SETTLEMENT AGREEMENT

BETWEEN

THE STATES OF MASSACHUSETTS, CALIFORNIA, ILLINOIS, IOWA, MARYLAND, MINNESOTA, NEW JERSEY, NEW YORK, NORTH CAROLINA, OREGON, AND PENNSYLVANIA

AND

ARBY'S RESTAURANT GROUP, INC.

PARTIES

1. The States of Massachusetts, California, Illinois, Iowa, Maryland, Minnesota, New Jersey, New York, North Carolina, Oregon, and Commonwealth of Pennsylvania (the "Settling States"), by and through their Attorneys General (collectively, "the Attorneys General"), are charged with enforcement of, among other things, their respective state's consumer protection and antitrust laws, and other related statutes and regulations.

2. Arby's Restaurant Group, Inc. ("Arby's") is a Delaware corporation with its principal offices or place of business in Atlanta, Georgia. Arby's is a franchisor, and its corporate and franchisee-operated locations are in the business of offering roast beef sandwiches, among other food products, for sale to consumers.

DEFINITIONS

3. "No-Poach Provisions" refers to the terms in the license agreements entered into between Arby's and its franchisees (the "franchise agreement") that state franchisees subject to such agreements may not solicit employees of Arby's or of other Arby's franchisee to terminate

or reduce their employment with Arby's or an Arby's franchisee. Arby's hereby represents and affirms that, with respect to its documents and agreements in the United States, other than (i) the franchise agreement, (ii) restrictive covenants contained in some purchase agreements, and (iii) certain severance and employment agreements between Arby's and its employees (in some cases, called "Restrictive Covenant Agreement"), no other document or agreement to which Arby's is a party exists that restricts, limits or prevents any Arby's franchisee or Arby's-operated store from hiring, recruiting or soliciting employees of Arby's or any other Arby's franchisee for employment.

4. "Arby's" shall mean Arby's Restaurant Group, Inc. and shall include its directors, officers, managers, agents acting within the scope of their agency, and employees as well as its successors and assigns, subsidiaries, and franchisor entities.

THE INVESTIGATION BY THE ATTORNEYS GENERAL

5. The Attorneys General undertook an investigation pertaining to certain No-Poach Provisions contained in Arby's franchise agreement or any other document which restricts franchisees from hiring or soliciting employees of Arby's and/or other Arby's franchisees for employment. As a result of the investigation, the Attorneys General determined:

a. Arby's has independently-owned franchise locations in each of the Settling States; and

b. Beginning in 2013, Arby's began including No-Poach Provisions in its franchise agreements.

c. Arby's use of No-Poach Provisions in its franchise agreements may have limited job opportunities and deprived other franchisees of the opportunity to hire workers with requisite skills and experience. The economic consequences of these restrictions may be significant.

6. The Attorneys General allege that this course of conduct may constitute a violation of the Settling States' antitrust laws. The Attorneys General further allege that these methods, acts, or practices may constitute unfair methods of competition and/or unfair or deceptive acts or practices in the conduct of trade or commerce in violation of the Settling States' consumer protection laws, and may violate other laws in some or all of the Settling States governing the free exercise of the right to contract for employment.

7. Arby's: (i) expressly denies that the conduct described above constitutes a contract, combination, or conspiracy in restraint of trade under any applicable antitrust law or regulation; (ii) expressly denies that the conduct described above constitutes an unfair method of competition and/or deceptive acts or practices in the conduct of trade or commerce in violation of any consumer protection laws; (iii) expressly denies that the conduct described above constitutes a violation of any law governing the free exercise of the right to contract for employment; (iv) expressly denies that the conduct described above violated any other law or regulation; and (v) expressly denies the allegations set forth in Paragraph 6 above.

8. Arby's enters into this Agreement for the purpose of resolving this investigation only.

9. This Agreement is made without trial or adjudication of any issue of fact or law. The parties have voluntarily and knowingly entered into this Agreement in order to avoid the time, expense, and uncertainty of litigation.

10. The Attorneys General have conferred in good faith with Arby's and its attorneys, and the parties have agreed to resolve the allegations through this Agreement.

ASSURANCES

11. Arby's agrees that it will no longer include No-Poach Provisions in any of its franchise agreements in the United States signed after the execution date of this Agreement.

12. Arby's agrees it will not enforce any No-Poach Provision in any of its existing franchise agreements in the United States and will not seek to intervene in any action brought by the Attorney General of any of the Settling States against a current or former franchisee that enforces or attempts to enforce an existing No-Poach Provision.

