of this day of , , between NOODLES & COMPANY ("Franchisor", "we", "us" or "Noodles & Company"), a Delaware corporation, with its principal place of business located at 520 Zang Street, Broomfield, CO 80021 and ("Franchisee" or "Area Operator" or "you"), a(n) , whose principal address is: .

This Agreement is a legal document that grants a franchise to the Franchisee subject to certain terms and conditions. While the relationship under the law is that of Franchisor and Franchisee, we will also refer to you throughout this Agreement as the Area Operator because we think it better conveys the way we value you as an operator of Noodles & Company Restaurants.

1. INTRODUCTION.

1.01 Noodles & Company Restaurants. We own, operate and franchise Noodles & Company Restaurants (each, a "Restaurant"), specializing in noodle dishes, salads, sandwiches, soups, desserts, breads, beverages, beer, wine, and other menu items, and merchandise related to the Noodles & Company Restaurant concept, as we may authorize from time to time. We have developed and own a comprehensive system for developing and operating Noodles & Company Restaurants, including trademarks, trade dress, signage, building specifications, designs and layouts, equipment, ingredients, specifications and recipes for authorized food products, methods of inventory control, training programs and certain operational and business standards, policies and procedures, all of which we may improve, further develop or otherwise modify from time to time.

1.02 Your Acknowledgments. You acknowledge that you have read this Agreement and our Franchise Disclosure Document and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at each Noodles & Company Restaurant and thereby to protect and preserve the goodwill of the Marks. You acknowledge that you have conducted an independent investigation of the business venture contemplated by this Agreement and recognize that, like any other business, the nature of the business conducted by a Noodles & Company Restaurant may evolve and change over time; that an investment in a Noodles & Company Restaurant involves business risks; and that your business abilities and efforts are vital to the success of the venture. You understand that the Restaurant industry is highly competitive, that market conditions evolve and change over time, and that an investment in a Noodles & Company franchise involves business risks. You acknowledge that, in all of their dealings with you, our officers, directors, employees and agents act only in a representative, and not in an individual, capacity. All business dealings between you and such persons as a result of this Agreement are solely between you and us. You further acknowledge that we have advised you to have this agreement reviewed and explained to you by an attorney and that you have reviewed this Agreement with your attorney or that you waive your right to do so.

1.03 Your Representations. You and your Principal Owners, jointly and severally if applicable, represent and warrant to us as an inducement to our entering into this Agreement that: (a) all statements you have made and all materials you have submitted to us in connection with your application to us are accurate and complete and that you have made no material

misrepresentations or material omissions in obtaining the franchise; (b) neither you nor any of your Principal Owners has made any untrue statement of any material fact or has omitted to state any material fact in the written information you have submitted in obtaining the rights granted hereunder; (c) neither you nor any of your Owners has any direct or indirect legal or beneficial interest in any business that may be deemed a Competitive Business, except as you have otherwise completely and accurately disclosed in writing to us in connection with obtaining the rights granted hereunder; and (d) the execution and performance of this Agreement will not violate any other agreement to which you or any of your Owners may be bound. You recognize that we have executed this Agreement in reliance of all of the statements you and your Owners have made in writing in connection with this Agreement.

1.04 Certain Definitions. * The terms listed below have the meanings throughout this agreement and include the plural as well as the singular. He, his or him means she, hers or her, as applicable. Other terms are defined elsewhere in this Agreement in the context in which they arise.

"Affiliate" — Any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise.

"Alternative (Alternate) Approved Supplier" — Any supplier you or another Area Operator has proposed to supply Non-Proprietary Products and who we have approved to do so in accordance with the terms of this Agreement.

"Approved Supplier" — Any supplier we authorize to supply Non-Proprietary Products and other supplies and construction materials, as defined in Section 9.04.

"BDF" — Brand Development Fund as defined in Section 10.01.

"Competitive Business" — Any business that operates or franchises one or more restaurants: (1) whose sales of Specified Dishes (as defined below) collectively constitute more than 10% of restaurant operating revenues; (2) that are the same as, or substantially similar to, the Noodles & Company concept as it evolves or changes over time; or (3) that operate in a fast casual or quick casual format. As used in this Agreement, "Specified Dishes" means noodle dishes, pasta dishes, Asian dishes, Italian or Mediterranean dishes and any other dishes that are the same or substantially similar to the dishes on the Noodles & Company menu ("Noodles & Company Dishes") as it may evolve or change over time. Restrictions in this Agreement on competitive activities do not apply to: (a) the ownership or operation of other Noodles & Company restaurants we or our Affiliates licenses; (b) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities; or (c) any restaurant concept whose per person average check during the preceding twelve (12) months was more than fifty percent (50%) higher or lower than Noodles & Company per person average check for the same period. Revenue of a restaurant, as used in this definition means the aggregate amount of all sales of food, beverages and other products sold in or by such restaurant, whether for cash or credit, but excluding all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities, all coupons, promotions, discounts and refunds.

"Confidential Information" — Our proprietary and confidential information relating to the development and operation of Noodles & Company Restaurants, including: (1) ingredients, recipes and methods of preparation and presentation of authorized food products; (2) site selection criteria for Noodles & Company Restaurants and plans and specifications for the development of Noodles & Company Restaurants; (3) sales, marketing and advertising programs and techniques for Noodles & Company Restaurants; (4) identity of suppliers and knowledge of specifications, processes, procedures and equipment, contract terms, and pricing for authorized food products, materials, supplies and equipment; (5) knowledge of operating results and financial performance of Noodles & Company Restaurants, other than Noodles & Company Restaurants you own; (6) methods of inventory control, storage, product handling, training and management relating to Noodles & Company Restaurants; (7) computer systems and software programs used or useful in Noodles & Company Restaurants; (8) this Agreement and the terms hereof; and (9) any information that we provide you that is labeled proprietary or confidential.

"Commencement of Construction" — Means the first day on which any construction is begun on the Premises, including ground break if the Restaurant is being built by you, or demolition if you are converting an existing structure.

"Designated Supplier" — Any supplier whom we authorize to manufacture Proprietary Products.

"Development Area" — The development area defined in a Development Agreement between Noodles and Company and an Area Operator.

"Entity" — Business corporation, partnership, limited liability company or other legal entity.

"FMF" — Field Marketing Funds, as defined in Section 10.02.

"Grand Opening Marketing Program" — The marketing program required by Sections 3.05 and 10.03 for the purpose of marketing each new Restaurant you open.

"Immediate Family" — Spouse, parents, brothers, sisters and children, whether natural or adopted.

"Ingredients" — Noodles & Company proprietary sauces and other ingredients from which the distinctive Company products are made.

"Internet" — Means any of one or more local or global interactive communications media, that is now available, or that may become available, and includes Web sites and domain names. Unless the context otherwise indicates, Internet includes methods of accessing limited access electronic networks, such as Intranets, Extranets, and WANs.

"Limited Access Highway" — Means that portion of a highway with oasis or service centers facilities for motorists and truckers. Includes highways with limited access from surface roads, often commonly referred to as freeways or Interstate Highways.

"MAF" — The Marketing Administration Fee as defined in Section 10.04.

"Marks" — The current and future trade names, trademarks, service marks and trade dress used to identify the services and/or products Noodles & Company Restaurants offer, including the mark "Noodles & Company" and the distinctive Noodles & Company Restaurants' building design and color scheme whether owned by Noodles & Company or one of its affiliates.

"Multi-Area Marketing Programs" — Means regional, national, or international programs designed to increase business including multi-area customer, national customer, commercial customer, Internet, event, yellow pages, directory, affinity, vendor, and co-branding programs. Such programs may require your cooperation (including refraining from certain channels of marketing and distribution), participation (including payment of commissions or referral fees), and adherence to maximum pricing to the extent permitted by law. All such programs are our proprietary trade secrets.

"Net Royalty Sales" — The aggregate amount of all sales of food, beverages, wine and beer, and other products and merchandise sold and services rendered at the Premises or otherwise rendered in connection with your Noodles & Company Restaurant or your use of the Marks, including sales at or away from your Noodles & Company Restaurant, whether for cash or credit, and regardless of collection in the case of credit, but excluding: (1) all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authority; and (2) all *bona fide*, documented (i) customer promotional discounts approved by us; (ii) refunds; (iii) voids, and (iv) employee meal discounts.

"Non-Traditional Venues" — As defined in Section 2.02.

"Noodles & Company Restaurants" — Restaurants that we or any of our Affiliates own or operate or franchise and that use the Marks and the System.

"Operating Partner" — The individual you designate in Exhibit A, and any replacement we approve.

"Operations Manual" — Our confidential operations manual, as amended from time to time, which may consist of one or more manuals in any combination of paper, video, digital or other format, including any Noodles & Company operating system manual, management training manual and other training manuals, containing our mandatory and suggested standards, specifications and operating procedures relating to the development and operation of Noodles & Company Restaurants and other information relating to your obligations under this Agreement. The term "Operations Manual" also includes alternative or supplemental means of communicating such information by other media whenever such communications specifically reference that they are to be considered part of the Operations Manual, including bulletins, e-mails, videotapes, audio tapes, compact discs, computer diskettes, CD-ROMs, and websites.

"Owner" — Each person or entity that has a direct or indirect legal or beneficial ownership interest in you, if you are an entity.

"Personnel" — All persons you employ to develop, manage or operate your Noodles & Company Restaurants, including persons in general and area management positions, assistant managers, shift supervisors, hourly associates and all other persons employed at your Noodles & Company Restaurants, including outside support, such as accountants, office staff, etc.

"Premises" — The location identified in Section 2.01.

"Principal Owner" — Each Owner that has a ten percent (10%) or greater interest in you, if you are an entity or an individual that owns ten percent (10%) or more of the interest in the FA.

"Proprietary Products" — As defined in Section 9.03.

"Protected Area" — The protected area identified in Section 2.02 and as depicted in the Protected Area Exhibit, Exhibit E, if applicable.

"Publicly Held Entity" — As defined in Section 14.07.

"Reporting Period" — As defined in Section 6.02.

"Royalty Fee" - Five percent (5.0%) of Net Royalty Sales.

"Sweep Period"— As defined in Section 6.02.

"System" — The business methods, designs and arrangements for developing and operating Noodles & Company Restaurants, including the Marks, building specifications, design and layouts, trade dress, signage, equipment, ingredients, recipes, methods of preparation and specifications for authorized food products, food safety procedures, training, methods of inventory control, vendor base, and certain operating and business standards, policies and procedures, all of which we may improve, further develop or otherwise modify from time to time.

"Then Current Franchise Agreement" — Means the Franchise Agreement being offered to and executed by new Franchisees as of the relevant date.

"Transfer" or "Transfer the Franchise" — Or similar words - The voluntary, involuntary, direct or indirect sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, inter-vivos transfer, testamentary disposition or other disposition of this Agreement, any interest in or right under this Agreement, or any form of ownership interest in you or the assets, revenues or income of your Noodles & Company Restaurants including: (1) any transfer, redemption or issuance of a legal or beneficial ownership interest in the capital stock of, or other ownership interest in, you or of any interest convertible to or exchangeable for capital stock of, or other ownership interest in, Area Operator; (2) any merger or consolidation between you and another entity, whether or not you are the surviving corporation; (3) any transfer in, or as a result of, a

divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; (4) any transfer upon your death or the death of any of your Principal Owners by will, declaration of or transfer in trust or under the laws of interstate succession; or (5) any foreclosure upon your Noodles & Company Restaurants or the transfer, surrender or loss by you of possession, control or management of your Noodles & Company Restaurants.

"Your Noodles & Company Restaurant" or "the Restaurant" — The Noodles & Company Restaurants you operate at the Premises. The plural includes all your Noodles & Company Restaurants.

* Any capitalized term not defined herein shall have the same meaning as that prescribed in the Franchise Agreement.

2. GRANT OF RIGHTS.

2.01 Grant of Franchise and Term. Subject to the terms of this Agreement, we grant to you the right, and you assume the obligation, to operate a Noodles & Company Restaurant at the location set forth on the front page of this Agreement (the "Premises") and to use the Marks and System solely in connection therewith, for a term of twenty (20) years, starting on the date of the opening of your Noodles & Company Restaurant (the "Term"). Immediately after the opening date, Noodles & Company may, at its discretion, deliver a Confirmation of Term Commencement Date in the form of Exhibit C hereto. You must conduct the business of your Noodles & Company Restaurant at the Premises for the duration of the Term. You may not conduct the business of your Noodles & Company Restaurant or use the System at any site other than the Premises, or relocate your Noodles & Company Restaurant, without our consent. For the duration of the Term, you have the obligation to relocate a closed Noodles & Company Restaurant at a mutually acceptable location, unless we determine otherwise at our discretion. In the event Noodles & Company develops and implements an approved catering program, you shall have the right to cater to businesses or other locations within the Protected Area if you follow all procedures and menu requirements, purchase all supplies, products and ingredients through Approved Suppliers and Designated Suppliers, and otherwise follow the Operations Manual as to catering.

2.02 Your Protected Area. During the Term, we will not operate (directly or through an Affiliate), nor grant to another person the right to operate, any Noodles & Company Restaurant located within the geographical area depicted on the attached Exhibit E, Protected Area Exhibit, as the "Protected Area," unless such Restaurant(s) was in operation, under lease or construction or other commitment to open prior to execution of this Agreement, which Restaurant(s) is expressly excluded from this clause.

You acknowledge, however, that certain locations within the Protected Area are by their nature unique and separate in character from the sites to which we intend to grant you a franchise; such sites are referred to as "Non-Traditional Venues." As a result, you agree that Non-Traditional Venues are excluded from the Protected Area and we shall have the right to develop (by direct ownership, franchising, licensing or other means) such locations even if such sites are located within the Protected Area and regardless of the proximity of such sites to any Noodles & Company Restaurant for which you have, or might have in the future, a franchise. Non-Traditional Venues include, for example: (i) transportation facilities, including airports, train stations, subways and rail, and bus stations; (ii) military bases and government offices; (iii) sports facilities, including stadiums and arenas; (iv) amusement parks, zoos, and convention centers; (v) car and truck rest stops, and travel centers and Limited Access Highway oasis and rest and service areas; (vi) casinos; (vii) food courts; (viii) Indian reservations; and (ix) museums.

2.03 Additional Reservation of Rights. Except for the rights specifically granted to you, we reserve all other rights, including, for example, the following rights:

(i) We reserve the right to manufacture and sell anywhere products that are the same or similar to products sold in Noodles & Company Restaurants using brand names that are similar to or the same as the Marks through any channel of distribution, including, for example, grocery stores, supermarkets, convenience stores, caterers, and gas stations.

(ii) We reserve the right to sell products and services through other channels of distribution including Internet, wholesale, mail order and catalog. The Internet is a channel of distribution reserved exclusively to us and you may not independently market on the Internet or conduct e-commerce except as we approve.

(iii) We reserve the right to operate and franchise and license others to operate other concept Restaurants.

(iv) We reserve the right to develop and/or own other franchise systems for the same or similar products and services using different trademarks than those licensed to you.

(v) We reserve the right to produce, license, manufacture, sell, distribute and market Noodles & Company brand named products, and products bearing other marks, including food and beverage products, clothing, souvenirs and novelty items through any channel of distribution, including, for example, grocery stores, supermarkets, convenience stores, caterers, and gas stations.

(vi) We reserve the right to purchase or be purchased by, or merge or combine with, competing businesses wherever located.

3. DEVELOPMENT OF YOUR NOODLES & COMPANY RESTAURANT. (See also Development Milestones Checklist attached hereto, which is a brief summary of the development process. In the event of a discrepancy or ambiguity, the text of the Agreement, and not the Development Milestones Checklist, shall control).

3.01 Site Investigation and Acceptance. You agree that our approval of the Premises and any information communicated to you regarding our site selection criteria for Noodles & Company Restaurants does not constitute a warranty or representation of any kind, express or implied, as to the suitability of the Premises for a Noodles & Company Restaurant or for any other purpose. Our approval of the Premises merely signifies that we are willing to grant a franchise for a Noodles & Company Restaurant at that location; we make no representation to you of the site suitability. Your decision to develop and operate a Noodles & Company Restaurant at the Premises is based solely on your own independent investigation of the suitability of the Premises for a Noodles & Company Restaurant.

Area Operator shall submit to Noodles & Company such demographic and other information regarding the proposed site(s) and neighboring areas as we shall require on our Site Package. The Site Package shall be submitted in a format defined by Noodles & Company to allow submittal and presentation to the Real Estate Site Approval Committee. We will provide training to assist you in completing a typical Site Package for your first Restaurant. The Real Estate Site Approval Committee meets approximately every two weeks, and Area Operators are responsible for submitting their sites for approval at least 1 week prior to the meeting. Area Operators are required to attend meetings or participate via conference call.

Noodles & Company shall evaluate the site request within forty-five (45) days of submission of a fully completed Site Package and any additional information we request.

In consideration of our approval of the Premises, you and your Owners release and hold harmless us, our Affiliate, officers, directors, employees and agents from any and all loss, damages and liability arising from or in connection with the selection and/or approval of the Premises for development as a Noodles & Company Restaurant, agree to timely pay the Franchise Fee, as hereinafter defined for such approved site, and agree not to locate such Noodles & Company Restaurant at any other location without completing the entire site selection process for said new site. You agree to execute this Franchise Agreement and pay the Franchise Fee within thirty (30) days of your signing the lease for the Premises, or when Construction is commenced, whichever first occurs.

3.02 Purchase or Lease of Premises. You must lease, sublease or purchase the Premises simultaneously upon execution of this Agreement or prior to signing this Agreement in conformity with Section 3.01 above. We have the right to approve and modify the terms of any lease, sublease or purchase contract for the Premises, and you agree to deliver a copy to us for our approval before you sign it. Beginning with the Lease for your third Restaurant, we may charge you for our Lease review at the rates listed in our then current Operations Manual. You agree that any lease or sublease for the Premises must, in form and substance satisfactory to us, include all of the provisions set forth in the Addendum to Lease Form, as modified from time to time and which is contained in the Operations Manual, shall be for an aggregate term of (at least) twenty (20) years in a combination of initial term and renewals, and shall include any other provisions as we may determine desirable from time to time. You may not execute a lease, sublease or purchase contract or any modification thereof without our approval. Our approval of the lease, sublease or purchase contract does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms and we do not assume any liability or responsibility to you or to any third parties due to such approval. You must deliver a copy to us of the fully signed lease, sublease or purchase contract within five (5) days after its execution. If the lease terminates for any reason prior to expiration of this Agreement, Noodles & Company shall have the option to require you to locate and secure an alternative approved site within three (3) months, or such other time period as we mutually agree, of the termination or Noodles & Company may, at its option, terminate the Agreement as to such Restaurant. We also require that any lease in which you enter into for the Premises that you or an Affiliate owns, contain terms and conditions and payments that are commercially reasonable in our opinion.

You must promptly begin the permitting, licensing and approval process to ensure that construction commences within sixty (60) days of the date the lease or purchase of the premises is consummated. If permitting and licensing is anticipated to take longer than sixty (60) days, you must advise us in writing of the date on which you anticipate obtaining such permits and licenses and the reasons for the extended time period. Failure to comply with this provision is a material breach of the Agreement.