13. Within 45 days of execution of this Agreement, Arby's will send a letter to all of its current franchisees with stores located in the Settling States that have No-Poach Provisions in their franchise agreements, stating that Arby's, in accordance with an agreement with the Attorney General of the franchisee's State, is requesting that the No-Poach Provisions be removed from existing franchise agreements. The notice that Arby's will send to these franchisees will be substantially in the form of the letter attached hereto as Exhibit A. That letter will include the proposed amendment that Arby's is requesting that each of its franchisees in the Settling States agree to, which will remove the No-Poach Provisions from the franchise agreements.

14. The proposed amendment that will be included with each letter will be substantially in the form of the amendment attached hereto as Exhibit B.

15. The letter to franchisees will also include a request that the franchisees post a notice at the workplace in a location where it can easily be read to inform employees of this Agreement. Arby's will recommend that such notice be posted through December 31, 2020. A template of such notice in English and Spanish is attached hereto as Exhibit C. Arby's will post this notice in all of its own operated stores in the Settling States through December 31, 2020.

16. If, after the 45-day period set forth in Paragraph 13, Arby's becomes aware of a franchisee with a store located in one of the Settling States attempting to enforce No-Poach Provisions, and Arby's is unable to persuade such franchisee to desist from enforcing or attempting to enforce such provision, Arby's shall notify the Attorney General of the state in which the store is located and the Massachusetts Attorney General within thirty (30) days of learning of the attempted enforcement. Notice shall be provided by both United States Postal Service and email to the appropriate Settling States' signatory to this Agreement.

17. In addition to sending the letter to its current franchisees in the Settling States pursuant to Paragraph 13 above, Arby's will respond promptly to any inquiries from such franchisees regarding the request to amend the terms of the franchise agreement and will encourage its current franchisees in the Settling States to sign the proposed amendment. Within 150 days of execution of this Agreement, Arby's will provide: (a) a list of all current franchisees in the Settling States which indicates whether each franchisee has executed the proposed amendment, refused to execute the proposed amendment, or is requesting an extension to execute

the proposed amendment to the Settling States; and (b) copies of all executed amendments it has obtained with its current franchisees in the Settling States to the respective Attorney General of each Settling State and a copy to the Massachusetts Attorney General. However, Arby's is under no obligation to offer its franchisees any consideration – monetary or otherwise – in order to induce them to sign the proposed amendment or to post the notice described in paragraph 15 (or to keep the notice posted through December 31, 2020). Similarly, Arby's is under no obligation to take adverse action against any franchisees refusing to sign the proposed amendment or to post the notice described in paragraph 15. A decision by a franchisee not to amend its franchise agreement, or not to do so within 150 days of this Agreement, or not to post the notice described in paragraph 15, or not to keep the notice posted through December 31, 2020, shall not mean that Arby's has not complied with its obligations under this Agreement.

18. If Arby's learns that a current franchisee in a Settling State intends in good faith to sign the proposed amendment but is unable to do so within the time period specified in Paragraph 17, Arby's will notify the respective Attorney General of the Settling State in which the franchisee operates, and the Massachusetts Attorney General, to seek a mutually agreeable extension. During any such extension, that Attorney General will not take further investigative or enforcement action against the franchisee for the use of No-Poach Provisions.

19. Within 180 days of execution of this Agreement, Arby's will submit a declaration to the Attorneys General, signed under penalty of perjury, stating whether all provisions of this Agreement have, to the best of its knowledge following due diligence, been satisfied.

MISCELLANEOUS PROVISIONS

20. This Agreement shall be governed by and interpreted in accordance with the respective laws of the Settling State that is seeking to enforce the Agreement against Arby's or against which Arby's is seeking enforcement.

21. Arby's is represented by and has consulted with counsel in connection with the decision to enter into this Agreement.

22. This Agreement shall be binding upon, and applies to Arby's, including each of its respective directors, officers, managers, agents acting within the scope of their agency, and employees, as well as their respective successors and assigns, subsidiaries, franchisor entities, or other entities through which Arby's may now or hereafter act with respect to the conduct described in this Settlement.

23. This Agreement shall have the same effect as an Assurance of Discontinuance, Assurance of Voluntary Compliance, or a Stipulated Judgment, and it may be filed in court pursuant to the respective laws of each Settling State.[1]

24. In the event that any of the Settling States believe that Arby's has breached the terms of this Agreement:

[1] With respect to California, this Agreement will only become effective once it has been entered as a stipulated judgment pursuant to California Code of Civil Procedure section 664.6.

a. The Settling State or States will provide written notice of the alleged breach to Arby's, by both United States Postal Service first class mail and e-mail, to the below addresses.