3.03 Development of the Premises.

(a) Space Plan/Signage Plan. We will provide the Area Operator with a space plan layout and exterior signage plan for the first three Restaurants developed by the Area Operator. During the preparation of the Space Plans and Signage Plans, Noodles & Company will provide the Area Operator, and their respective architect/designer, with design training and criteria so that the Area Operator will be prepared to complete the space plan and signage plan on all units after the first three (3) Restaurants. Noodles & Company will prepare the space plan and signage plan for additional units for the fee defined in the then current Operations Manual. All space plans and signage plans prepared by the Area Operator must be submitted to Noodles & Company for approval. Noodles & Company reserves the right to make any changes to the space plans or signage plans when submitted. Noodles & Company shall provide approval, or approval with changes, within fourteen (14) days of submittal of plans. All space plans and signage drawings must be submitted electronically in AutoCad V. 2004 software or later.

(b) Plans and Licensed Architect. Upon completion and approval of the space plan and signage plan for each Restaurant, the Area Operator shall be responsible for developing construction drawings and specifications by a licensed architect and engineer for building permit submittal. You shall submit to us your final plans, including all construction plans and specifications and design specifications, for our acceptance before starting to develop the Premises. All final plans must be prepared by a licensed architect. You acknowledge that the design and materials used in the construction of Noodles & Company Restaurants is important to us and you agree to adhere to our design and constructions specifications and to use the materials and suppliers we require. You are solely responsible for developing your Noodles & Company Restaurant, for all expenses associated with it and for compliance with the requirements of any applicable federal, state or local law, code or regulation, including those concerning the Americans with Disabilities Act or similar rules governing public accommodations for persons with disabilities. Our review and acceptance of your plans is not designed to assess compliance with federal, state or local laws, codes, and regulations, including the Americans with Disabilities Act, as compliance with such laws is your sole responsibility. All development and any signage must be in accordance with the plans and specifications we have approved and must comply with all applicable laws, ordinances and local laws, codes, and regulations. Within two (2) weeks of opening the Restaurant, you must submit all revised or “as built” plans and specifications.

(c) Construction. You must start construction of your Noodles & Company Restaurant (i) within sixty (60) days after you have leased, subleased or acquired the Premises or (ii) upon receipt of all necessary permits and licenses, provided such permits were promptly requested, whichever is later, unless we mutually agree otherwise. We reserve the right to require that you obtain our acceptance of your choice of general contractor. You must procure all applicable construction insurance in amounts and coverages in accordance with the Noodles & Company Operations Manual. You must obtain lien waivers from your general contractor and all subcontractors who furnish any materials or services in the construction of your Noodles & Company Restaurant. You must complete construction of your Noodles & Company Restaurant within one hundred-twenty (120) days after the start of construction, unless we agree otherwise. You must open your Noodles & Company Restaurant within fourteen (14) days after the date construction is completed and all necessary approvals have been obtained. Time is of the essence in the construction and opening of your Noodles & Company Restaurants and failure to comply with all deadlines relating thereto is a material breach or default of this Agreement. Any extensions of time are subject to our approval, which we may withhold at our discretion.

The requirement to complete construction of your Noodles & Company Restaurant includes obtaining all required construction and occupancy licenses, permits and approvals, all beer and wine licenses, developing the Premises (including all outdoor features, patios, and landscaping of the Premises), installing all required fixtures, furnishings, equipment and signs, and doing all other things as may be required pursuant to this Agreement or by practical necessity to have your Noodles & Company Restaurant ready to open for business. You must notify us fourteen (14) days prior to opening, and we may, at our discretion and expense, conduct a pre-opening inspection of the Premises. Your Noodles & Company Restaurant may not be opened for business until we have notified you that your Noodles & Company Restaurant meets our training requirements for opening and as properly staffed and equipped to provide a positive Noodles & Company guest experience.

Notwithstanding anything to the contrary contained in this Section 3.03, you shall not be deemed to be in breach of this Section 3.03 if your failure to start construction, finish construction or open your Noodles & Company Restaurant as above provided results solely from significant and substantial weather delays, fires or other natural disasters not exceeding twenty (20) days in the aggregate for all such delays; any delay resulting from any of such causes shall extend performance, in whole or in part, only as we mutually agree upon, but in no event for an aggregate of more than twenty (20) days for all such occurrences.

(d) Construction Orientation and Visits During Construction. Noodles & Company will provide a construction orientation for the Area Operator and the selected general contractor for the first Restaurant developed by the Area operator. The orientation shall be conducted in a manner and location deemed appropriate by Noodles & Company, and shall review the construction standards and procedures commonly employed to construct a Noodles & Company Restaurant. The Area Operator may request additional construction orientations at a cost defined in the then current Operations Manual. The Area Operator must provide us with progress reports during construction in a format and timing that is acceptable to us. We have the right to visit and inspect, at our sole discretion, the site during the construction phase without assuming any liability or responsibility to you or to any third parties. Such inspections shall be solely for the purpose of assuring compliance with our standards and shall not be construed as any express or implied representation or warranty that your Noodles & Company Restaurant complies with any applicable laws, codes or regulations (including the Americans with Disabilities Act or any other federal, state, or local law or ordinance regulating standards for the access to, use of, or modifications of buildings for any persons whose disabilities are protected by law) or that the construction thereof is sound or free from defects. Such visits shall be at our expense, except for visits made upon your request, which shall be at your expense. All prototype and modified plans and specifications for your Noodles & Company Restaurant remain our sole and exclusive property, and you may claim no interest therein.

(e) Equipment, Furniture, Fixtures and Signs. You agree to purchase or lease all required equipment, furnishings, fixtures and signs for your Noodles & Company Restaurant from Designated Suppliers and Approved Suppliers as applicable. You agree to purchase or lease only such types, brands and models of fixtures, furniture, equipment, signs and supplies that we approve for Noodles & Company Restaurants as meeting our standards and specifications, including standards and specifications for quality, design, warranties, appearance, function and performance. You may purchase or lease approved types, brands or models of fixtures, furniture, equipment, signs and supplies only from suppliers approved by us. From time to time, we may modify the list of approved types, brands, models and/or suppliers, and you may not, after receipt of notice of such modification, reorder any type, brand or model from any supplier that is no longer approved. If you propose to purchase any fixtures, furniture, equipment, signs or supplies of a type, brand or model, or propose to purchase from a supplier,

that we have not previously approved, you must notify us and submit to us such information as we may request and comply with Section 9.

3.04 Right to Open. You shall be permitted to open the Restaurant when all of the following conditions have been met:

(a) Compliance with Agreements. You are not in default under this Agreement or any agreement with Noodles & Company or any of its Affiliates, you are not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Noodles & Company Restaurant, you are not in default beyond the applicable cure period with any vendor or supplier to the Noodles & Company Restaurant, and, for the last six (6) months, you have not been in default beyond the applicable cure period under any agreement with Noodles & Company or its Affiliates.

(b) No Monetary Defaults. You are current on all monetary obligations due Noodles & Company.

(c) Architect Certification. Your registered architect has certified to Noodles & Company in writing that the Noodles & Company Restaurant was constructed substantially in accordance with the plans consented to by Noodles & Company.

(d) Lease. If the premises are leased, Noodles & Company has received a fully executed copy of the lease (that has been approved by Noodles & Company in writing).

(e) Liquor License. You have applied for and made a good-faith effort to obtain a liquor license authorizing the sale of wine and beer at the Noodles & Company Restaurant, unless otherwise agreed to by us in writing.

(f) Certificates. You have obtained a certificate of occupancy and any other required health, safety or fire department certificates.

(g) Approval of the Restaurant and Staffing. Noodles & Company has determined that the Noodles & Company Restaurant has been constructed, equipped and staffed substantially in accordance with the requirements of this Agreement.

(h) Training. You have complied with the pre-opening training requirements set forth in this Agreement.

(i) Insurance Policies. Noodles & Company has been furnished with copies of all insurance policies required by Section 9.08 of this Agreement or such other evidence of insurance coverage and payment of premiums as Noodles & Company may request.

3.05 Grand Opening Marketing Program. You agree to conduct a grand opening advertising and promotional program for your Noodles & Company Restaurant in accordance with a Grand Opening Marketing Program approved in writing by us for the Restaurant. At least sixty (60) days prior to opening you must submit your grand opening promotional program to us for our prior written approval. As of the date hereof, our Grand Opening Marketing Program requires that you spend a minimum of $15,000 for the first two (2) Restaurants in each discreet market and $12,000 per Restaurant for each grand opening thereafter for a grand opening advertising and promotional program. These funds should be spent on a grand opening marketing plan developed by you and approved by us in writing. Amounts spent on food and beverages to be offered as part of the Grand Opening Marketing

Program shall be determined based on your cost of such food and beverages. You must use the types of marketing and advertising programs specified in Section 10 of the Franchise Agreement and you must conduct your Grand Opening Marketing Program in accordance with the time frame set forth in the program. We will provide to you our guidelines for Grand Opening Marketing Programs for your use in designing your program and we will use such guidelines in evaluating the program you submit for acceptance.

3.06 Opening Assistance. If you (or any of your Affiliates) have not previously owned or managed a Noodles & Company Restaurant, we will provide you with such opening operational assistance as we deem appropriate to assist you in starting your operations, including on-site opening assistance for not more than five (5) days, as scheduled by us, to include up to three (3) persons at your Noodles & Company Restaurant for the first Restaurant you open (or 15 person day equivalents, at our discretion) and up to two (2) persons at your Noodles & Company Restaurant for not more than two (2) days, as scheduled by us, for the second Restaurant you open (or 4 person day equivalents, at our option). Should you request or Noodles & Company deem additional days of training support is necessary, you agree to pay for such training plus all associated costs, including fully-burdened salaries and expenses for days or hours of such training, travel and lodging costs, meals, etc., or the then current amount set forth in the then-current Operations Manual.

3.07 Restrictions on Debt. In connection with the development of the Development Area and operation of the Franchised Noodles & Company Restaurants, including payment to us of the development fee set forth in Exhibit A of the Area Development Agreement, the payment of franchise fees and the costs and expenses to be incurred pursuant to Franchise Agreements, you and each Owner represent, warrant, covenant and agree that neither you nor any Owner borrowed any funds or otherwise incurred any debt to obtain any funds for the payment of any such fees, costs and expenses, except as specifically permitted in this Section 3.07. You and each Owner shall not, without our prior written consent, which shall not be unreasonably witheld, directly or indirectly borrow any money or incur any debt or liability (other than lease obligations for each Restaurant's land and building and trade payables in the ordinary course of business) to develop the Development Area or to establish, operate and maintain Noodles & Company Restaurants, which may be established in the Development Area pursuant to this Agreement, except as provided in this Section 3.07. You may incur debt in connection with the development of Noodles & Company Restaurants hereunder, provided that (a) you will, in connection with the development of each such Restaurant, receive equity contributions from your Owners equal to not less than 25% of the total development cost of the Restaurant (which shall consist for this purpose of the cost of all leasehold improvements, furniture, fixtures and equipment) and (b) from and after the first anniversary of the opening of your first Restaurant hereunder, at no time shall your total indebtedness outstanding at any time during any fiscal year exceed 4.0 times your earnings (determined in accordance with generally accepted accounting principles consistently applied) before interest, taxes, depreciation and amortization (EBITDA) minus any distributions to Owners for such fiscal year. You agree to provide within 90 days after the end of each fiscal year a statement certified by one of your executive officers setting forth the amount of your EBITDA and distributions to Owners (if any) for such year and your indebtedness at year end. Such debt shall have an initial amortization schedule of no more than ten (10) years from inception. You shall not extend, renew, refinance, modify or amend any debt or liability permitted by this Section 3.07 without our prior written consent, which consent shall not be unreasonably withheld.

Furthermore, any debt instrument must provide to us the following protections, and any others that we from time to time require, (i) Franchisor shall be provided notice of any default of any such debt instrument simultaneous with notice being provided to you and Owners; (ii)

Franchisor shall have a right of first refusal to purchase any restaurant to be sold, disposed of, or otherwise transferred by the lender of such debt instrument; (iii) Franchisor shall have the right, but not the obligation, to cure your and Owner's default under such debt instruments; and (iv) Franchisor shall have the right to operate the restaurant(s) that is the subject of the debt instrument upon your or Owner's default of such instrument. In the event you default on your debt and we elect to pursue any of the foregoing protections available to us, your right to cure such default shall expire as of the date we pursue any such protections notwithstanding any longer cure period set forth elsewhere in any agreement between you and us. Additionally you shall be liable for the full amount we pay to cure your default plus interest at eighteen percent (18%) per annum, or the highest rate allowable by law, and all costs we incur, including legal fees and appraisal fees relating to the evaluation of and exercise of any such protections. Breach of this Section 3.07 is a material breach of this Agreement.

4. TRAINING AND GUIDANCE.

4.01 Our Training Programs. If you (or your Operating Partner) or any of your general managers have not completed the appropriate certified training programs as set forth in our then current Operations Manual, then prior to opening your Noodles & Company Restaurant, you and your Operating Partner and all such general managers must attend and successfully complete the appropriate Owner, Operating Partner and general manager certified training programs, as applicable, conducted at such time(s) and place(s) as we designate, including in our Company-owned Restaurants if we so elect. Thereafter, any person who replaces your Operating Partner or any general managers must successfully complete the appropriate certified training program before assuming the particular position. In lieu of attending the current training program, a general manager may be "certified" by Franchise Operations. We may require you and your Operating Partner and Restaurant management personnel to attend and successfully complete periodic or additional training programs. We may require you and your general managers to attend additional training, or other informational programs from time to time as we deem necessary for re-training, new product roll-outs, new equipment usage, fair treatment of employees, etc. We will not charge any fees for attendance at any such training programs for your initial Area Operator training, Operating Partner training and the first two (2) general managers' training for the first two (2) Restaurants you open (for an aggregate total of four (4) general managers being trained). Subsequent or additional training shall be provided upon your request or based on our determination that such training is necessary or desirable, at the cost set forth in our then current Operations Manual. You will be responsible for all compensation and expenses (including travel, meals and lodging and fully-burdened salaries and expenses for days or hours of such training) incurred by you and your Personnel in attending any training programs. You must immediately replace any individual who fails to successfully complete any training program. Our training programs are more fully described in the Noodles & Company Operations Manual. The scheduling, content and duration of our training programs are at our discretion and we reserve the right to modify such training, including the materials, equipment and support used.

Your Personnel must complete our approved training program for the positions in which they will be employed, as set forth in our Operations Manual and as amended or modified from time to time.

4.02 On-Going Guidance. We will furnish you periodic guidance with respect to the System, including improvements and changes to the System. Such guidance, at our discretion, will be furnished in the form of the Operations Manual, bulletins and other written materials, consultations by telephone or in person, or by any other means of communications. At your

request, we may provide special assistance at your place of business for which you will be required to pay the per diem fees and charges we may establish from time to time.

4.03 Your Certified Training Programs. We may, from time to time, require you to implement, at your expense, programs for the training of all or some of your Personnel. Prior to training any of your Personnel, your training programs must be certified by us. We may require you to have a certified training Restaurant approved by us upon the opening of your third Restaurant. You will be required to obtain re-certification of your training programs from time to time, and we may withhold certification if we determine, in our sole discretion, that your training programs do not meet our high standards. You will be charged the fees for such certification in accordance with the fee schedule in our then current Operations Manual.

4.04 Certified Management Representation. You must have at least one member of management in each of your Noodles & Company Restaurants who has successfully completed the Noodles & Company certified management training program or certified by Franchise Operations.

4.05 Control by Noodles & Company. Notwithstanding anything to the contrary herein, both parties recognize and agree that Noodles & Company does not exercise any day to day control of the Premises, security at the Premises, food preparation, the hiring and firing of employees, or other forms of day-to-day control.

5. TRADEMARKS.

5.01 Ownership of the Marks. You acknowledge that Noodles & Company, and/or our Affiliate, as applicable, own the Marks. Your right to use the Marks is derived solely from this Agreement and is limited to conducting business pursuant to and in compliance with this Agreement. Your unauthorized use of any of the Marks constitutes a breach of this Agreement and an infringement of our, and/or our Affiliate's, as applicable, rights to the Marks. This Agreement does not confer on you any goodwill or other interests in the Marks. Your use of the Marks and any goodwill established thereby inures to the exclusive benefit of us and/or our Affiliate, as applicable. All provisions of this Agreement applicable to the Marks apply to any additional or substitute trademarks, service marks and trade dress we authorize you to use. You may not, at any time during or after the Term, contest, or assist any other person or entity in contesting, the validity or ownership of any of the Marks.

5.02 Use of the Marks. You agree to use the Marks as the sole identification of your Noodles & Company Restaurant, provided you identify yourself as the independent owner thereof in the manner we prescribe. You agree to use only the Marks as we prescribe in connection with your Noodles & Company Restaurant and the sale of authorized food products, beverages and services. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate or legal business name or in any other manner (including any Internet related use such as an electronic media identifier, for web sites, web pages or domain names) not expressly authorized by us in writing. You may not have a website that uses any Noodles & Company logos, Marks or the Noodles & Company name without our prior written consent, which we may withhold in our discretion.

5.03 Discontinuance of Use of Marks. If it becomes advisable at any time for us and/or you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks, service marks or trade dress, you agree to comply with our directions within fourteen (14) days after notice. Neither we nor our Affiliate shall have any liability or obligation

whatsoever with respect to any such required modification or discontinuance of any Mark or the promotion of a substitute trademark, service mark or trade dress.

5.04 Notification of Infringements and Claims. You must notify us immediately of any apparent infringement of or challenge to your use of any Mark, or any claim by another person of any rights in any Mark. You may not communicate with any person, other than your legal counsel, us, and our applicable Affiliate and its legal counsel, in connection with any such infringement, challenge or claim. We, and our applicable Affiliate, will have sole discretion to take such action as we deem appropriate and will have the right to control exclusively any litigation or U.S. Patent and Trademark Office proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. You must sign any and all documents, render such assistance and do such things as may be advisable in the opinion of our or our applicable Affiliate's counsel, to protect our interests in any litigation or U.S. Patent and Trademark Office proceeding or other administrative proceeding or otherwise to protect our interests in the Marks.

5.05 Indemnification of Area Operator.

(a) We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark pursuant to and in compliance with this Agreement as to any claim that you have infringed any trademark registered by the United States Patent and Trademark Office and, except as provided herein, for all costs you reasonably incur in defending any such claim brought against you, provided you have timely notified us of such claim and provided further that you and your Owners and Affiliates are in compliance with this Agreement and all other agreements entered into with us or any of our Affiliates. We, and our applicable Affiliate, at our respective sole discretion, are entitled to prosecute, defend and/or settle any proceeding arising out of your use of any Mark pursuant to this Agreement, and, if we, or our applicable Affiliate, undertake to prosecute, defend and/or settle any such matter, we have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you. If we choose not to defend you and it is ultimately determined that you were entitled to a defense under this provision, we agree to pay reasonable legal fees at a maximum per hour rate at which your insurance carrier or our insurance carrier (whichever is less) would pay for a similar claim under your or our applicable policy.

(b) We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any proceeding arising out of any claim made against you as a result of your having properly utilized the then current (i) point of sale marketing materials provided to you by Noodles & Company or those developed by Noodles & Company and (ii) the recipes and required ingredients ("Indemnified Claim"); however, under no circumstances does Indemnified Claim include any claim resulting from, based on, or related to, a food borne illness, foreign or other object in the food that was not prescribed in the recipe or intended to be in the dish; allergic reactions of any kind; verbal information provided to customers; slip and fall and such other personal injuries or accidents. We, and our applicable Affiliate, at our respective sole discretion, are entitled to prosecute, defend and/or settle any proceeding arising out such an Indemnified Claim, and, if we, or our applicable Affiliate, undertake to prosecute, defend and/or settle any such matter, we have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you. If we choose not to defend you and it is ultimately determined that you were entitled to a defense under this provision, we agree to pay reasonable legal fees at a maximum per hour rate at which your insurance carrier or our insurance carrier (whichever is less) would pay for a similar claim under your applicable policy.

(c) Further, we, and our applicable Affiliate, at our respective sole discretion, are entitled, but not obligated, to prosecute, defend and/or settle any proceeding arising out of any claim made against you, that, in our opinion, could have an adverse impact on the brand, system or other Noodles & Company Company-owned or Area Operator owned Restaurants. We, and our applicable Affiliate, have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you or to pay any settlement ourselves; however, we shall be entitled to settle and defend the claim. We will work with your insurance carrier to reach terms and provide a defense that is acceptable to your insurance carrier, if your insurance carrier has a right of acceptance, and we shall endeavor to do so provided doing so does not jeopardize the Company's rights and defenses or the brand, system or other Noodles & Company owned or Area Operator owned Restaurants.

(d) Notwithstanding anything to the contrary in this Agreement, in the event that Noodles & Company's insurance does not cover either the costs of defense or attorney's fees, or any portion of them, or damages, liability or settlement amounts, or any portion of them, associated with any Indemnified Claim or other claim for which Area Operator is otherwise entitled to indemnification, Noodles & Company is not obligated to indemnify Area Operator to the extent that Noodles & Company's insurance does not provide coverage. Furthermore, Noodles & Company's obligation to indemnify, defend or pay for damages of any claim for which Area Operator would otherwise be entitled to indemnification arises only if and to the extent that Area Operator's insurance coverage does not or would not (absent any right to indemnification by Noodles & Company) provide coverage for such claims. In the event that Area Operator has failed to obtain and keep in force all policies that it is obligated to carry under the terms of its agreements with Noodles & Company and one or more of such policies would or could have provided coverage for the claim, then Noodles & Company is not obligated to indemnify, defend or pay damages, settlements, or have any liability for such claim.

6. FEES.

6.01 Franchise Fee. You agree to pay us a nonrefundable franchise fee of $35,000 ("Franchise Fee"). The Franchise Fee is payable upon execution of this Agreement or when Construction is Commenced for the Premises for such Noodles & Company Restaurant, whichever first occurs. The Franchise Fee is non-refundable, in whole or in part, under any circumstances. The Franchise Fee for the first Restaurant developed by you (and the first $10,000 of the Franchise Fee for each other Restaurant) is deemed paid so long as the Development Fee under the Development Agreement has been timely paid in full; accordingly, the balance of the $25,000 for each Restaurant after the first one shall be paid upon execution of the Franchise Agreement, when Construction is Commenced or the date the franchised restaurant is required to be open under The Area Development Agreement, whichever first occurs.

6.02 Royalty Fees. You agree to pay us a continuing royalty fee in the amount of five percent (5.0%) of Net Royalty Sales (the "Royalty Fee") for each Reporting Period. A Reporting Period shall be defined as each one week period commencing on Wednesday and ending on Tuesday, or such other period as we shall determine from time to time. A Sweep Period shall be the period of time for which a Sweep of Area Operator's account has been made by Noodles & Company to obtain the Royalty Fee for Net Royalty Sales that have occurred, but for which a prior Sweep was not made.

6.03 Continuing Royalty Upon Default. Should this Agreement terminate due to a material breach or default by you, or should you fail to continuously operate your Noodles & Company Restaurant without our prior written approval to cease continuous operations, you shall pay to us for each Reporting Period remaining in the entire initial term of the Agreement a continuing royalty in an amount equal to the total Royalty Fees due from you for the preceding fifty-two (52) Reporting Periods divided by fifty-two (52). If your Noodles & Company Restaurant was open fewer than fifty-two (52) Reporting Periods, then the average of all Reporting Periods for which you were open shall be used.

6.04 Designated Account. Prior to the opening of your Noodles & Company Restaurant, and as a condition thereof, you shall establish a designated bank account from which we shall be authorized to withdraw in any manner which we prescribe, which may include account transfer or wire transfer, any amounts due to us or our Affiliate from you under this Agreement, including Royalty Fees and Marketing Funds, as hereinafter defined (such withdrawals shall be defined as a Sweep). We shall have the authority to Sweep the account at anytime; however, we agree not to Sweep the account more frequently than once each week so long as Area Operator is not in default of this Agreement or any other Agreement between Area Operator and Noodles & Company. We have the right to review your sales numbers on a daily basis. As early as the first business day, or any day we choose thereafter, following a Reporting Period, we shall calculate the Royalty Fee due for that Reporting Period and Sweep such amount and any other amounts due under this Agreement, including any advertising and marketing fees set forth under Section 10, directly from the designated account. All costs and expenses of establishing and maintaining such designated account, including transaction fees and wire transfer fees, shall be paid by you. You agree to maintain at all times sufficient funds in such designated bank accounts for such Sweeps and your failure to do so is a material breach of this Agreement. You agree to execute all forms necessary to permit Noodles & Company to accomplish all Sweeps in a timely and efficient manner. You agree not to terminate our right to withdraw funds from the designated account during The Term of this Agreement without our prior written consent.

6.05 Interest On Late Payments. All payments of the Royalty Fees, Marketing Funds and other payments due us from you shall be due and payable on the first day following the close of the Reporting Period ("Due Date"). Any payment or report not actually received by us on or before Due Date shall be deemed overdue. If any payment is overdue, you shall pay to us, in addition to the overdue amount, interest on such amount from the date it was due until paid, at a rate which is the lesser of one-and-one-half percent (1 ½ %) per month or the maximum rate permitted by law. Entitlement to such interest shall be in addition to any other remedies we may have. Your failure to have sufficient funds available in the designated account in an amount equal to any amount then due or your failure to pay all amounts when due, constitutes grounds for termination of this Agreement, as provided in Section 15, and shall be a default of all other agreements by and between you and us and shall constitute grounds for termination of said agreements.

6.06 Application of Payments. We may apply any payments by you to any of your past due indebtedness for Royalty Fees, Marketing Fund contributions or any other indebtedness to us or any of our Affiliates, notwithstanding any designation by you. We may also apply said payments first to interest payments due. We may also collect any and all fees, payments or other amounts due from you by electronic withdrawal.

6.07 Letter of Credit. Noodles & Company may require Area Operator to provide a letter of credit from a national bank and on terms set forth in the Operations Manual equal to one hundred and fifty percent (150%) of all fees (including Royalty Fees, Marketing Funds, interest and other payments to us) anticipated to be due annually under all agreements between the parties in the event of any failure of Area Operator to timely pay all fees due. Area Operator shall supply said letter of credit within fifteen (15) days of our request. Failure to timely provide the letter of credit shall be a material breach and default of this Agreement.

7. RESTRICTIVE COVENANTS.

7.01 Confidential Information. We will disclose parts of our Confidential Information to you solely for your use in the operation of your Noodles & Company Restaurant. The Confidential Information is proprietary and includes our trade secrets. During the Term and indefinitely thereafter: (a) you and your Owners may not use the Confidential Information in any other business or capacity (you and your Owners acknowledge such use is an unfair method of competition); (b) you and your Owners must exert your best efforts to maintain the confidentiality of the Confidential Information; (c) you and your Owners may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; (d) you and your Owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors and general managers, and you and your Owners must deliver such agreements to us; and (e) you and your Owners must not disclose or distribute the Confidential Information except as permitted by us in writing prior to such disclosure. You may only disclose such confidential information as we agree in writing it may be disclosed. At the end of the Term, you and your Owners must deliver to us all such Confidential Information in your possession. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the Restaurant industry (other than through your own disclosure or the wrongful disclosure by someone else), provided you obtain our prior written consent to such disclosure or use. Prior to any training at Noodles & Company Central Support Office or at any Noodles & Company Restaurant, all your trainees must first execute the Confidentiality Agreement.

7.02 In-Term Covenants. During the Term, you shall not, without Noodles & Company's prior written consent, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was within a period of six (6) months prior to such recruiting or hiring an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours, without obtaining the employer's consent, which consent may be withheld for any reason. We may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) the United States.

7.03 Post-Term Covenants. For a continuous uninterrupted period commencing upon the expiration or termination of this Agreement and for two (2) years thereafter, you shall not, without Noodles & Company's prior written consent, either directory or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was within a period of six (6) months prior to such recruiting or hiring an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours. In addition to any other rights and remedies available to us under this Agreement, we may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) any Designated Market Area (as defined by Nielsen Media Research) where a Noodles & Company Restaurant is located.

7.04 Independent Covenant. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction, the parties desire the court to reform the covenant to render the covenant enforceable, but only to the extent required to render the covenant enforceable, so that Noodles & Company may obtain the greatest possible level of protection from the misuse of Confidential Information, the diversion of customers, the solicitation of its employees and unfair competition; and in such event, you 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 state in and made a part of this Agreement.

7.05 Reduction in Scope. You understand and acknowledge that Noodles & Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without your consent, effective immediately upon written notice to you. You shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions hereof.

7.06 Offset/Counterclaim. You expressly agree that the existence of any claims you may have against Noodles & Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Noodles & Company of the covenants in this Section 7.

7.07 Injunctive Relief. You acknowledge and agree: (a) that any failure to comply with the covenants in this Agreement shall constitute a default hereunder; (b) that a violation of the requirements of this Agreement would result in irreparable injury to Noodles & Company for which no adequate remedy at law may be available; and (c) therefore, Noodles & Company shall be entitled, in addition to any other remedies which it may have hereunder, at law, or in equity, to obtain specific performance of or an injunction against the violation of the requirement of this Agreement, without the necessity of showing actual or threatened damage and without being required to furnish a bond or other security.

7.08 Information Exchange. All recipes, processes, ideas, concepts, supplier relationships, methods and techniques used or useful to a restaurant, or other business offering restaurant products, whether or not constituting protectable intellectual property, that you create, or that are created on your behalf, in connection with the development or operation of your Noodles & Company Restaurants must be promptly disclosed to us. If we adopt any of them as part of the System, they will be deemed to be our sole and exclusive property and deemed to be works made-for-hire for us. You hereby assign and further agree to sign whatever further assignment or other documents we request to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials.

7.09 Confidentiality and Non-Compete Agreements. You agree to cause each of your Owners and Operating Partners to enter into and comply with the confidentiality and non-compete agreement referred to in Section 8.02 hereof.

8. YOUR ORGANIZATION AND MANAGEMENT.

8.01 Organization Documents. You must be a legal entity such as a business corporation, partnership, limited liability company or other legal entity formed for and used for the purpose of developing and holding franchises to operate Noodles & Company Restaurants. You and each of your Principal Owners represent, warrant and agree that: (a) you are duly organized and validly existing under the laws of the state of your organization and you are duly qualified to transact business in the state in which your Noodles & Company Restaurant is located; (b) you have the authority to execute and deliver this Agreement and to perform your obligations hereunder; (c) true and complete copies of the articles or certificate of incorporation, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to your ownership, organization, capitalization, management and control have been delivered to us and all amendments thereto shall be promptly delivered to us; (d) your and your entity's activities are restricted to those necessary solely for the development, ownership and operation of your Noodles & Company Restaurant in accordance with this Agreement and in accordance with any other agreements

entered into with us or our Affiliate, as applicable; (e) the articles or certificate of incorporation, partnership agreement or other organizational documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of this Agreement; (f) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued must bear a legend in conformity with applicable law reciting or referring to such restrictions; and (g) you will deliver to us a Secretary/Clerk's Certificate or other evidence satisfactory to us, that the execution, delivery and performance of this Agreement and all other agreements and ancillary documents contemplated hereby or thereby have been duly authorized by all necessary action by your corporation, partnership, limited liability company or other legal entity, as applicable. You may not change the form of your entity unless we mutually agree in writing that such a change is warranted. Neither you, your partners, shareholders, members of an LLC nor the entity formed to operate your Noodles & Company Restaurants may be, or become, during the term of this Agreement and any other agreements between us, including the Franchise Agreement, a Publicly Held Entity.

8.02 Disclosure of Ownership Interests. You and each of your Principal Owners represents, warrants and agrees that Exhibit A is current, complete and accurate and shall not be changed without our prior written consent. You agree that updated Exhibit A will be furnished promptly to us, so that Exhibit A (as so revised and signed by you) is at all times current, complete and accurate and shall not be changed without our prior written consent. Failure to promptly provide such revised Exhibit A, and to obtain our prior written consent prior to such changes, is a material breach of this Agreement. Each person who is or becomes a Principal Owner must execute an agreement in the form we prescribe, undertaking to be bound jointly and severally by the terms of this Agreement, the current form of which is attached hereto as Exhibit B. Each person who is or becomes an Owner or an Operating Partner must execute an agreement in the form we prescribe, undertaking to be bound by the confidentiality and non-competition covenants contained in the Agreement, the current form of which is attached hereto as Exhibit D. Each Owner must be an individual acting in his individual capacity, unless we waive this requirement. The initial owners who execute this agreement as of its effective date shall at all times continue to own and have voting authority of at least 51% of the ownership and voting rights under this agreement.

8.03 Operating Partner/Management of Business. You must designate in Exhibit A as the "Operating Partner" an individual approved by us who must: (a) have completed our Operating Partner training program to our satisfaction; (b) be the senior management individual who is involved in day-to-day operations of your Noodles & Company Restaurant; (c) be the person with whom we communicate as to development, operations and Area Operator matters; (d) have the authority to bind you regarding all operational decisions regarding your Noodles & Company Restaurant; and (e) have primary residency in the Development Area continuously during the term of this Agreement (and if no Area Development Agreement is in effect between Noodles & Company and Area Operator or its affiliate, such Development Area shall be the development area under the last such Area Development Agreement that was in effect).

Your Operating Partner: (a) shall exert full-time and best efforts to the development and operation of your Noodles & Company Restaurant and all other Noodles & Company Restaurants you own; and (b) may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with your obligations hereunder. You agree to provide us with an executed copy of any arrangement, agreement or contract, and all amendments thereto, with your Operating Partner. We shall have no responsibility, liability or obligation to any party to any such arrangement, agreement or contract, or any amendments thereto, on account of our approval thereof or otherwise, and you agree to indemnify and hold us harmless with respect

thereto. Your Noodles & Company Restaurant at all times must be managed by your Operating Partner or by an on-site general or assistant manager or a shift supervisor who has completed the appropriate training programs.

8.04 General Manager. The high-quality food and operation of the Noodles & Company Restaurant is the core element of our concept success. An essential element of operation is the selection, training and overall performance of our in-restaurant general managers. All general managers must complete, to our satisfaction, Noodles & Company's then-current Certified Training Program. Optimum restaurant performance requires specialized leadership in the form of a duly trained general manager. The general manager must dedicate 100% of his working time to the management of your Noodles & Company Restaurant. To ensure the integrity of our Restaurants, the general manager position must be a full-time position and may not be combined with an area or district manager or any other position. We may change the organizational structure of the Restaurant system from time to time, in which case you will be required to adopt the then current structure.

8.05 Restaurant Organization. Your Noodles & Company Restaurant must be staffed by at least one general manager who has completed the then current management training program approved by us and appropriate numbers of assistant managers, shift supervisors, and other employees so that all shifts are staffed by at least one assistant manager or shift supervisor. You may not operate your Noodles & Company Restaurant without covering every shift with a suitably trained member of management or shift supervisor. To promote positive attitudes, good morale and high levels of productivity, we recognize the importance of personal balance for those operating the Restaurant. To that end, the Area Operator is, to the best of his ability, required to ensure that the general manager, members of the management team and staff members, work reasonable hours averaging 45-50 hours per week with fairly consistent schedules and have two (2) full days off each week.

You (or your Operating Partner) at all times must remain active in overseeing the operations of your Noodles & Company Restaurant. If the relationship with your Operating Partner terminates, you must promptly hire a successor Operating Partner. Any successor Operating Partner must meet our approval and must successfully complete our training program at your sole cost and expense. You are solely responsible for all employment decisions with respect to your Personnel, including hiring, firing, compensation, training, supervision and discipline, regardless of whether you receive advice from us on any of these subjects.

9. NOODLES & COMPANY RESTAURANT OPERATING STANDARDS.

9.01 Condition of Your Noodles & Company Restaurant. You must maintain your Noodles & Company Restaurant's condition and appearance so that it is attractive, clean and efficiently operated in accordance with the Operations Manual. You agree to maintain your Noodles & Company Restaurant's condition and appearance and to make such modifications and additions to its layout, decor, operations and general theme as we require from time to time, including replacement of worn-out or obsolete fixtures, equipment, furniture, signs and utensils, repair of the interior and exterior and appurtenant parking areas and periodic cleaning and redecorating. If, at any time, the general state of repair, appearance or cleanliness of your Noodles & Company Restaurant, or its fixtures, equipment, furniture, signs or utensils, does not meet our standards, we may notify you and specify the action you must take to correct such deficiency. If, within fourteen (14) days after receiving such notice, you fail or refuse to initiate in good faith and with due diligence a *bona fide* program to complete such required maintenance, we have the right (in addition to our rights under Section 15), but not the obligation, to enter the Premises and do such maintenance on your behalf and at your expense.

You must promptly reimburse us for such expenses and the cost of coordinating such repairs. Failure to maintain your Noodles & Company Restaurant's condition and appearance as required by this Agreement and the Operations Manual is a material breach and a default of this Agreement.

If you are not permitted to make certain repairs because such repairs are reserved to the Landlord as common area maintenance, you shall use diligent efforts to cause the Landlord to make such repairs timely and in a workmanlike manner.

You must periodically re-equip, upgrade and/or remodel your Noodles & Company Restaurant pursuant to our plans and specifications and implementation schedule; provided, however, that, with the exception of signage, we will not require substantial remodeling more often than once every five (5) years during the Term and at any time that you renew or transfer the franchise. We will not require you to substantially remodel your Restaurant until after we have substantially remodeled at least twenty-five percent (25%) of any Company-owned Restaurants, except at such time as you renew or transfer the franchise.

If your Noodles & Company Restaurant is damaged or destroyed by fire or other casualty, you must initiate within thirty (30) days (and diligently continue until completion, which shall be accomplished in no more than one hundred-twenty (120) days) all repairs or reconstruction to restore your Noodles & Company Restaurant to its original condition (and all remodeling performed or required to be performed to date), unless your landlord fails to rebuild the premises. If, in our reasonable judgment, the damage or destruction is of such a nature that it is feasible, without incurring substantial additional costs, to repair or reconstruct your Noodles & Company Restaurant in accordance with the then-standard Noodles & Company Restaurant layout and decor specifications, we may require you to repair or reconstruct your Noodles & Company Restaurant in accordance with those specifications.

You may not make any alterations to your Noodles & Company Restaurant that would be different than the original accepted plans, nor replace any fixtures, furnishings, equipment or signs (fixtures, furnishings and equipments are referred to as "FFEs"), with FFEs that are not in accordance with our FFEs standards and specifications (as specified in the Design Book) or that are not consistent with or that have caused variation in the accepted plans or the approved FFEs, without our prior written approval. We have the right, at your expense, to rectify any replacements, relocations or alterations not previously approved by us in writing.