Nils H. Okeson
Chief Administrative Officer,
General Counsel & Secretary
Arby's Franchisor, LLC
1155 Perimeter Center West
Atlanta, GA 30338

E-mail: nokeson@arbys.com

Robert A. Atkins
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019-6064

E-mail: ratkins@paulweiss.com

b. Arby's will have forty-five (45) days following receipt of the written notice to cure any alleged breach, after which time the Settling States may bring claims if they are not satisfied that Arby's has cured the alleged breach or breaches identified in the written notice.

25. If a court of competent jurisdiction enters a final, non-appealable judgment in which it determines that Arby's has materially breached this Agreement, then:

a. For each material breach of this Agreement that results in a refusal to hire, Arby's shall pay the Settling States an aggregate amount up to $100,000, determined at the Settling States' discretion, unless Arby's establishes that its breach was unintentional and that Arby's cured the breach within forty-five (45) days of receipt of written notice from the Settling States.

b. For each material breach of this Agreement that does not result in a refusal to hire, Arby's shall pay the Settling States an aggregate amount up to $10,000, determined at the Settling

States discretion, unless Arby's establishes that its breach was unintentional and Arby's cured the breach within forty-five (45) days of receipt of written notice from the Settling States; and

c. In the event that a payment is due under this Paragraph, Arby's shall also pay the reasonable fees and costs incurred by the Settling States in enforcing the terms of this Agreement if litigation is required, including without limitation reasonable attorneys' fees, expenses, and costs, as determined by the court.

26. The Attorneys General agree not to proceed with or institute any civil action or other proceeding under their respective laws, and statutes, and regulations against Arby's or other entities through which Arby's may now or hereafter act with respect to the conduct described in this Settlement, for the use of No-Poach Provisions prior to the execution of this agreement. The Attorneys General further agree not to proceed with or institute any civil action or other proceeding under their respective state's laws, statutes, and regulations against any of Arby's former franchisees[2], for the use of No-Poach Provisions prior to the execution of this agreement, or any of Arby's current franchisees, for the use of No-Poach Provisions prior to the execution of this agreement, to the extent such franchisee enters into the proposed amendment described in Paragraph 14 above and posts the proposed notice described in Paragraph 15. Notwithstanding this paragraph, nothing in this Agreement shall be construed as preventing the Attorneys General from pursuing or instituting a civil action or other proceeding relating to a suspected violation of this Agreement, with respect to claims relating to conduct occurring after the date of this

[2] Only the six former franchisees, specifically identified by Arby's, which previously operated fourteen (14) restaurants in the Settling States, shall benefit from this provision.

agreement. Any claims or potential claims of individuals or classes of individuals not party to this Agreement are not waived, released, or otherwise affected by this Agreement, even if one or more of the Attorneys General could have brought those claims on their behalf.

27. Notwithstanding Paragraph 26, the Attorneys General reserve the right to take further investigative or enforcement action against any current franchisee in any Settling State that does not sign the proposed amendment described in Paragraph 14, or fails to post the proposed notice described in Paragraph 15.

28. Nothing in this Agreement shall be construed as relieving Arby's of a duty to comply with all applicable federal, state and local laws, regulations, rules, and permits. Other than with respect to breaches of this Agreement, the Settling States are not required to provide notice in advance of taking any enforcement action if necessary to protect the health, safety or welfare of the public.

29. This Agreement contains the complete agreement between the Attorneys General and Arby's related to the conduct at issue. No promises, representations, or warranties other than those set forth in this Agreement have been made by the Attorneys General or by Arby's. This Agreement supersedes all prior communications, discussions, or understandings regarding No-Poach Provisions between the Attorneys General and Arby's, whether oral or in writing. This Agreement can only be modified or supplemented by a written document signed by both parties to which such modification or supplementation applies.

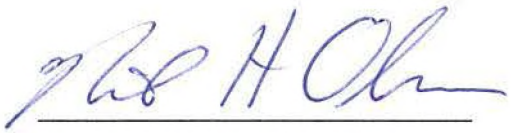
30. The Attorneys General and Arby's agree and represent that any persons signing this Agreement are authorized by proper authorities to execute this Agreement on their behalf. By signing below, Arby's agrees to comply with all of the terms of this Agreement.

31. Execution of this Agreement does not constitute an approval by the Settling States of any of Arby's business acts or practices.

32. Arby's may petition the Attorneys General of any Settling State to modify or terminate the Agreement on the basis of material changes in law, rule, regulation, judicial or administrative decision or interpretation.