9.02 Consistent Brand Image. You agree that your Noodles & Company Restaurant will offer for sale food, beverages and other products, services and merchandise related to the Noodles & Company Restaurant concept that we determine from time to time to be appropriate for your Noodles & Company Restaurant, including serving beer and wine at each of your locations. You further agree that your Noodles & Company Restaurant will not, without our approval, offer any products or services (including promotional items) not then authorized by us. Your Noodles & Company Restaurant may not be used for any purpose other than the operation of a Noodles & Company Restaurant in compliance with this Agreement. You agree not to permit the use of or location within your Noodles & Company Restaurant any vending machines, racks, electronic, non-electronic or gambling type games, or other items not specifically approved by us in writing prior to such use or location in the Restaurant. You agree that your Noodles & Company Restaurant will offer courteous and efficient service and a pleasant ambiance, consistent with your acknowledgements in Section 1.02 and consistent with the service and ambiance offered at Company-owned Noodles & Company Restaurants, including music requirements and other ambiance-related items.

You further agree to provide to us accurate information as to your volume usage as to any and all ingredients and products used and/or anticipated to be used in your Noodles & Company Restaurants and you authorize us to use and report such information as we deem appropriate in contract negotiations and maintenance and other purposes as we deem appropriate. You further agree that we have the right to enter into vendor contracts and relationships that benefit you and that bind you, all as we deem appropriate.

9.03 Proprietary Products. Noodles & Company may, from time to time throughout the Term hereof in its discretion, require that you purchase, use, offer and/or promote, and maintain in stock at the Premises in such quantities as are needed to meet reasonably anticipated consumer demand, certain proprietary sauces, products, and other ingredients and raw materials, which are manufactured in accordance with our proprietary recipes, specifications and/or formulas and/or uniquely specified or sourced ("Proprietary Products"). You shall purchase Proprietary Products only from Designated Suppliers. We shall not be obligated to reveal such recipes, specifications and/or formulas of such Proprietary Products, or the terms and conditions of any supplier or other contracts, to you, non-designated suppliers, or any other third parties.

9.04 Non-Proprietary Ingredients & Products. We may designate other food products, condiments, beverages, fixtures, smallwares, furnishings, equipment, uniforms, supplies, services, menus, packaging, forms, paper products, software, modems and peripheral equipment and other products and equipment other than Proprietary Products that you must use and/or offer and sell at the Restaurant ("Non-Proprietary Products"). You may use, offer or sell only such Non-Proprietary Products that we have expressly authorized, and such products must be purchased or obtained from a producer, manufacturer, supplier or service provider that we have approved ("Approved Supplier") or an Alternative Approved Supplier that we have designated or approved pursuant to Section 9.04 (b) below.

(a) Each such Approved Supplier designated or approved by us must comply with our usual and customary requirements regarding insurance, indemnification, and non-disclosure, and shall have demonstrated to our reasonable satisfaction: (i) its ability to supply a Non-Proprietary Product meeting our specifications, which may include, without limitation, specifications as to brand name, contents, manner of preparation, ingredients, quality, freshness and compliance with governmental standards and regulations; and (ii) its reliability with respect to delivery and the consistent quality of its products and services.

(b) If you desire to procure authorized Non-Proprietary Products from a supplier other than one previously approved or designated by us, you shall deliver written notice to us of your desire to seek approval of such supplier, which notice shall: (i) identify the name and address of such supplier; (ii) contain such information as may be requested by us or required to be provided pursuant to the Operations Manual (which may include reasonable financial, operational and economic information regarding its business), and (iii) identify the authorized Non-Proprietary Products desired to be purchased from such supplier. We shall, upon your request, furnish specifications for such Non-Proprietary Products if such are not contained in the Operations Manual. We shall not be obligated to disclose the terms and conditions, including the pricing, to anyone as to Proprietary or Non-Proprietary Products. We may thereupon request that the proposed supplier furnish us at no cost to us product samples, specifications and such other information as we may require. We, or our representatives, including qualified third parties, shall also be permitted to inspect the proposed supplier's facilities and establish economic terms, delivery, service and other requirements consistent with other distribution relationships for Noodles & Company Restaurants.

(c) We will use our good faith efforts to notify you of our decision within one hundred-twenty (120) days after our receipt of product samples from the proposed alternative supplier and all other requested information and will strive to complete our review within sixty (60) days. Nothing in this article shall require us to approve any supplier and, without limiting our right to approve or disapprove a supplier in our sole discretion, you acknowledge that it is generally disadvantageous to the system from a cost and service basis to have more than one supplier in any given market area and that among the other factors we may consider in deciding whether to approve a proposed supplier, it may consider the effect that such approval may have on the ability of us and other Area Operators to obtain the lowest distribution costs and on the quality and uniformity of products offered system-wide. We may also determine that certain Non-Proprietary Products (e.g. beverages) shall be limited to a designated brand or brands set by us. We may revoke our approval upon the supplier's failure to continue to meet any of our criteria. If we approve the supplier, such supplier shall be designated an "Alternative Approved Supplier" for purposes of this Agreement.

(d) As a further condition of its approval, we may require a supplier to agree in writing: (i) to provide, from time to time upon our request, free samples of any Non-Proprietary Product it intends to supply to you; (ii) to faithfully comply with our specifications for applicable Non-Proprietary Products sold by it; (iii) to sell any Non-Proprietary Product bearing our Marks only to our franchisees and only pursuant to a trademark license agreement in form prescribed by us; (iv) to provide to us duplicate purchase invoices for our records and inspection purposes; (v) to make the products available to all of our company and franchised Restaurants; and (vi) to otherwise comply with our reasonable requests.

(e) You or the proposed distributor or supplier shall pay to us in advance all of our reasonably anticipated costs in reviewing the application of the Alternate Approved Supplier and all current and future reasonable costs and expenses, including travel and lodging costs, related to inspecting, re-inspecting and auditing the Alternate Approved Suppliers' facilities, equipment and food products, and all product testing costs paid by us to third parties.

9.05 Test Marketing. We may, from time to time, authorize you to test market products and/or services in connection with the operation of the Restaurant. You shall cooperate with us in connection with the conduct of such test marketing programs and shall comply with our procedures established from time to time in connection herewith as set forth in the then-current Operations Manual.

9.06 Specifications and Standards. You acknowledge that each and every aspect of the interior and exterior appearance, layout, decor, services and operation of your Noodles & Company Restaurant is important to us and is subject to our specifications and standards. You agree to comply with all mandatory specifications, standards and operating procedures, as modified from time to time (whether contained in the Operations Manual, the Design Book, the Weekly Roundup or any other written communication), relating to the appearance, function, cleanliness or operation of a Noodles & Company Restaurant, including: (a) type, quality, taste, weight, dimensions, ingredients, uniformity, and manner of preparation, packaging and sale of food products and beverages; (b) sale procedures and customer service; (c) advertising and promotional programs; (d) qualifications, appearance and dress of employees; (e) safety, maintenance, appearance, cleanliness, sanitation, standards of service and operation of your Noodles & Company Restaurant; (f) days and hours of operation; (g) bookkeeping, accounting and record keeping systems and forms; (h) type, quality, and appearance of paper products, small wares, and equipment; (i) training systems for both management and hourly staff members; and (j) information technology software and hardware. You are prohibited from selling any products that are not on the approved Noodles & Company menu and you are

required to serve the entire approved Noodles & Company menu unless we approve in writing of an alternative menu for the Premises. Failure to comply with this Section 9.06 is a material breach and default of this Agreement.

9.07 Compliance With Laws. You must maintain in force in your name all required licenses, permits and certificates relating to the operation of your Noodles & Company Restaurant. You must operate your Noodles & Company Restaurant in full compliance with all applicable laws, ordinances and regulations, including regulations relating to the sale of beer and wine. You must notify us in writing immediately upon: (a) the commencement of any legal or administrative action, or the issuance of an order of any court, agency or other governmental instrumentality, which may adversely affect the development, occupancy or operation of your Noodles & Company Restaurant or your financial condition; or (b) the delivery of any notice of violation or alleged violation of any law, ordinance or regulation, including those relating to health, or sanitation, or liquor license violations at your Noodles & Company Restaurant.

All of your advertising and promotion must be completely factual and must conform to the highest standards of ethical advertising and is subject to our prior written approval. In all dealings with us, as well as your customers, suppliers, lessors and the public, you must adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business, to the business of other Noodles & Company Restaurants or to the goodwill associated with the Marks.

9.08 Insurance. You must maintain in force such insurance policies as we require from time to time as set forth in the Operations Manual and you shall name Noodles & Company and its Affiliate, if any, as an additional insured on all policies and provide insurance certificates to us within ten (10) days of executing the Franchise Agreement and annually at least ten (10) days to expiration of each policy. Such policies shall (a) name us and our Affiliates as additional insureds and loss payees; (b) provide for thirty (30) days' prior written notice to us of any material modification, cancellation, non-renewal or expiration of such policy; and (c) include such other provisions as we may require from time to time.

Prior to opening each Noodles & Company Restaurant, and annually thereafter, you must furnish us with such evidence of insurance coverage and payment of premiums as we require. If you fail or refuse to maintain any required insurance coverage, or to furnish satisfactory evidence thereof, we, at our option and in addition to our other rights and remedies hereunder, may obtain such insurance coverage on your behalf. If we do so, you must fully cooperate with us in our effort to obtain such insurance policies and pay us any costs and premiums we incur.

Your obligation to maintain insurance coverage is not diminished in any manner by reason of any separate insurance we may choose to maintain, nor does it relieve you of your obligations under Section 18.02.

9.09 Quality Control. We may, in our sole discretion, establish "quality control" programs, such as a "mystery diner" program, other consumer experience evaluation programs, "customer intercept" programs and employee experience surveys, intercepts, and evaluations, to ensure the highest quality of service and food products in all Noodles & Company Restaurants. You shall participate in any such quality control programs, including those we add or modify from time to time, and bear your proportionate share (or if we provide the program and pay the costs thereof of your pro-rata share), as determined by us in our sole discretion, of the costs of any such program. We shall have access to any data resulting from such programs implemented at your Noodles & Company Restaurants.

To further ensure quality and safety standards, you shall also participate in our then-current food safety audit program and have food safety audits conducted at your Noodles & Company Restaurants at least once every six (6) months at your sole cost. In the event the results of any such audit are not satisfactory to Noodles & Company, as determined it our sole discretion, you may be required, at your own cost, to have your Restaurant re-audited upon notice by us. You shall, at our request, participate in an alcoholic beverage server training program approved by Noodles & Company in its sole discretion. Failure to meet these obligations in a timely manner is a material breach of this Agreement and a material default hereunder.

9.10 Crisis Management. To further ensure quality, food safety, overall customer experience, and brand integrity, you must advise us immediately of any crisis so that we may assist you in handling the after effects of such matter, or if we mutually agree or we deem it necessary, we may take the lead in managing the after effects of such matter. The following circumstances should be reported immediately: (i) alleged food borne illness of one (1) or more persons in any one day in the same Restaurant; (ii) fire or other building casualty for which customers are evacuated; (iii) robbery; (iv) any violence at the Restaurant; (v) any other circumstances that have the potential to result in any significant adverse publicity or impact on the Restaurants or brand.

9.11 Rebates. We have the right to receive rebates, allowances or similar payments from suppliers as a result of your purchases. Rebates attributable by us or the applicable vendor/supplier to Marketing shall be paid into the Brand Development Fund at our election. We will provide rebates attributable by us or the applicable vendor/supplier as a cost of goods rebates to you, prorata, based on your usage or using such other method of allocating the rebates as we deem appropriate. If we rely upon manufacturer volume or usage reports, those reports may be considered conclusive by us.

10. MARKETING, PUBLIC RELATIONS AND ADVERTISING. This Section 10 describes the initial marketing, public relations and advertising programs; however, we reserve the right to modify this program and the manner in which the marketing and advertising funds are used for such purposes from time to time, in whole or in part, as we deem necessary. All marketing, public relations and advertising funds discussed below are collectively referred to as Marketing Funds.

10.01 Brand Development Fund ("BDF"). We may, in our sole discretion, establish and administer a Brand Development Fund ("BDF") for the creation and development of creative materials and programs to increase brand awareness, marketing, advertising and related programs and materials, including electronic, print, radio, television and outdoor media as well as the planning and purchasing of national and/or regional media, including electronic, print, radio, television and outdoor advertising or other media vehicles ("Marketing"). At our discretion, the BDF may also pay for consumer research and the production and deployment of marketing materials. We reserve the right to have our Affiliate or a related entity manage this fund. If not covered by BDF, each Restaurant, whether Area Operator owned or Company owned, shall be responsible for its pro rata share (or, if applicable, on a use basis), on a per Restaurant basis, of the actual production costs and fees (such as print ad fees) of the Marketing materials, which can be paid by dollars contributed to FMF. We reserve the right to charge a percent of Net Royalty Sales BDF Fee upon notice to you. You must contribute to the BDF amounts that we establish from time to time, payable on the first business day following the immediately preceding Reporting Period, together with the Royalty Fees due hereunder. At our discretion, we may Sweep the designated account referred to in Section 6.04 hereof to

obtain the BDF contributions. Noodles & Company Restaurants owned by us and our Affiliates shall contribute to the BDF on the same basis as the then-current rate for franchisees.

As discussed in Section 9.11 of this Agreement, at our election, supplier rebates attributable to Marketing shall be paid into the BDF and used by us, in our sole discretion, for any purpose permitted by the BDF. Currently, we are not collecting the rebates; however, we reserve the right to do so at any time.

The BDF will be accounted for separately from our other funds. All disbursements from the BDF shall be made first from income and then from contributions. While our intent is to balance the BDF on an annual basis, from time to time the BDF may run at either a surplus or deficit. We may spend in any fiscal year an amount greater or less than the aggregate contributions of all Noodles & Company owned and franchised Restaurants to the BDF in that year, and the BDF may borrow from us or other lenders to cover deficits in the BDF and we may cause the BDF to invest any surplus for future use by the BDF. We will prepare annually an unaudited statement of monies collected and costs incurred by the BDF and furnish a copy to you upon your written request. Except as otherwise expressly provided in this Section 10.01, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the BDF. We do not act as trustee or in any other fiduciary capacity with respect to the BDF.

Although the BDF is intended to maximize general recognition and patronage of the brand and the Marks for the benefit of all Noodles & Company Restaurants, we cannot assure you that any particular Noodles & Company Restaurant will benefit directly or pro-rata from the placement of advertising. Additionally, we reserve the right to define, at any time, the measurement terms for any media coverage. The BDF may be used to pay for the cost of preparing and producing creative materials and programs we select, including video, audio, electronic and printed advertising materials, media planning and buying services, and for the cost of employing advertising agencies and supporting market research activities. We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges.

We may, as we deem appropriate, seek the advice of owners of Noodles & Company Restaurants by formal or informal means with respect to the creative concepts and media used for programs financed by the BDF.

10.02 Field Marketing Funds ("FMF"). You agree to spend for local advertising and promotion of your Noodles & Company Restaurant such amounts as we establish from time to time, currently not less than one and-a-quarter percent (1.25%) of Net Royalty Sales during any Reporting Period (these amounts must be spent within the twelve (12) month calendar year in the year in which the Reporting Period occurs). These amounts spent on mutually agreed upon local advertising and promotion will be designated as Field Marketing Funds ("FMF"). You shall furnish us with annual marketing, advertising and public relations plans sixty (60) days prior to your first grand opening and by December 1st of the previous year for each year thereafter. You shall pay directly the vendors or partners in the marketing program as the program is implemented and may be required periodically to provide documentation regarding all such payments to Noodles & Company. If you do not spend the required FMF, we may collect the funds from you and spend them on your behalf for Field Marketing. We shall provide you with not less than thirty (30) days prior notice of any change in the FMF amount you must spend. For these purposes, advertising expenditures include: (a) amounts contributed to advertising cooperatives; (b) amounts spent by you for advertising media, such as electronic, print, radio, television and outdoor, banners, posters, direct mail, grassroots premiums, event invites, and, if

not provided by us at our cost, the cost of producing approved materials necessary to participate in these media; and (c) coupons and special (or promotional) offers pre-approved by us. Advertising expenditures do not include amounts spent for items, in our reasonable judgment, deemed inappropriate for meeting the minimum advertising requirement, including permanent on-premises signage, menu boards, menus, occasion signage, advertising, lighting, personnel salaries or administrative costs, transportation vehicles (even though such vehicles may display the Marks), and employee incentive programs.

10.03 Grand Opening Marketing Program. You must develop and implement a grand opening marketing plan as described in Section 3.05 of this Agreement.

10.04 Marketing Administration Fee. ("MAF"). In addition to the advertising and promotional expenditures and/or contributions required by Sections 10.01 and 10.02 hereof, you shall contribute a Marketing Administration Fee ("MAF"), currently one-half of one percent (0.5%) of Net Royalty Sales, payable on the first (1st) business day following the immediately preceding Reporting Period, together with the Royalty Fees due hereunder. At our discretion, we may Sweep the designated account referred to in Section 6.04 hereof to obtain the MAF contributions. The MAF shall be our exclusive property and shall be used by us to cover costs of, among other things, employing advertising/public relations agencies, supporting and conducting market research activities, concept development (food and customer experience, project development and testing), design development (design, Restaurant prototype and testing), and maintenance, administration and direction of the foregoing activities. We do not separately account for the MAF or the expenditures there from.

10.05 Marketing Cooperatives. We have the right, at our sole discretion, to establish or approve local and/or regional marketing cooperatives and/or national cooperatives for Noodles & Company Restaurants in your local or regional or national areas, covering such geographical areas as we may designate from time to time ("Cooperative"). You must participate in any such cooperative and its programs and abide by its by-laws. If your Noodles & Company Restaurant is within the territory of an existing Cooperative at the time your Noodles & Company Restaurant opens for business, you agree to immediately become a member of the Cooperative. If a Cooperative applicable to your Noodles & Company Restaurant is established during the term of this Agreement, you agree to become a member no later than thirty (30) days after the date approved by us for the Cooperative to commence operation. The following provisions shall apply to each Cooperative:

(a) each Cooperative shall utilize a voting system of one (1) vote per one (1) eligible Noodles & Company Restaurant (an eligible Restaurant shall be one that is open and operating at the time of the vote);

(b) each Cooperative shall be organized and governed in a form and manner, and shall commence operations on a date, approved in advance by us in writing; no changes in the by-laws or other governing documents of a Cooperative shall be made without our prior written consent;

(c) each Cooperative shall be organized for the exclusive purpose of administering marketing programs and developing, subject to our approval, promotional materials for use by the members in the Cooperative;

(d) no marketing or promotional plans or materials may be used by a Cooperative or furnished to its members without prior approval by us pursuant to Section 10.05(f) below;

(e) you and each other member of the Cooperative shall contribute to the Cooperative, using a collection structure selected and established by us, the amount determined in accordance with the Cooperative's by-laws. Any Noodles & Company Company-owned Restaurant located in such designated local or regional (or national if applicable) area(s) will contribute to the Cooperative on the same basis. Contributions to such local and/or regional or national marketing cooperatives are applied towards the marketing expenditures required by Section 10.02; however, if we provide you and your Cooperative thirty (30) days' notice of a special promotion, including any regional promotions, you must participate in such promotion and pay to us any special promotion marketing fees assessed in connection therewith, beginning on the effective date of such notice and continuing until such special promotion is concluded. Any such special promotion marketing fees shall be in addition to, and not applied towards, the aggregate maximum marketing expenditure required by Section 10.01 and 10.02;

(f) all marketing and promotion by you and the Cooperatives shall be approved by us in writing prior to implementation, shall be conducted in a manner that supports the brand, and shall conform to such standards and requirements as we may specify. You or the Cooperative shall submit written samples of all proposed marketing and promotional plans and materials to us for our approval (except with respect to prices to be charged) at least thirty (30) days before their intended use, unless such plans and materials were prepared by us or have been approved by us within the previous six (6) months. Proposed marketing plans or materials shall be deemed to have been approved if they have not been disapproved by us within fifteen (15) days after their receipt by us;

(g) at our request, you shall furnish us with copies of such information and documentation evidencing your Cooperative contributions as we may require in order to evidence your compliance with Section 10.02 and 10.05;

(h) the Cooperative may elect to spend marketing dollars in excess of the amount Noodles & Company establishes. Such incremental excess shall not diminish the aggregate maximum we may charge for marketing;

(i) Noodles & Company may, at its election, provide accounting services for any such cooperatives at market rates or it may select a third-party accounting firm to supply this service. The cooperative shall pay the costs of such accounting upon invoice for the same.

10.06 Price Point Promotions, Product Launches, Special Promotions and Multi-Area Marketing Programs.

(a) In addition to the marketing funds and other marketing requirements, Area Operator shall participate in price point promotions, special promotions, Multi-Area Marketing Programs and product launches we establish from time to time at Area Operator's expense, provided such promotions do not violate applicable law. Area Operator is required to obtain our prior written approval prior to implementing such a program we have not mandated or provided.

(b) You shall fully participate in all programs, public relations campaigns, prize contests, special offers, and other programs (including stored value cards, gift certificates and other similar programs), national, regional, or local in nature (including the introduction of new products, new franchises or other marketing programs directed or approved by us) which are prescribed from time to time by us. You shall be responsible for the costs of such participation. To the extent permitted by law, you will comply with any minimum or maximum price restrictions, including the use of coupons, which we may promulgate from time to time.

(c) We may also require you to join and participate in Multi-Area Marketing Programs, and may specify maximum resale prices to the extent permitted by law. We may designate the coverage area, method and timing of payment, and any outside agencies.

10.07 Prior Approval of Marketing Materials and Use of Noodles & Company Provided Materials. You must submit to us for our written approval (which may be withheld in our sole discretion), no later than thirty (30) days prior to your planned implementation, all marketing plans, written materials and samples of all marketing, public relations and promotional materials not prepared or previously approved by us and which vary from our standard marketing, public relations and promotional materials. If you elect to work with a marketing agency, you must obtain our written approval of such agency, which approval we may in our sole discretion withhold, before you sign any contracts or share any Confidential Information with the agency. You may not use any marketing, public relations or promotional materials that we have not approved. You may not use any marketing, public relations or promotional materials involving the sale or service of alcohol without our prior written consent, which may be withheld in our sole discretion.

You further agree to use in your marketing efforts the marketing materials available from Noodles & Company, which shall be made available to you at your expense, in the manner and frequency we require. Failure to meet the requirements of any provision of Section 10 is a material breach of this Agreement.

10.08 Area Operator Websites. You agree not to promote, offer or sell any products or services, or to use any of the Marks, relating to your Noodles & Company Restaurant through the Internet or other future technological avenues without our prior written consent, which we may withhold for any or no reason. We have no immediate plans to permit such websites or Internet use. You further agree not to have a Website accessible by the public, or any part of the public, without our prior written consent, which we may withhold for any or no reason. In connection with any such consent, we may establish such requirements as we deem appropriate, including without limitation: (a) obtaining our prior written approval of any Internet domain name and home page addresses; (b) submission for our approval of all Web site pages, materials, and content; (c) use of all hyperlinks and other links; (d) restrictions on use of any materials (including text, video clips, photographs, images, and sound bites) in which any third party has any ownership interest; and (e) obtaining our prior written approval of any modifications. You further agree to assign to us any domain names you obtain that we, in our sole discretion, request that you transfer to us that you used in connection with the Noodles & Company concept, and you further agree to assign any and all domain names used by you in the operation and promotion of your Noodles & Company Restaurant at such time this Agreement is terminated.

10.09 Public and Media Relations. You agree that you will not issue any press or other media releases or other communication without our prior mutual agreement. As an FAO, you agree to only participate in (internal and external) communications activities that create good will, enhance public image and build the Noodles & Company brand.

10.10 Maximum Aggregate Fund Expenses. Without any vote and in our sole discretion, we reserve the right to change the requirement for BDF contributions (as well as the requirement for FMF and the MAF contributions) up to an aggregate maximum of five and one-half percent (5.5%) allocated amongst the funds as we determine is best for the Noodles & Company System. Notwithstanding the above, we also reserve the right to change the aggregate maximum for BDF contributions (as well as the requirement for FMF and the MAF contributions) without regard to the limitation set forth in the preceding sentence, in the future by

gaining an approval vote by sixty-six percent (66%) of all then-existing Company-owned and franchised Noodles & Company Restaurants. Voting will be accomplished through a system of one (1) vote per eligible Noodles & Company Restaurant. Cooperatives may choose to exceed the minimums established by the Company in accordance with their bylaws.

11. RECORDS AND REPORTS.

11.01 Records. You agree to prepare and to maintain for three (3) years complete and accurate books, records (including invoices and records relating to your marketing expenditures) and accounts (using our then current standard chart of accounts) for your Noodles & Company Restaurant, copies of your sales tax returns and such portions of your state and federal income tax returns as relate to your Noodles & Company Restaurant. You further agree to prepare financial statements required in Section 11.03 in the form and presentation specified by us. All such books and records shall be kept at your principal address indicated on the first page of this Agreement, unless we otherwise approve.

11.02 Technology Requirements for Reporting Data. You must record all sales on computer-based cash registers which are fully compatible with our computer system and which include an information interface capability to communicate electronically with our computer system to provide us with continuous transaction level point of sale data. You agree to purchase or lease, at your expense, such computer hardware and software, required dedicated telephone and power lines, DSL or better transmission lines, modems, printers, and other computer related accessories and peripheral equipment as we may specify, for the purpose of, among other functions, recording financial and customer data and communicating with us. We may require you to use proprietary software and any other computer systems, which we may prescribe from time to time, and you agree to execute such agreements as we may require in connection therewith. We may prescribe a specific point of sale or other computer hardware and software, which you agree to purchase.

You must provide such assistance as may be required to connect your computer system with our computer system and point of sale system. We shall have the right to retrieve transaction level data through point of sale electronic reporting as well as time of order to time of delivery data and such other information from your computer system as we deem necessary or desirable, and you agree to fully cooperate with such efforts. You will be required to provide us with all of the data Company-owned Restaurants provide to us in a format readily usable by us. In view of the contemplated interconnection of computer systems and the necessity that such systems be compatible with each other, you agree that you will comply strictly with our standards and specifications for all items associated with your computer systems.

To ensure full operational efficiency and optimum communication capability among computer systems installed by Noodles & Company Restaurants, you agree, at your expense, to keep your computer systems in good maintenance and repair, and to promptly install such additions, changes, modifications, substitutions or replacements to hardware, software, telephone and power lines, and other computer-related facilities, as we direct. In the event we approve your use of a website, you agree to ensure that the website is compatible with our website(s) and capable of any linkages we may require.

11.03 Periodic Reports. You must furnish us: (a) no later than the first (1st) business day immediately following the end of the applicable Reporting Period, a report of Net Royalty Sales for the preceding Reporting Period; (b) within ninety (90) days after the end of each fiscal year, a year-end balance sheet and income statement and statement of cash flow of your Noodles & Company Restaurant for such year, reflecting all year-end adjustments and accruals;

(c) on the 25th day of each month or other fiscal period, Income Statement and Balance Sheet for the prior month or other fiscal period; and (d) within thirty (30) days of our request, such other information as we may require from time to time, including sales mix data, food and labor cost reports and sales and income tax statements. All such reports shall use our then-current standard chart of accounts. You must verify that the information in each such report and financial statement is complete and accurate and sign it. We reserve the right to require that your annual financial statements be audited, at your expense, by an independent certified public accountant approved by us. We reserve the right to publish or disclose information that we obtain under this section in any data compilations, collections, or aggregations that we deem appropriate, in our sole discretion, so long as we do not disclose information relating to performance of your individual Noodles & Company Restaurant, unless such disclosure is required by law or order of a court. We require you to use the reporting periods and fiscal year used by us.

12. OPERATIONS MANUAL.

12.01 Operations Manual. The Operations Manual may include, without limitation, matters such as the following: policies and procedures for all aspects of construction, design and operation of the Restaurant, forms, information relating to product and menu specifications, purchase orders, general operations, labor management, personnel, gross sales reports, net royalty sales reports, training and accounting, sanitation, food safety, design specifications, insurance requirements, uniforms, signs, notices, specified equipment and fixtures, Marks usage, lease requirements, décor, standards of maintenance and appearance of the Restaurant, hours and days of operation, advertising and marketing, standards of maintenance, customer experience, reporting requirements, and how to contact us. We may also establish emergency procedures, which may include closure of the Restaurant. You agree that we shall not be liable for any losses or costs, including consequential damages or lost profits, due to such closure or otherwise.

12.02 Modification to Operations Manual. We will modify the Operations Manual at any time and from time to time, provided that no such modification shall alter your fundamental status and rights under this Agreement. Such modifications shall be effective upon delivery of written notice, or at such time thereafter as we designate. The Operations Manual is an integral part of this Agreement, including all amendments thereto, and you agree to comply with all aspects of the Operations Manual, as amended.

12.03 Proprietary and Confidential Information. You agree that the Operations Manual is owned solely and exclusively by us, is strictly confidential and that you will make no claim to ownership of the Operations Manual or its contents.

13. INSPECTIONS OF YOUR NOODLES & COMPANY RESTAURANT; AUDITS.

13.01 Inspections. We and our designees have the right at any reasonable time and without prior notice to: (a) inspect your Noodles & Company Restaurant; (b) observe, photograph, audio-tape and/or video tape the operations of your Noodles & Company Restaurant; (c) remove samples of any food and beverage products, materials or supplies for testing and analysis; and (d) interview personnel and customers of your Noodles & Company Restaurant. You agree to cooperate fully with such activities. You shall furnish to us immediately upon receipt by you all inspection reports, citations or warnings received from municipal or other authorities.

13.02 Audits. We have the right at any time during business hours, and on ten (10) days prior notice to you, to inspect, copy and audit the books, records, tax returns and documents relating to the development, ownership, lease, occupancy or operation of your Noodles & Company Restaurant. You must cooperate fully with our representatives and independent accountants conducting such audits. If any inspection or audit discloses an understatement of Net Royalty Sales, you must pay us, within seven (7) days after receipt of the audit report, the royalties and any advertising contributions due on the amount of such understatement, plus interest (as provided in Section 6.05) from the date originally due until the date of payment. Further, if such inspection or audit is made necessary by your failure to furnish reports, records or information on a timely basis, or if the audit determines an understatement of Net Royalty Sales for the period of any audit to be greater than one percent (1%), you must reimburse us for the cost of such audit or inspection, including the charges of any attorneys and independent accountants and the travel expenses, room and board and compensation of our employees, attorneys and independent accountants plus $3,500 (or the amount in our then-current Franchise Agreement used for new franchises) to offset our internal costs relating to such audit.

14. AREA OPERATOR'S RIGHT TO TRANSFER.

14.01 Noodles & Company's Approval. The rights and duties created by this Agreement are personal to you and your Owners. Accordingly, neither you nor any of your Owners or Affiliates, nor any individual, partnership, limited liability company, corporation or other entity which directly or indirectly has or owns any interest in this Agreement, may Transfer the Franchise or any direct or indirect interest therein without our prior written consent, which may be withheld in our sole discretion. Any transfer without such approval or compliance constitutes a breach of this Agreement and is void and of no force or effect.

14.02 Conditions for Approval. If we have not exercised our right of first refusal under Section 14.06, we will not unreasonably withhold our approval of a Transfer of the Franchise that meets all of the reasonable restrictions, requirements and conditions we impose on the Transfer, the transferors, and/or the transferee(s), prior to the transfer being valid, including the following:

(a) you have completed development of your Noodles & Company Restaurant and are operating your Noodles & Company Restaurant in accordance with this Agreement;

(b) you and your Owners and Affiliates must be in compliance with the provisions of this Agreement and all other agreements with us or our Affiliate, as applicable;

(c) the proposed transferee must be an entity, and its owners must provide us on a timely basis all information we request; the proposed transferee's owners must be individuals acting in their individual capacities who are of good character and reputation, who must have sufficient business experience, aptitude and financial resources to operate your Noodles & Company Restaurant, and who must otherwise meet our approval;

(d) the proposed transferee may not be an entity, or be affiliated with an entity, that is required to comply with reporting and information requirements of the Securities Exchange Act of 1934, as amended or other Publicly Held Entity;

(e) the transferee (or its Operating Partner) and its managers, shift supervisors and other personnel must have completed our initial training program or must be currently certified by us to operate and/or manage a Noodles & Company Restaurant to our satisfaction;

(f) the transferee (and its owners) must agree to be bound by all of the provisions of this Agreement for the remainder of its Term or, at our option, execute our then-current Franchise Agreement and related documents used in the state in which your Noodles & Company Restaurant is located (which may provide for different royalties, advertising contributions and expenditures, duration and other rights and obligations than those provided in this Agreement);

(g) you or the transferee must pay us a transfer fee equal to $3,500 (or the amount in our then-current Franchise Agreement used for new franchises) plus associated costs;

(h) you and your Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute a general release, in form and substance satisfactory to us, of any and all claims against us, our Affiliate, stockholders, officers, directors, employees, agents, successors and assigns;

(i) we must not have disapproved the material terms and conditions of such Transfer (including the price and terms of payment and the amount to be financed by the transferee in connection with such transfer) on the basis that they are so burdensome as to be likely, in our reasonable judgment, to adversely affect the transferee's operation of your Noodles & Company Restaurant or its compliance with its franchise agreements and any other agreements being transferred;

(j) if you (or any of your Owners or Affiliates) finance any part of the sale price of the transferred interest, you and/or your Owners or Affiliate must agree that all obligations of the transferee, and security interests reserved by any of them in the assets transferred, will be subordinate to the transferee's obligations to pay all amounts due us and our Affiliate and to otherwise comply with this Agreement, any Franchise Agreement being transferred or any Franchise Agreement executed by the transferee;

(k) you and your Owners must execute a non-competition covenant, in form and substance satisfactory to us, in favor of us and the transferee agreeing that, for a period of two (2) years, starting on the effective date of the Transfer, you and your Owners will not directly or indirectly (such as through members of his/her or Immediate Families) own any legal or beneficial interest in, or render services or give advice to: (1) any Competitive Business; or (2) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business in any Designated Market Area (as defined by Nielsen Media Research) where a Noodles & Company Restaurant is located, whether Company-owned or franchised, or within any area that is or was within an Area Development Area or a Protected Area, as those terms are defined in the Area Development Agreement and this Agreement;

(l) we do not determine that any applicable federal or state statute, regulation, rule or law which is enacted, promulgated or amended after the date hereof, may have a material adverse effect on our rights, remedies or discretion with respect to our relationship with the proposed transferee;

(m) you and your Owners and Affiliates must execute such other documents and do such other things as we may reasonably require to protect our rights under this Agreement and under any Area Development Agreement;

(n) transferee must obtain an assignment of leases from the landlords for all Restaurants being transferred and obtain liquor and other required licenses from all applicable authorities for all Restaurants being transferred; and

(o) such proposed transferee must meet all of the then-current Franchise Agreement requirements, approval processes and criteria for new Area Operators of Noodles & Company Restaurants, including ownership of the required minimum number of Noodles & Company Restaurants after the Transfer.

14.03 Effect of Approval. Our approval of a Transfer of the Franchise does not constitute: (a) a representation as to the fairness of the terms of any agreement or arrangement between you or your Owners and the transferee or as to the prospects of success of the Noodles & Company Restaurant by the transferee; or (b) a release of you and your Owners, a waiver of any claims against you or your Owners or a waiver of our right to demand the transferee's compliance with this Agreement. Any approval shall apply only to the specific Transfer of the Franchise being proposed and shall not constitute an approval of, or have any bearing on, any other proposed Transfer of the Franchise.

14.04 Special Transfers. Neither Section 14.06 nor Section 14.02(g), shall apply to any Transfer of the Franchise among any of your then-current Owners. On thirty (30) days' notice to us, you, if you are a partnership, may transfer this Agreement in conjunction with a transfer of all of the assets of your Noodles & Company Restaurant, by an agreement in form and substance approved by us, to a corporation or limited liability company which conducts no business other than the Noodles & Company Restaurant (and other Noodles & Company Restaurants under franchise agreements granted by us), and of which you own and control all of the equity and voting power of all issued and outstanding capital stock. None of the foregoing assignments shall relieve you or your Owners of your respective obligations hereunder, and you and your Owners remain jointly and severally liable for all obligations hereunder. We will also permit transfers among partners so long as the transfer is to a prior existing partner that was previously approved by us and who meets our then-current requirements for Area Operators.

14.05 Death or Disability of Area Operator.

(a) Upon your death or permanent disability, or the death or permanent disability of the Operating Partner or an Owner of a controlling interest in Area Operator, if we do not exercise our right of first refusal, the executor, administrator or other personal representative of such person shall transfer his interest in this Agreement or his interest in Area Operator to a third party approved by us in accordance with all of the applicable provisions of Section 14 within a reasonable period of time, not to exceed six (6) months from the date of death or permanent disability. We agree not to exercise our right of first refusal in the case of death or disability if the proposed purchaser or transferee is a family member who meets our then-current requirements for Area Operators or is a prior existing partner that was previously approved by us and who meets our then-current requirements for Area Operators.

(b) In order to prevent any interruption in the operation of the Restaurant and any injury to the goodwill and reputation which would cause harm to the Restaurant, you authorize us, and we shall have the right, but not the obligation, to operate the Restaurant for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement, in the event that: (i) you (if you are an individual) or your Operating Partner are absent or incapacitated by reason of illness or death and that you are not, in our sole judgment, able to perform under this Agreement; or (ii) any allegation or claim is made against the Restaurant, you or the Operating Partner involving or relating to any fraudulent or

deceptive practice. In the event that we install a support manager to operate the Restaurant, we, at our option, shall not be obligated to operate it for a period more than ninety (90) days. All revenues from the operation of the Restaurant during such period of operation by us shall be kept in a separate account and the expenses of the Restaurant, including Royalty Fees, marketing and advertising contributions, compensation and expenses for our representative, shall be charged to said account. If the revenues are not sufficient to cover these expenses, you will pay us on demand, and we may Sweep the account in Section 6.04 to obtain payment of, the amount necessary to pay these expenses in full. If we elect to temporarily operate the Restaurant on your behalf, you herby do and further agree to indemnify and hold us harmless from any and all claims arising from our acts and omissions.

14.06 Noodles & Company's Right of First Refusal. If you or any of your Owners desire to transfer the Franchise for legal consideration, you or such Owner must obtain a *bona fide*, executed written offer from a responsible and fully disclosed purchaser and must deliver immediately to us a complete and accurate copy of such offer. If the offeror proposes to buy any other property or rights from you or any of your Owners or Affiliates (other than rights under Area Development Agreements or other franchise agreements for Noodles & Company Restaurants) as part of the *bona fide* offer, the proposal for such property or rights must be set forth in a separate, contemporaneous offer that is fully disclosed to us, and the price and terms of purchase offered to you or your Owners for the transfer of the Franchise must reflect the *bona fide* price offered therefore and may not reflect any value for any other property or rights.

We have the option, exercisable by notice delivered to you or your Owners within sixty (60) days from the date of delivery of a complete and accurate copy of such offer to us to purchase such interest for the price and on the terms and conditions contained in such offer, provided that: (a) we may substitute cash for any form of payment proposed in such offer; (b) our credit shall be deemed equal to the credit of any proposed purchaser; and (c) we will have not less than ninety (90) days from the option exercise date to consummate the transaction. We have the right to investigate and analyze the business, assets and liabilities and all other matters we deem necessary or desirable in order to make an informed investment decision with respect to the fairness of the terms of our right of first refusal. We may conduct such investigation and analysis in any manner we deem reasonably appropriate, and you and your Owners must cooperate fully with us in connection therewith.

If we exercise our option to purchase, we are entitled to purchase such interest subject to all representations and warranties, closing documents and indemnities as we reasonably may require, provided that, we exercise our option as a result of a written offer reflected in a fully negotiated definitive agreement with the proposed purchaser, we will not be entitled to any additional representations, warranties, closing documents or indemnities that will have a materially adverse effect on your rights and obligations under the definitive agreement. If we do not exercise our option to purchase, you or your Owners may complete the sale to such offeror pursuant to and on the exact terms of such offer, subject to our approval of the transfer as provided in Sections 14.01 and 14.02, provided that we will have another option to purchase if the sale to such offeror is not completed within ninety (90) days after we elect not to exercise our option to purchase, or if there is a material change in the terms of the offer. You will promptly notify us in either event and we will have an additional thirty-day (30) period to exercise our option following receipt of that notice.

14.07 Securities Offerings. Neither you nor any of your Owners may issue or sell, or offer to issue or sell, any of your securities or any securities of any of your Affiliates, regardless of whether such sale or offer would be required to be registered pursuant to the provisions of the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction, without

obtaining our prior consent and complying with all of our requirements and restrictions concerning use of information about us and our Affiliate. Neither you nor any of your Owners may issue or sell your securities or the securities of any of your Affiliates if: (1) such securities would be required to be registered pursuant to the Securities Act of 1933, as amended, or such securities would be owned by more than thirty-five (35) persons; or (2) after such issuance or sale, you or such Affiliate would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended, hereinafter referred to as a "Publicly Held Entity," or (c) the result would be that the initial Owners would own less than fifty-one percent (51%) of your and/or your Affiliates' securities and voting rights.

Any proposed private placement of your or of your Affiliate's securities must be approved by us and our legal counsel prior to the offering of securities. You shall pay the costs of such review and associated legal fees.

15. DEFAULT AND TERMINATION.

15.01 General. Noodles & Company shall have the right to terminate this Agreement for "cause." "Cause" is hereby defined as a material breach or material default of this Agreement. Noodles & Company has the right to terminate this Agreement upon the following circumstances and in the following manners, each of which is deemed a material breach or default:

15.02 Automatic Termination Without Notice. Subject to applicable laws of the jurisdiction in which the franchise is located to the contrary, Area Operator shall be deemed to be in default under this Agreement, and all rights granted herein shall at our election automatically terminate without notice to Area Operator if: (i) Area Operator shall be adjudicated bankrupt or judicially determined to be insolvent (subject to any contrary provisions of any applicable state or federal laws), shall admit to its inability to meet its financial obligations as they become due or shall make a disposition for the benefit of its creditors; (ii) Area Operator shall allow a judgment against him in the amount of more than $25,000 to remain unsatisfied for a period of more than thirty (30) days (unless a supersedeas or other appeal bond has been filed); (iii) if the Restaurant at the Premises or the Area Operator's assets are seized, taken over or foreclosed by a government official in the exercise of its duties, or seized, taken over, or foreclosed by a creditor or lien holder provided that a final judgment against the Area Operator remains unsatisfied for thirty (30) days (unless a supersedeas or other appeal bond has been filed); (iv) if a levy of execution of attachment has been made upon the license granted by this Agreement or upon any property used in the Restaurant at the Premises, and is not discharged within five (5) days of such levy or attachment; (v) if Area Operator consents to the entry of an order for relief in an involuntary proceeding or to the conversion of an involuntary proceeding to a voluntary proceeding under any such law; (vi) if Area Operator consents to the appointment of, or the taking of possession by a receiver, trustee, or other custodian (as defined in the Bankruptcy Code) for all or a substantial part of its property or the property of the franchise business; (vii) if Area Operator permits any recordation of a notice of mechanics lien against the Restaurant at the Premises or any equipment at the Restaurant at the Premises which is not released within sixty (60) days; or (viii) a condemnation or transfer in lieu of condemnation occurs.

15.03 Option to Terminate Without Opportunity to Cure. Area Operator shall be deemed to be in default and Noodles & Company may, at its option, terminate this Agreement and all rights granted hereunder, without affording Area Operator any prior notice or opportunity to cure the default, effective immediately upon receipt of notice by Area Operator if any of the following events occur:

(a) Abandonment. If Area Operator abandons the Restaurant at the Premises. For purposes of this Agreement, "abandon" shall refer to Area Operator's failure, at any time during the term of this Agreement, to keep the Premises or Restaurant at the Premises open and operating for business for a period of two (2) consecutive days, except as provided in the Operations Manuals.

(b) Assignment, Death or Incapacity. If Area Operator purports to sell, assign, transfer, pledge or encumber in whole or in part the Restaurant, or any interest in the Franchise, without the prior written consent of Noodles & Company; except in the case that (i) or (ii) herein apply and you have made an appropriate request to transfer: (i) upon the death or legal incapacity of an Area Operator who is an individual, Franchisor shall allow up to six (6) months after such death or legal incapacity for the heirs, personal representatives or conservators (the "Heirs") of Area Operator either to enter into a new Franchise Agreement upon Noodles & Company's Then Current Franchise Agreement (except that no franchise fee or transfer fee shall be charged), if Noodles & Company is subjectively satisfied that the Heirs meet Noodles & Company's standards and qualifications, or if not so satisfied to allow the Heirs to sell the franchise to an Entity approved by Noodles & Company; or (ii) upon the death or legal incapacity of an Owner of Area Operator directly or indirectly owning fifty percent (50%) or more of the equity or voting power of Area Operator, Noodles & Company shall allow a period of up to six(6) months after such death or legal incapacity for the Heirs to enter into our Then Current Franchise Agreement or to transfer to another person acceptable by us. If within said six (6) month period said Heirs fail either to enter into a new Franchise Agreement or to sell the franchise to a person approved by Noodles & Company, or fail either to receive our consent to the transfer of such equity or voting rights to the Heirs or to another person acceptable by us, as provided herein, this Agreement shall thereupon automatically terminate;

(c) Repeated Defaults. If Area Operator shall default in three (3) or more material obligations within the preceding twelve (12) months for which written notice has been provided, if required, or for which no notice was given if none required, such repeated course of conduct, which need not be the same or identical breaches, shall itself be grounds for termination of this Agreement without further notice or opportunity to cure;

(d) Misrepresentation. If Area Operator makes any material misrepresentations or omissions in connection with the execution of this Agreement or the acquisition of the Premises;

(e) Violation of Law. If Area Operator fails, for a period of five (5) days after having received notification of non-compliance from Noodles & Company or any governmental or quasi-governmental agency or authority, to comply with any federal, state or local law or regulation applicable to the operation of the Restaurant;

(f) Health or Safety Violations. If Area Operator: (i) operates the Restaurant so contrary to this Agreement, the System and the Operations Manuals as to constitute an imminent danger to the public health; or (ii) sells unauthorized products to the public after notice of default and continuing to sell such products whether or not Area Operator has cured the default after one (1) or more notices; (iii) fails to cure issues after food safety audits and health department inspections; or (iv) fails to begin to correct such non-compliance or violation immediately, and completely corrects such non-compliance or violation within forty-eight (48) hours, after written notice thereof is delivered by said inspector or auditor or us, whichever is earlier;

(g) Under Reporting. If an audit or investigation conducted by us discloses that Area Operator has knowingly maintained false books or records, or submitted false reports to us, or knowingly understated its Net Royalty Sales or withheld the reporting of same as herein provided;

(h) Criminal Offenses. If Area Operator or any of its officers, directors, or key employees is convicted of or pleads guilty or nolo contendre to a felony or any other crime or offense that is reasonably likely, in our sole opinion, to adversely affect our reputation, System, Marks or the goodwill associated therewith, or our interest therein;

(i) Assignment Without Consent. If Area Operator purports to make any assignment or transfer without our prior written consent or otherwise violates this Agreement;

(j) Intellectual Property Misuse. If Area Operator materially misuses or makes any unauthorized use of the Marks (including, but not limited to, unauthorized use of the Marks as part of a website domain name or electronic address or as part of information available on such website), or otherwise materially impairs the goodwill associated therewith or Noodles & Company's rights therein. Area Operator's disclosure of any portion of the Operations Manual in violation of this Agreement, or Area Operator's unauthorized use, disclosure or duplication of the "Trade Secrets," or Confidential Information, excluding independent acts of employees or others if Area Operator shall have exercised its best efforts to prevent such disclosures or use; or

(k) Unethical Conduct. If Area Operator engages in any dishonest or unethical conduct that may adversely affect the reputation of the Restaurant or other Noodles & Company Restaurants or the goodwill associated with the Marks.

(l) Failure to Complete Training. Failure to timely and successfully complete the training programs described in Section 4.01 to Franchisor's satisfaction.

15.04 Termination With Notice and Opportunity To Cure. Except for any default by Area Operator for which no notice is required as expressly provided elsewhere in this Agreement, Area Operator shall have thirty (30) days, five (5) days in the case of any default in the timely payment of sums due to Noodles & Company or its Affiliate), after written notice of default within which to remedy any default under this Agreement, and to provide evidence of such remedy to Noodles & Company. If any such default is not cured within that time period, or such longer time period as applicable law may require or as we may specify in the notice of default, this Agreement and all rights granted by it shall thereupon automatically terminate without further notice or opportunity to cure. Defaults for which notice under this Section 15.04 shall be given include:

(a) Performance Requirements. If Area Operator fails to maintain or observe any of the standards, policies or procedures we prescribe (i) in this Agreement or any other agreement with Noodles & Company or its Affiliate related to this or any other franchise; (ii) in the Operations Manual; (iii) pursuant to our other policies, whether or not written, which describe Area Operator's duties, obligations, conditions, covenants, or performance requirements; or (iv) in other written documentation, including, without limitation, the requirements and specifications concerning the (a) quality, services, and cleanliness of the Restaurant; (b) the products and services sold or provided at the Restaurant, or the operation of the Restaurant; (c) any other operational and other performance requirements; and (d) the overall quality, service or cleanliness of the Restaurant is determined by us to be unsatisfactory or damaging to the brand or customer experience.

(b) Failure to Adequately Maintain Bank Account. If Area Operator fails to maintain adequate resources in the designated bank account (as described in Section 6.04) to fully and timely satisfy all Sweeps of the account Noodles & Company is permitted to make under this Agreement.

15.05 Notice Required By Law. Notwithstanding anything to the contrary contained in this Section 15, in the event any valid, applicable law of a competent Governmental Authority having jurisdiction over this Agreement and the parties hereto shall limit Noodles & Company's rights of termination hereunder or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by such laws and regulations. Noodles & Company shall not, however, be precluded from contesting the validity, enforceability, or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination thereof.

15.06 Reimbursement of Our Costs. In the event of a default by Area Operator, all our costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of our administrative and other employees shall be paid to Noodles & Company within five (5) days of notice by us.

15.07 Cross-Default. Except for a default or termination of any Area Development Agreement consisting solely of Area Operator's failure to meet the development schedule thereunder, any material default not timely cured by Area Operator 1) under the terms and conditions of this Agreement, any Lease, or other agreement between Noodles & Company (or its Affiliate) and Area Operator, 2) of its obligations to any advertising Cooperative of which it is a member, 3) under any agreement with any vendor or supplier of Noodles & Company Proprietary or Non-Proprietary Products, 4) under the Lease for the Premises or 5) under any agreement with any construction suppliers, product supplier or service providers, shall be deemed a material default of this Agreement and each and every said agreement. Furthermore, in the event of termination, for any cause of this Agreement or any other agreement between the parties hereto, Noodles & Company may, at its option, terminate any or all said agreements.

15.08 Option to Purchase. Upon the expiration or termination of this Agreement for any reason, we shall give written notice to Area Operator, within thirty (30) days after the effective date of termination or expiration, if we intend to exercise our option to purchase from Area Operator some or all of the assets used in the Noodles & Company Restaurant ("Assets"). In the event we have exercised such option we shall have the right to immediately enter and take over operations of the Premises. As used in this Section 15.08, "Assets" shall mean and include, without limitation, leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory (non-perishable products, materials and supplies) used in the Restaurant, any liquor licenses and any other licenses necessary to operate the Premises, and the real estate fee simple or the lease for the Premises. We shall have the unrestricted right to assign this option to purchase the Assets. We shall be entitled to all customary representations and warranties that the Assets are free and clear (or, if not, accurate and complete disclosure) as to: (1) ownership, condition and title; (2) liens and encumbrances; (3) environmental and hazardous substances; and (4) validity of contracts and liabilities inuring to user affecting the Assets, whether contingent or otherwise.

(a) Purchase Price. The purchase price for the Assets ("Purchase Price") shall be their fair market value, (or, for leased assets, the fair market value of Area Operator's lease)

determined as of the effective date of purchase in a manner that accounts for reasonable depreciation and condition of the Assets less the amount of any liabilities associated with the Assets which we elect, in our sole discretion, to assume; provided, however, that the Purchase Price shall take into account the termination of this Agreement. Further, the Purchase Price for the Assets shall not contain any factor or increment (including goodwill) for any trademark, service mark or other commercial symbol used in connection with the operation of the Noodles & Company Restaurant. We may exclude from the Assets purchased in accordance with this Section any equipment, vehicles, furnishings, fixtures, signs, and inventory that are not approved as meeting then-current standards for a System Restaurant or for which Area Operator cannot deliver a bill of sale in a form satisfactory to us.

(b) Appraisers. If Franchisor and the Area Operator are unable to agree on the fair market value of the Assets within thirty (30) days after Area Operator's receipt of Franchisor's notice of its intent to exercise its option to purchase the Assets, the fair market value shall be determined by two (2) professionally certified appraisers, Area Operator selecting one (1) and Franchisor selecting one (1). If the valuations set by the two (2) appraisers differ by more than ten percent (10%), the two (2) appraisers shall select a third professionally certified appraiser who also shall appraise the fair market value of the Assets. The average value set by the appraisers (whether two (2) or three (3) appraisers as the case may be) shall be conclusive and shall be the Purchase Price.

(c) Access to Restaurant, Premises and Books and Records. The appraisers shall be given full access to the Restaurant, the Premises and Area Operator's books and records during customary business hours to conduct the appraisal and shall value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section 15.08. The appraisers' fees and costs shall be borne equally by Franchisor and Area Operator.

(d) Franchisor's Purchase Notice. Within ten (10) days after the Purchase Price has been determined, Franchisor may exercise its option to purchase all or a portion of the Assets by so notifying Area Operator in writing ("Franchisor's Purchase Notice"). The Purchase Price shall be paid in cash or cash equivalents at the closing of the purchase ("Closing"), which shall take place no later than sixty (60) days after the date of Franchisor's Purchase Notice. From the date of Franchisor's Purchase Notice until Closing:

(i) Area Operator shall operate the Restaurant and maintain the Assets in the usual and ordinary course of business and maintain in full force all insurance policies required under this Agreement; and

(ii) Franchisor shall have the right to appoint a manager, at Franchisor's expense, to control the day-to-day operations of the Restaurant and Area Operator shall cooperate, and instruct its employees to cooperate, with the manager appointed by Franchisor. Alternatively, Franchisor may require Area Operator to close the Restaurant during such time period without removing any Assets from the Restaurant.

(e) Due Diligence Period. For a period of thirty (30) days after the date of Franchisor's Purchase Notice ("Due Diligence Period"), Franchisor shall have the right to conduct such investigations as it deems necessary and appropriate to determine: (1) the ownership, condition and title of the Assets; (2) liens and encumbrances on the Assets; (3) environmental and hazardous substances at or upon the Premises; and (4) the validity of contracts and liabilities inuring to Franchisor or affecting the Assets, whether contingent or otherwise. Area Operator will afford Franchisor and its representatives access to the

Restaurant and the Premises at all reasonable times for the purpose of conducting inspections of the Assets; provided that such access does not unreasonably interfere with Area Operator's operation of the Restaurant.

(f) Title and Lien Searches, Surveys, Environmental Assessments and Inspections. During the Due Diligence Period, at its sole option and expense, Franchisor may (a) cause the title to the Assets that consist of real estate interests ("Real Estate Assets") to be examined by a nationally recognized title company and conduct lien searches as to the other Assets; (b) procure "AS BUILT" surveys of the Real Estate Assets; (c) procure environmental assessments and testing with respect to the Real Estate Assets; and/or (d) inspect the Assets that consist of leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory ("Fixed Assets") to determine if the Fixed Assets are in satisfactory working condition. Prior to the end of the Due Diligence Period, Franchisor shall notify Area Operator in writing of any objections that Franchisor has to any finding disclosed in any title or lien search, survey, environmental assessment or inspection. If Area Operator cannot or elects not to correct any such title defect, environmental objection or defect in the working condition of the Fixed Assets, Franchisor will have the option to either accept the condition of the Assets as they exist or rescind its option to purchase on or before the Closing.

(g) Compliance with Legal Requirements. Prior to the Closing, Area Operator and Franchisor shall comply with all applicable legal requirements, including the bulk sales provisions of the Uniform Commercial Code of the state in which the Restaurant is located and the bulk sales provisions of any applicable tax laws and regulations. Area Operator shall, prior to or simultaneously with the Closing, pay all tax liabilities incurred in connection with the operation of the Restaurant prior to Closing. Franchisor shall have the right to set off against and reduce the Purchase Price by any and all amounts owed by Area Operator to Franchisor, and the amount of any encumbrances or liens against the Assets or any obligations assumed by Franchisor.

(h) Lease of Premises. If the Premises are leased, Franchisor agrees to use reasonable efforts to effect a termination of the existing lease for the Premises. If the lease for the Premises is assigned to Franchisor or Franchisor subleases the Premises from Area Operator, Franchisor will indemnify and hold Area Operator harmless from any ongoing liability under the lease from the date Franchisor assumes possession of the Premises, and Area Operator will indemnify and hold Franchisor harmless from any liability under the lease prior to and including that date.

If Area Operator owns the Premises, Franchisor, at its option, will either purchase the fee simple interest or, upon purchase of the other Assets, enter into a standard lease with Area Operator on terms comparable to those for which similar commercial properties in the area are then being leased. The initial term of this lease with Area Operator shall be at least ten (10) years with two (2) options to renew of five (5) years each and the rent shall be the fair market rental value of the Premises. If Area Operator and Franchisor cannot agree on the fair market rental value of the Premises, then appraisers (selected in the manner described above) shall determine the rental value.

(i) Closing. At the Closing, Area Operator shall deliver instruments transferring to Franchisor or its assignee: (a) good and merchantable title to the Assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor or its assignee), with all sales and other transfer taxes paid by Area Operator; (b) all licenses and permits for the Restaurant that may be assigned or transferred, with appropriate consents, if required; and (c) the lease or sublease for the Premises, with appropriate consents,

if required. If Area Operator cannot deliver clear title to all of the purchased Assets as indicated in this Section, or if Area Operator is otherwise not able to comply with the requirements set forth in this Section, then the Closing shall be accomplished through an escrow.

15.09 Termination by Area Operator. If Area Operator is in full compliance with this Agreement, and Franchisor materially breaches this Agreement, Area Operator may terminate this Agreement effective ninety (90) days after the delivery of written notice of termination if Area Operator gives written notice of such breach to Franchisor and Franchisor does not:

(a) correct such failure within ninety (90) days after delivery of notice of such breach; or

(b) if such breach cannot reasonably be cured within ninety (90) days after delivery of notice of such breach, undertake within ninety (90) days after delivery of such notice, reasonable efforts to cure such breach, and ultimately cure such breach.

16. RIGHTS AND OBLIGATIONS UPON TERMINATION.

16.01 Expiration or Termination of Area Operator's Rights. Upon the expiration or termination of Area Operator's rights granted under this Agreement:

(a) Area Operator shall immediately cease to use all trade secrets, Confidential Information, the Marks, and any confusingly similar trademark, service mark, trade name, logotype, or other commercial symbol or insignia. Area Operator shall immediately return all property belonging to Franchisor, including but not limited to, the Operations Manual, menus, advertising materials, computer software programs and all materials incorporating trade secrets or Confidential Information.. Area Operator shall, at its own cost, make cosmetic changes to the Premises so that it no longer contains or resembles Noodles & Company's proprietary designs, including removal of all Noodles & Company identifying materials and distinctive cosmetic features and finishes, soffits, interior wall coverings and colors, exterior finishes and colors and signage from the Premises as we may reasonably direct.

(b) Noodles & Company may retain all fees paid pursuant to this Agreement, and Area Operator shall immediately pay any and all amounts owing to Noodles & Company and its Affiliates.

(c) Any and all obligations of Noodles & Company to Area Operator under this Agreement shall immediately cease and terminate.

(d) Any and all rights of Area Operator under this Agreement shall immediately cease and terminate.

(e) Area Operator shall immediately cease to operate the franchised Noodles & Company Restaurant, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former Area Operator of Noodles & Company.

(f) Noodles & Company shall have the option, exercisable by written notice within thirty (30) days after the termination of this Agreement, to take an assignment of all telephone numbers (and associated listings) for the Restaurant, and Area Operator shall notify the telephone company and all listing agencies of the termination or expiration of Area Operator's right to use any telephone number and any classified or other telephone directory listings associated with the Restaurant, and authorize and instruct their transfer to Noodles & Company.

Area Operators shall deliver all goods and materials containing the Marks to Noodles & Company and we shall have the sole and exclusive use of any items containing the Marks. Area Operator is not entitled to any compensation from us if we exercise this option.

(g) If Noodles & Company shall have authorized Area Operator to use the Marks, in whole or in part, in connection with the Internet, any website or email address, Area Operator shall, at our option, cancel or assign to Noodles & Company, or its designate, all of Area Operator's rights, title and interest in any Internet websites or web pages, email addresses, domain name listings and registrations which contain or which previously contained the Marks, or any of them, in whole or in part, and Area Operator shall notify Verisign (Network Solutions), register.com, or other applicable domain name registrar and all listing agencies, upon the termination or expiration hereof, of the termination of Area Operator's right to use any domain name, web page and other Internet devise associated with Noodles & Company or the Restaurant, and authorize and instruct their cancellation or transfer to Noodles & Company, as directed by us. Area Operator is not entitled to any compensation from us if we exercise our said rights or options. For the avoidance of doubt, nothing in this Section 16 shall be deemed to permit Area Operator to use the Marks, or any of them in whole or in part, in connection with the Internet, except with our prior written consent as provided in this Agreement.

16.02 Survival of Obligations. Termination or expiration shall be without prejudice to any other rights or remedies that Noodles & Company or Area Operator, as the case may be, shall have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages. In no event shall a termination or expiration of this Agreement affect Area Operator's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which constitute post-termination covenants and agreements including the parties' obligation to arbitrate any and all disputes shall survive the termination or expiration of this Agreement. Area Operator shall provide us written confirmation that it has complied with all aspects of Section 16 and will continue to comply with such provisions within thirty (30) days of the effective date of the termination.

16.03 No Ownership of Marks. Area Operator acknowledges and agrees that rights in and to Noodles & Company's Marks and the use thereof shall be and remain our property.

16.04 Government Filings. In the event Area Operator has registered any of Noodles & Company's Marks or the name Noodles & Company as part of Area Operator's assumed, fictitious or corporate name, Area Operator shall promptly amend such registration to delete Noodles & Company's Marks and any confusingly similar marks or names therefrom.

16.05 Post-Term Covenants. Without limiting the generality of Section 16.02, the Post-Term covenants provided in Section 7.03 of this Agreement shall apply up on the expiration or termination of this Agreement.

17. SUCCESSOR FRANCHISE RIGHTS.

17.01 Your Right To Renewal. You will have an option to renew your Franchise Agreement for the Noodles & Company Restaurant you operate at the Premises after the Initial Term for two Renewal Terms of ten (10) years each, subject to the following conditions:

(i). Not less than twelve (12) months nor more than eighteen (18) months before the end of the Initial Term or a subsequent Renewal Term you must have given us written notice of your election to exercise the option. If you do not provide timely written notice of your election to exercise the option, you will be deemed to have waived the

option. If you do give timely written notice of your election to exercise the option, but we do not agree that you are entitled to exercise the option, we will so notify you within sixty (60) days of the date your notice is given. If we fail to so notify you within such sixty (60) day period that we do not agree that you are entitled to exercise the option, we will be deemed to have waived our right to object to your election.

(ii). You will be required to enter into our then-current form of Franchise Agreement, which will supersede this Agreement in all respects and which shall provide a ten-year term for each Renewal Term. The terms of that Franchise Agreement may differ from this Agreement in material respects (including differences in Royalty Fees or other amounts payable by you).

(iii). You must pay, in lieu of an initial franchise fee, a renewal fee equal to (a) one-half of our then-current franchise fee, in the case of a ten (10) year renewal term, or (b) our then-current franchise fee, in the case of a twenty (20) year renewal term pursuant to 17.01 (iv) below.

(iv). You must present evidence satisfactory to us that you have the right to remain in possession of the Premises for the entire renewal term, and we must either have (a) approved the Premises as a suitable location for a Noodles & Company restaurant under our then-applicable site criteria, or (b) approved a relocation site as a suitable location for a Noodles & Company location under such criteria (in which event your right to enter into the new Franchise Agreement will be conditioned upon your relocation of the Noodles & Company Restaurant at your expense and the renewal term which you are exercising may at your election be extended to an aggregate period of up to twenty (20) years rather than ten (10) years). In addition, if you hold a ground lease or fee ownership of the Premises the renewal term you are exercising may at your election be extended to an aggregate period of up to twenty (20) years (or such shorter period for which you have ground lease rights) rather than ten (10) years.

(v). You must complete such renovation, modernization and improvement of the Restaurant premises and fixtures, furniture and equipment as we may reasonably require. Such work may include, without limitation, replacement of addition of signs, equipment, furnishings, fixtures, finishes and décor items, and redesign of the layout of the Restaurant, to reflect the then-current standards and image of the System to Noodles & Company's reasonable satisfaction. The work must be completed within six (6) months after the Renewal Franchise Agreement is signed.

(vi). You must have complied with our then-current qualifications (including financial and operational qualifications) and training requirements for new Franchisees, and you must be eligible for renewal in accordance with our process for evaluating franchisee renewal eligibility as in effect from time to time. If you are not so eligible, we will so notify you not less than eighteen (18) months before the end of an Initial Term or subsequent Renewal Term, which notice will include the reasons you are not so eligible, and you will have an opportunity to seek to satisfy such eligibility (and we will re-evaluate such eligibility) prior to the end of such term.

(vii). You must not have received a notice of default under this Agreement and you must in our opinion have substantially complied with all of the terms and conditions of this Agreement, any amendment or successor to this Agreement, or any other agreement between you or any of your Affiliates and us.

(viii). Neither you nor any of your affiliates must have engaged in any conduct or communications that disparage Noodles & Company or the Noodles & Company brand.

(ix). At the time of renewal, you and each of your Affiliates must sign a general release, in a form prescribed by us, releasing any and all claims, including known and unknown claims, against us and our Affiliates, and their respective officers, directors, agents and employees.

17.02 Notices. You must give us written notice of your desire to acquire a successor franchise not less than six (6) months and no more than twelve (12) months prior to the expiration of this Agreement. We will give you notice, not later than sixty (60) days prior to expiration of this Agreement, of our decision whether or not you have the right to acquire a successor franchise. Notwithstanding any notice of our decision that you have the right to acquire a successor franchise for your Noodles & Company Restaurant, your right will be subject to your continued compliance with all the provisions of this Agreement, and all other agreements between you and us or our respective Affiliates, up to the date of its expiration.

18. RELATIONSHIP OF THE PARTIES.

18.01 Independent Contractors. Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between the parties hereto. Noodles & Company and Area Operator, as between themselves, are and shall remain independent contractors.

If applicable law shall imply a covenant of good faith and fair dealing in this Agreement, the parties hereto agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply such covenant, we and you acknowledge and agree that: (a) this Agreement (and the relationship of the parties which arises from this Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with your explicit rights and obligations hereunder that may affect favorably or adversely your interests; (b) we will use our judgment in exercising such discretion based on our assessment of our own interests and balancing those interests against the interests of the owners of Noodles & Company Restaurants generally (including ourselves, and our Affiliate and other Area Operators), and specifically without considering your individual interests or the individual interests of any other particular Area Operator; (c) we will have no liability to you for the exercise of our discretion in this manner so long as such discretion is not exercised in bad faith toward you; and (d) in the absence of such bad faith, no trier of fact in any legal action or arbitration proceeding shall substitute its judgment for our judgment so exercised. Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose whatsoever. You must conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of your Noodles & Company Restaurant and must place such other notices of independent ownership on such forms, business cards, stationery, advertising and other materials as we may require from time to time.

You may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for

any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of your business hereunder.

18.02 Indemnification. You agree to indemnify us, our Affiliate and our respective directors, officers, employees, shareholders, agents, successors and assigns (collectively "Indemnitees"), and to hold the Indemnitees harmless to the fullest extent permitted by law, from any and all losses and expenses (as defined below) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party against any one (1) or more of the Indemnitees in connection with the development, ownership, operation or closing of any of your Noodles & Company Restaurants (collectively "Event"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Indemnities; provided, however, that this indemnity will not apply to any liability arising from negligent acts of Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to you). The term "losses and expenses" includes compensatory, exemplary, and punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to our reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. We agree to give you reasonable notice of any Event of which we become aware for which indemnification may be required and we may elect (but are not obligated) to direct the defense thereof, provided that the selection of counsel shall be subject to your consent, which consent shall not be unreasonably withheld or delayed. We may, in our reasonable discretion, take such actions as we deem necessary and appropriate to investigate, defend, or settle any Event or take other remedial or corrective actions with respect thereto as may be necessary for the protection of Indemnitees or Noodles & Company Restaurants generally, provided however, that any settlement shall be subject to your consent, which consent shall not be unreasonably withheld or delayed. We shall not be obligated to consent to any settlement that admits any fault, directly or indirectly, on our part. Further, notwithstanding the foregoing, if the insurer on a policy or policies obtained in compliance with your Franchise Agreement agrees to undertake the defense of an Event (an "Insured Event"), we agree not to exercise our right to select counsel to defend the Event if such would cause your insurer to deny coverage so long as your insurer provides suitable, skilled counsel to defend the action. We reserve the right to retain counsel to represent us with respect to an Insured Event at our sole cost and expense. This Section shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

18.03 Taxes. We will have no liability for any sales, use, service, occupation, exercise, gross receipts, income, property or other taxes, whether levied upon your Noodles & Company Restaurant, your property or upon us, in connection with sales made or business conducted by you (except any taxes we are required by law to collect from you). Payment of all such taxes shall be your responsibility. In the event of a *bona fide* dispute as to your liability for taxes, you may contest your liability in accordance with applicable law. In no event, however, will you permit a tax sale, seizure, or attachment to occur against your Noodles & Company Restaurant or any of its assets.

You will promptly pay all federal, state and local taxes arising out of the operation of your business. We will not be liable for these or any other taxes and you herby do and will indemnify us for any such taxes that may be assessed or levied against us which arise or result

from your business. You shall reimburse us for any sales tax, gross receipts tax, use tax or other tax or assessment imposed by any taxing authority in the state where the Restaurant is located on any fees or other amounts payable to us under this Agreement. Such taxes are distinguishable from income taxes imposed on us by the jurisdiction in which the Restaurant is located. Such income taxes are our responsibility.

19. DISPUTE RESOLUTION.

19.01 Mediation, Jurisdiction and Venue. Except for claims by either party for payments owed by one party to the other and except for claims requesting injunctive relief, any controversy or claim arising out of or relating to this Agreement or the making, interpretation, or performance hereof, shall first be submitted to mediation. The parties shall agree on a single mediator within thirty (30) days after notice by the complaining party, and if no mediator is mutually agreed upon within such thirty (30) days, then the mediation shall be submitted by the complaining party to the American Arbitration Association's ("AAA's") regional office located closest to our principal place of business. The mediation proceedings shall be conducted in the city where we then have our principal place of business. You agree and acknowledge that Noodles & Company may, through manuals, or otherwise in writing, designate different procedures or rules for any mediation.

Subject to the foregoing, you and your Owners irrevocably submit to the jurisdiction of the Federal Courts of the United States in the state in which our principal place of business is located (which is Colorado as of the date hereof) and of the state courts of the city and county in which our principal place of business is located (which as of the date hereof is the State of Colorado, City and County of Broomfield) in any suit, action, or proceeding, arising out of or relating to this Agreement or any other dispute between you and us. You irrevocably agree that all claims in respect of any such suit, action, or proceeding brought by you must be brought therein. You irrevocably waive, to the fullest extent you may lawfully do so, the defense of an inconvenient forum to the maintenance of such suit, action, or proceeding, and the defense of lack of personal jurisdiction.

You agree that service of process for purposes of any such suit, action, or proceeding arising out of this Agreement may be made by serving a person of suitable age and discretion (such as the person in charge of the office) at the notice address specified on the signature page of this Agreement.

19.02 Injunctive Relief. Notwithstanding Section 19, we may obtain, in any court of competent jurisdiction, any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. We may have such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your Owners acknowledge that any violation of Section(s) 5, 7, 9, 11, 14, 15 and/or 16, but not limited to these Sections, would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners consent to the issuance of an injunction prohibiting any conduct in violation of any of those sections and agree that the existence of any claim you or any of your Owners may have against us, whether arising from this Agreement, shall not constitute a defense to the enforcement of any of those Sections.

19.03 Attorneys' Fees. If any party brings action against another party, with respect to the subject matter of this Agreement, the prevailing party, if any, shall be entitled to recover from the adverse party all of the reasonable expenses of the prevailing party, including attorney fees.

19.04 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the State of Colorado, excluding its choice of laws rules. This Agreement shall be construed under the laws of the State of Colorado, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Colorado law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Colorado law, and if your Noodles & Company Restaurant is located outside of Colorado and such provision would be enforceable under the laws of the state in which your Noodles & Company Restaurant is located, then such provision shall be construed under the laws of that state. Nothing in this Section 19 is intended to subject this Agreement to any franchise or similar law, rule or regulation of the State of Colorado to which it otherwise would not be subject.

19.05 Limitations on Legal Actions.

(a) Waiver of Punitive and Exemplary Damages. Except with respect to your obligations regarding use of the Marks in Section 5 and the Confidential Information in Section 7.01, we and you (and your Owners) each waives, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other.

(b) Claims barred After One Year. Any and all claims, controversies or disputes arising out of or relating to this Agreement, or the performance of Noodles & Company hereunder, shall be commenced by you against Noodles & Company within one (1) year from the occurrence first giving rise to such claim, controversy or dispute, or such claim controversy or dispute shall be barred.

(c) Prohibition Against Class and Collective Actions. You agree that, for our franchise system to function properly, we should not be burdened with the costs of litigating system-wide disputes. Accordingly, any disagreement between you (and your Owners) and us shall be considered unique as to its facts and shall not be brought as a class action, and you (and each of your Owners) waive any right to proceed against us, our Affiliates, or any of our officers, directors, employees, agents, successors and assigns by way of class action, or by way of a multi-plaintiff, consolidated or collective action. In any legal action between the parties, the court shall not be precluded from making its own independent determination of the issues in question, notwithstanding the similarity of issues in any other legal action involving us and any other Area Operator, and each party waives the right to claim that a prior disposition of the same or similar issues precludes such independent determination.

(d) **Waiver of Jury Trial. Furthermore, the parties agree that any legal action in connection with this Agreement shall be tried to the court sitting without a jury, and all parties hereto waive any right to have any action tried by jury.**

The provisions of this Section 19. shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

20. MISCELLANEOUS.

20.01 Severability and Substitution of Provisions. Every part of this Agreement shall be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination shall not impair the other parts of this Agreement. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope or in terms of geographical area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing or reforming any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

If any applicable law requires a greater prior notice of the termination of or refusal to enter into a successor franchise than is required hereunder, a different standard of "good cause", or the taking of some other action not required hereunder, the prior notice, "good cause" standard and/or other action required by such law shall be substituted for the comparable provisions hereof. If any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable under applicable law, we have the right, in our sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to make it valid and enforceable.

20.02 Waiver of Obligations. We and you may by written instrument unilaterally waive or reduce any obligation of the other under this Agreement. Any such waiver granted shall be without prejudice to any other rights the waiving party may have, will be subject to continuing review by such party and may be revoked, in such party's sole discretion, at any time and for any reason, effective upon delivery to the other party of ten (10) days' prior notice. You and we shall not be deemed to have waived any right reserved by this Agreement or be deemed to have modified this Agreement by virtue of any custom or practice of the parties at variance with it; any failure, refusal or neglect by you or us to exercise any right under this Agreement (except as provided in Section 20.03) or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by us to exercise any right, whether of the same, similar or different nature, with respect to other Noodles & Company Restaurants; or the acceptance by us of any payments due from you after any breach of this Agreement.

20.03 Exercise of Rights. Our respective rights hereunder are cumulative and no exercise or enforcement by either party of any right or remedy hereunder shall preclude the exercise or enforcement by Noodles & Company or Area Operator of any other right or remedy hereunder which Noodles & Company or Area Operator is entitled to enforce by law. If Area Operator commits any act of default under the agreement for which Noodles & Company exercises its right to terminate this Agreement, Area Operator shall pay to Noodles & Company the actual and consequential damages Noodles & Company incurs as a result of the premature termination of this Agreement. Area Operator acknowledges and agrees that the proximate cause of such damages sustained by Noodles & Company is Area Operator's act of default and not Noodles & Company's exercise of its right to terminate. Notwithstanding the foregoing, and except as otherwise prohibited or limited by applicable law, any failure, neglect, or delay of a party to assert any breach or violation of any legal or equitable right arising from or in connection with this Agreement shall constitute a waiver of such right and shall preclude the exercise or enforcement of any legal or equitable remedy arising therefrom (however, such violations may be considered in evaluating any request to renew or transfer the franchise), unless written notice specifying such breach or violation is provided to the other party within twenty-four (24) months after the later of: (a) the date of such breach or violation; or (b) the date of discovery of the facts (or the date the facts could have been discovered, using reasonable diligence) giving rise to such breach or violation.

20.04 Successors and Assigns. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. This Agreement is fully transferable and assignable by us, whether by operation of law or otherwise, and shall inure to the benefit of any transferee or other legal successor to our interests herein.

20.05 Construction. The language of this Agreement shall be construed according to its fair meaning and not strictly against any party. The introduction, personal guarantees, exhibits and riders (if any) to this Agreement, as well as the Operations Manual, are a part of this Agreement, which constitutes the entire Agreement of the parties. Except as otherwise expressly provided herein, there are no other oral or written agreements, understandings, representations or statements relating to the subject matter of this Agreement, other than the Franchise Disclosure Document and the ADA, that either party may or does rely on or that will have any force or effect. Nothing in this Agreement shall be deemed to confer any rights or remedies on any person or legal entity not a party hereto. This Agreement shall not be modified except by mutual agreement of the parties evidenced by a written agreement signed by both parties except as otherwise expressly stated herein.

The headings of Sections are for convenience only and do not limit or construe their contents. The word "including" shall be construed to include the words "without limitation." The term "Franchisee" or "Area Operator" or "you" is applicable to one or more persons, a corporation, limited liability company or a partnership and its owners, as the case may be. If two (2) or more persons are at any time Area Operators hereunder, whether as partners, joint venturers or otherwise, their obligations and liabilities to us shall be joint and several. References to a controlling interest in an entity shall mean more than fifty percent (50%) of the equity or voting control of such entity.

This Agreement may be executed in multiple copies, each of which shall be deemed an original. Time is of the essence in this Agreement.

20.06 Approvals and Consents. Whenever this Agreement requires the approval, acceptance, or consent of either party, the other party shall make written request thereof, and such approval, acceptance, or consent shall be obtained in writing; provided, however, unless specified otherwise in this Agreement, such party may withhold approval, acceptance, or consent for any reason or for no reason at all. Furthermore, unless specified otherwise in this Agreement, no such approval, acceptance, or consent shall be deemed to constitute a warranty or representation of any kind, express or implied, and the approving, accepting or consenting party shall have no responsibility, liability or obligation arising there from.

20.07 Notices and Payments. All notices, requests and reports permitted or required to be delivered by this Agreement shall be deemed delivered: (a) at the time delivered by hand to the recipient party or any officer, director or partner of the recipient party; (b) on the same day of the transmission by facsimile, telegraph or other reasonably reliable electronic communication system provided verification of receipt is retained on a business day (otherwise on the next business day); (c) one (1) business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (d) five (5) days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified in writing. All notices to us must include a copy to our General Counsel and our Chief Financial Officer to be effective. All payments and reports required by this Agreement shall be sent to us at the address identified in this Agreement unless and until a different address has been designated by written notice. No restrictive endorsement on any

check or in any letter or other communication accompanying any payment shall bind us, and our acceptance of any such payment shall not constitute an accord and satisfaction.

20.08 Additional Services. We may, upon your request or in our sole discretion, provide additional services to you. The then current Operations Manual will include the fees we are entitled to charge you for said services.

20.09 Receipt of Franchise Disclosure Document and Agreement. You acknowledge having received our Franchise Disclosure Document fourteen (14) days before you (a) sign any agreement with us, or (b) make a payment to us.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the day and year first above written.

FRANCHISOR
NOODLES & COMPANY,
a Delaware corporation

By: _____
Name:

Title: _____

By: _____
Name:

Title: _____

AREA OPERATOR

If a corporation, partnership, limited liability company or other legal entity:

(Name of Corporation, partnership, limited liability company or other legal entity)

By: _____
Name:
Title: _____

By: _____
Name:
Title: _____

By: _____
Name: _____

Title: _____

By: _____
Name: _____
Title: _____

IF INDIVIDUALS:

_____
(Signature)

_____
(Print Name)

Attestation By Secretary Of

ADDRESS TO WHICH NOTICES SHALL BE SENT:

Noodles & Company
520 Zang Street, Suite D
Broomfield, CO 80021
Attn: General Counsel

ADDRESS TO WHICH NOTICES SHALL BE SENT:

DEVELOPMENT MILESTONES CHECKLIST

	WHAT YOU DO	WHAT WE WILL DO
x	***RESAC Approval***	
	o Submit Complete Site Package via CD or Zip file(See Site Package checklist)	Within 45 days of receipt, N & C will send you an approval/disapproval letter
x	***Lease / Purchase Agreement***	
	o Submit Copy of Lease/Purchase Agreement (with Exhibit C completed and attached)	Within 14 days of receipt, N & C will send you an approval / disapproval letter.
	o Send N & C a copy of the Executed Lease	N & C should receive this within 5 days of execution
x	***Franchise Agreement & Fee***	
	o Sign Franchise Agreement and return along with the Franchise Fee to N & C within 30 days of leasing the premises or when construction begins, whichever comes first.	Copy of Executed FA sent to FAO
x	***Design Review / Plan Approval***	
	o Submit Equipment plan and Signage/Trade Dress elevation	Within approximately 10 days of receipt of each set of plans, N & C will send you an approval / disapproval letter with comments.
	o Submit Permit Plan Drawings	
x	***General Manager***	
	o Identify GM, begin training at wk -10	
x	***Determine Training Support Needs***	
	o Discuss needs with Ops wk -6	N & C will coordinate if appropriate
	o Commit to Turnover Date	
x	***Grand Opening Plan***	
	o Submit Grand Opening Plan wk -8	Within approximately 7 days of receipt, N & C will send you an approval/disapproval letter with comments.
x	***Ops Turnover/Final Design Visit***	
	o Building is “turned over” by contractor to FAO (-10 to 14 days)	For first 2 Restaurants, N & C development team will verify design
x	***“As Built” Drawings***	
	o Copy of “As Builts” are provided to N & C for storage (cad CD’s)	
x	***Restaurant Opens!***	
	o Deliver an exceptional dining experience to every guest!	N&C Ops will complete an Operations Evaluation with in 45 days of open

EXHIBIT A

TO THE FRANCHISE AGREEMENT BETWEEN
NOODLES & COMPANY, A DELAWARE CORPORATION, AND

_____

DATED ,

FOR THE SITE LOCATED AT:

AREA OPERATOR INFORMATION

1. Operating Partner. The name and home address of the Operating Partner is as follows:

Name: Home Address:

2. Form of Entity of Franchisee.

(a) Corporation or Limited Liability Company. Franchisee was organized on , under the laws of the State of Its Federal Identification Number is . It has not conducted business under any name other than its corporate or company name. The following is a list of all of Franchisee's directors and officers or managing members as of the date hereof.

Name of Each Director/Officer/Managing Member	Position(s) Held

(b) Partnership. Franchisee is a [general] [limited] partnership formed on under the laws of the State of . Its Federal Identification Number is . It has not conducted business under any name other than its partnership name. The following is a list of all of Franchisee's general partners as of the date hereof.

Name of Each General Partner

Owners. Franchisee and each of its Owners represents and warrants that the following is a complete and accurate list of all Owners of Franchisee, including the full name and mailing address of each Owner, and fully describes the nature and extent of each Owner's interest in Franchisee. Franchisee and each Owner as to his ownership interest, represents and warrants that each Owner is the sole and exclusive legal and beneficial owner of his ownership interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

OWNER'S NAME AND ADDRESS:	PERCENTAGE AND NATURE OF OWNERSHIP INTEREST:

Submitted by Franchisee on this day of , 20

Name of corporation or Partnership:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Accepted by Franchisor and made a part of the Franchise Agreement as of , 20 .

NOODLES & COMPANY,
a Delaware corporation

By: _____

Name: _____

Title: _____

OWNERS:

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

EXHIBIT B

PRINCIPAL OWNERS' PERSONAL GUARANTY OF FRANCHISEE'S OBLIGATIONS

FOR THE SITE LOCATED AT:

In consideration of, and as an inducement to, the execution of the Noodles & Company Franchise Agreement dated as of , (the "Agreement") by and between Noodles & Company ("Franchisor"), and ("Franchisee"), each of the undersigned owners of a ten percent (10%) or greater interest in Franchisee hereby personally, unconditionally and irrevocably: (1) guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Franchisee shall timely perform each and every undertaking, agreement and covenant set forth in the Agreement (and any amendments), including the timely performance of all financial obligations, and that each and every representation of Franchisee made in connection with the Agreement (and any amendments) are true, correct and complete in all respects at and as of the time given; and (2) agrees personally to be bound by, and personally liable for the breach of, each and every provision in the Agreement (and any amendments). Notwithstanding the foregoing, the undersigned shall have no obligation under section 7.02 or 7.03 of the Franchise Agreement after the second anniversary of the later of (a) the date of the undersigned ceases to have an ownership interest in Franchisee or (b) the date of undersigned ceases to render services to the Franchisee.

Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; (e) notice of any amendment to the agreement; and (f) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that: (i) his or her direct and immediate liability under this guaranty shall be joint and several; (ii) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses to do so in a timely manner (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (iv) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that the Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable until satisfied in full.

Except for claims by either party for payments owed by one party to the other and except for claims requesting injunctive relief, any controversy or claim arising out of or relating to this Agreement or the making, interpretation, or performance hereof, shall first be submitted to mediation. The parties shall agree on a single mediator within thirty (30) days after notice by the complaining party, and if no mediator is mutually agreed upon within such thirty (30) days, then the mediation shall be submitted by the complaining party to the American Arbitration Association's ("AAA's") regional office located closest to our principal place of business. The

mediation proceedings shall be conducted in the city where we then have our principal place of business. If mediation is not successful in resolving the dispute, on demand of either party the dispute shall be submitted to a court of competent jurisdiction.

Subject to the foregoing, the parties irrevocably submit to the jurisdiction of the Federal Courts of the United States and of the courts of the state, city and county in which our principal place of business is located (which is, as of the date hereof, the State of Colorado, City and County of Broomfield) in any suit, action, or proceeding, arising out of or relating to this Agreement or any other dispute between the parties. The parties irrevocably agree that all claims in respect of any such suit, action, or proceeding brought by you must be brought therein except with respect to matters that are under the exclusive jurisdiction of the Federal Courts of the United States, which shall be brought in the Federal District Court nearest to our principal place of business. The parties irrevocably waive, to the fullest extent either party may lawfully do so, the defense of an inconvenient forum to the maintenance of such suit, action, or proceeding, and the defense of lack of personal jurisdiction.

The parties agree that service of process for purposes of any such suit, action, or proceeding arising out of this Agreement may be made by serving a person of suitable age and discretion (such as the person in charge of the office) at the notice address specified on the signature page of this Agreement.

These dispute resolution provisions shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT B
(continued)

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature, under seal, on the same day and year as the Agreement was executed.

PERCENTAGE OF OWNERSHIP INTERESTS IN FRANCHISEE

GUARANTOR(S)

_____
(Signature)

_____
(Print Name)

NOTICE ADDRESS:

_____
(Signature)

_____
(Print Name)

NOTICE ADDRESS:

_____
(Signature)

_____
(Print Name)

NOTICE ADDRESS:

Subscribed and sworn to before me this day of

_____
Notary Public

My Commission expires:

EXHIBIT C

CONFIRMATION OF TERM COMMENCEMENT DATE

FOR THE SITE LOCATED AT:

Reference is hereby made to a Franchise Agreement dated ("Agreement") by and between Noodles & Company ("Franchisor") and ("Franchisee"). Pursuant to Section 2.01 of the Agreement, Noodles & Company hereby gives notice that the Term (as defined in the Agreement) commenced on , .

WITNESS the execution hereunder seal as of the day of , .

FRANCHISOR:

Noodles & Company, a Delaware corporation

By: _____

Print Name: _____

Title: _____

EXHIBIT D

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(To be executed by all owners

In conjunction with your investment in or provision of services to ("Franchisee"), you ("Investor" or "you"), acknowledge and agree as follows:

1. Franchisee owns and operates, or is developing, a Noodles & Company Restaurant pursuant to a franchise agreement dated , ("Franchise Agreement") with Noodles & Company, a copy of which is attached hereto. The Franchise Agreement requires persons with legal or beneficial ownership interests in Franchisee under certain circumstances to be personally bound by the confidentiality and non-competition covenants contained in the Franchise Agreement. You are entering into this Agreement to induce Noodles & Company to enter into the Franchise Agreement. All capitalized terms contained herein and not otherwise defined herein shall have the same meaning set forth in the Franchise Agreement.

For purposes of this Agreement:

"Competitive Business" means any business that operates or franchises one or more restaurants: (1) whose sales of Specified Dishes (as defined below) collectively constitute more than 10% of restaurant operating revenues; (2) that are the same as, or substantially similar to, the Noodles & Company concept as it evolves or changes over time; or (3) that operate in a fast casual or quick casual format. As used in this Agreement, "Specified Dishes" means noodle dishes, pasta dishes, Asian dishes, Italian or Mediterranean dishes and any other dishes that are the same or substantially similar to the dishes on the Noodles & Company menu ("Noodles & Company Dishes") as it may evolve or change over time. Restrictions in this Agreement on competitive activities do not apply to: (a) the ownership or operation of other Noodles & Company restaurants we or our Affiliates licenses; (b) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities; or (c) any restaurant concept whose per person average check during the preceding twelve (12) months was more than fifty percent (50%) higher or lower than Noodles & Company per person average check for the same period. Revenue of a restaurant, as used in this definition means the aggregate amount of all sales of food, beverages and other products sold in or by such restaurant, whether for cash or credit, but excluding all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities, all coupons, promotions, discounts and refunds.

2. You acknowledge and agree that your execution of this Agreement is a condition to Noodles & Company entering into the Franchise Agreement and that you have received good and valuable consideration for executing this Agreement. Noodles & Company may enforce this Agreement directly against you and your Owners (as defined below).

3. If you are a corporation, partnership, limited liability company or other entity, all persons who have a legal or beneficial interest in you ("Owners") must also execute this Agreement.

4. You and your Owners, if any, may gain access to parts of Noodles & Company's Confidential Information as a result of investing in Franchisee. The Confidential Information is proprietary and includes Noodles & Company trade secrets. You and your Owners hereby agree that while you and they have a legal or beneficial ownership interest in Franchisee and indefinitely thereafter you and they: (a) will not use the Confidential Information in any other business or capacity (such use being an unfair method of competition); (b) will exert best efforts to maintain the confidentiality of the Confidential Information; (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (d) will not distribute, disclose, or otherwise cause the distribution of any Noodles & Company Confidential Information. If you or your Owners cease to have an interest in Franchisee, you and your Owners, if any, must deliver to Noodles & Company any such Confidential Information in your or their possession.

5. During the term of the Franchise Agreement, you and your Owners shall not, without Noodles & Company's prior written consent, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was within a period of six (6) months prior to such recruiting or hiring an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours, without obtaining the employer's consent, which consent may be withheld for any reason. We may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) the United States.

6. For a continuous uninterrupted period commencing upon the expiration or termination of the Franchise Agreement and for two (2) years thereafter, you and your Owners, shall not, without Noodles & Company's prior written consent, either directory or indirectly, for yourself or through, on behalf of, or in conjunction with any person, persons, partnership, limited liability company, or corporation:

(a) Divert or attempt to divert any business or customer of any Noodles & Company Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform,

directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Noodles & Company's Marks or the System.

(b) Recruit, except for general solicitation, or hire any person who is or was within a period of six (6) months prior to such recruiting or hiring an employee of ours or of any Noodles & Company Restaurant operated by us, our Affiliates or another Area Operator of ours, without obtaining the employer's consent, which consent may be withheld for any reason. We may elect, in our sole discretion, to require you to pay to us, our Affiliate or other Area Operator, as liquidated damages an amount equal to two (2) times the annual salary of the person(s) involved in such violation plus an amount equal to our costs and attorney's fees incurred in connection with such violation.

(c) Own, maintain, advise, be employed by, consult for, make loans to, operate, engage in or have an ownership interest (including any right to share in revenues or profits) in any Competitive Business which is, or is intended to be located within:

(1) the Protected Area;

(2) a radius of fifteen (15) miles from your Noodles & Company Restaurant;

(3) a radius of fifteen (15) miles of any Noodles & Company Restaurant; or

(4) any Designated Market Area (as defined by Nielsen Media Research) where any Noodles & Company Restaurant is located.

7. Notwithstanding the foregoing, you will have no obligation under Section 5 or Section 6 after the second anniversary of the later of (a) the date you cease to have an ownership interest in Franchisee or (b) the date you cease to render services to Franchisee.

8. You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit such skills in other ways, so that enforcement of the covenants contained in Sections 5 and 6 will not deprive any of you of your personal goodwill or ability to earn a living. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope or in terms of geographical area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy. Noodles & Company may obtain, in any court of competent jurisdiction, any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause it irreparable harm. You and each of your Owners acknowledges that any violation of Sections 4, 5 or 6 hereof would result in irreparable injury for which no adequate remedy at law may be available. If Noodles & Company files a claim to enforce this Agreement and prevails in such proceeding, you agree to reimburse Noodles & Company for all its costs and expenses, including reasonable attorneys' fees.

9. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the State of Colorado, excluding its choice of laws rules. This Agreement shall be construed under the laws of the State of Colorado, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Colorado law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Colorado law, and if your Noodles & Company Restaurant is located outside of Colorado and

such provision would be enforceable under the laws of the state in which your Noodles & Company Restaurant is located, then such provision shall be construed under the laws of that state.

10. You understand and acknowledge that Noodles & Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without your consent, effective immediately upon written notice to you. You shall comply forthwith with any covenant as so modified, which shall be full enforceable notwithstanding the provisions hereof.

11. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction, the parties desire the court to reform the covenant to render the covenant enforceable, but only to the extent required to render the covenant enforceable, so that Noodles & Company may obtain the greatest possible level of protection from the misuse of Confidential Information, the diversion of customers, the solicitation of its employees and unfair competition; and in such event, you 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 Agreement.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT D
(continued)

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement on this day of , .

INVESTOR

If an Individual:

(Signature)

_____

(Print Name)

_____

If a corporation, partnership, limited liability company or other legal entity:

By: _____

Print Name: _____

Title: _____

OWNERS

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

EXHIBIT E

PROTECTED AREA EXHIBIT

Exhibit 21.1

Subsidiaries of the Registrant	Jurisdiction of Incorporation
The Noodle Shop, Co. — Wisconsin, Inc.	Wisconsin, United States
The Noodle Shop, Co. — Minnesota, Inc.	Minnesota, United States
The Noodle Shop, Co. — Illinois, Inc.	Illinois, United States
The Noodle Shop, Co. — Virginia, Inc.	Virginia, United States
The Noodle Shop, Co. — Maryland, Inc.	Maryland, United States
The Noodle Shop, Co. — College Park, LLC	Maryland, United States
TNSC, Inc.	Colorado, United States
Noodles & Company Services Corp.	Colorado, United States
Noodles & Company Finance Corp.	Colorado, United States
The Noodle Shop, Co. — Howard County, Inc.	Maryland, United States
The Noodle Shop, Co. — Charles County, Inc.	Maryland, United States
The Noodle Shop, Co. — Kansas, LLC	Kansas, United States
The Noodle Shop, Co. — Annapolis, LLC	Maryland, United States
The Noodle Shop, Co. — Baltimore County, LLC	Maryland, United States
The Noodle Shop, Co. — Delaware, Inc.	Delaware, United States
The Noodle Shop, Co. — Frederick County, LLC	Maryland, United States
Noodles & Company International Holdings, LTD	Cayman Islands
Noodles & Company China Holdings, LTD	Cayman Islands
Noodles & Company Hong Kong, Limited	Hong Kong

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated March 22, 2013 (except for Note 1, as to which the date is May 9, 2013) in the Registration Statement (Form S-1) and related Prospectus of Noodles & Company dated May 23, 2013.

/s/ Ernst & Young LLP

Denver, Colorado
May 23, 2013

QuickLinks