AGREED TO AND APPROVED BY:

ARBY's FRANCHISOR, LLC



Nils H. Okeson
Chief Administrative Officer,
General Counsel & Secretary
Arby's Franchisor, LLC

FOR THE SETTLING STATES:

MASSACHUSETTS

Cynthia Mark
Chief, Fair Labor Division
Massachusetts Office of the Attorney General
One Ashburton Place
Boston, MA 02108
(617) 963-2626
cynthia.mark@state.ma.us

IOWA

Max M. Miller
Consumer Protection Division
Office of the Iowa Attorney General
1305 E. Walnut St.
Des Moines, IA 50319
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Labor Bureau Chief
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PENNSYLVANIA

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Fair Labor Section
Commonwealth of Pennsylvania
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(215) 560-2704
nwalker@attorneygeneral.gov

EXHIBIT A

SAMPLE NOTICE TO FRANCHISEES

Dear [Franchisee Name]:

In July 2018, Arby's received a request for information from the Attorneys General of California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon, and Pennsylvania (the "States") requesting information about provisions in our license agreement that restrict the hiring or solicitation of employees (sometimes referred to as "no-poaching" clauses). We have cooperated fully with the investigation.

Without admitting that Arby's or its franchisees violated any law or regulation, or acted improperly in any respect, we have reached an agreement with the States. This agreement provides that Arby's will, among other things, no longer include in any U.S. license agreement or renewal signed after the date of our agreement with the States any provisions that restrict the hiring or solicitation of employees. The agreement also provides that Arby's will not enforce any such provisions in any of our existing license agreements in the U.S.

We believe the system's interests are best served by resolving the investigation quickly and cooperatively on these terms, and avoiding the uncertainty and cost of protracted litigation.

Our agreement with the States also includes a requirement that we request, from franchisees with locations in the States, that they agree to amend their existing license agreements to remove the provisions, if any, that restrict the hiring or solicitation of employees. Enclosed for your signature is an amendment to your license agreement(s) with Arby's to satisfy that requirement. Our agreement with the States also includes a requirement that we request, from franchisees with locations in the States, that they post a notice at the workplace in a location where it can easily be read to inform employees of our agreement with the States, from the date you sign the Amendment through December 31, 2020.

To the extent that you agree to the proposed amendment to your license agreement, and post the attached notice to your employees through December 31, 2020, the States have committed to not pursue any suit, or take any investigative or enforcement action against you, for conduct relating to the relevant provisions of your franchise agreement, up to and including the date you sign the amendment.

We therefore recommend that you sign and return the amendment to me as soon as possible, and post the notice attached to this letter as requested. If you decide not to sign the enclosed amendment or post the notice through December 31, 2020, the States have indicated that they will reserve the right to investigate you and/or pursue enforcement actions against you relating to the contractual provisions described above.

Should you have any questions regarding this matter, please contact me at nokeson@InspireBrands.com.

Please do not provide comments regarding this matter to members of the media. If you receive any media inquiries regarding this matter, please refer them to Press@InspireBrands.com.

Sincerely,

Nils H. Okeson General Counsel Arby's Restaurant Group, Inc.

EXHIBIT B

AMENDMENT
TO
ARBY'S FRANCHISOR, LLC LICENSE AGREEMENT

The Arby's Franchisor, LLC ("Arby's") License Agreement(s) between Arby's ("We") and the undersigned franchisee ("You") listed in Exhibit A hereto (as amended, the "License Agreement(s)") shall be amended in accordance with the following terms.

1. Background. We and You are parties to each License Agreement and You operate one or more franchised outlets in California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon, or Pennsylvania under the License agreement(s). We have determined that it is in the best interests of the franchise system to not enforce the portions of Section 13:1 described below and in Appendix A attached hereto. The purpose of this Amendment to your License Agreement(s) is to document this change. All initial capitalized terms used but not defined in this Amendment shall have the meanings set forth in the License agreement(s).

2. Modification of Terms. As of the Effective Date (defined below) of this Amendment, You and We agree that Sub-section (ii) of Section 13.1 and the sentence immediately thereafter are hereby deleted from each License Agreement, as shown in Appendix A attached hereto, and is of no further force or effect.

3. Miscellaneous. Except as specifically modified by this Amendment, the provisions of the License Agreement(s) shall remain in full force and effect. This document is an amendment to, and forms a part of, each License Agreement. If there is an inconsistency between this Amendment and any License Agreement, the terms of this Amendment shall control. This Amendment constitutes the entire agreement between the parties hereto, and there are no other oral or written representations, understandings or agreements between them, relating to the subject matter of this Amendment. This Amendment inures to the benefit of the parties hereto and their respective successors and assigns and will be binding upon the parties hereto and each of their respective successors and assigns. This Amendment may be executed in multiple counterparts, but all such counterparts together shall be considered one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement effective as of _____, 2019 (the "Effective Date").

ARBY'S FRANCHISOR, LLC

By: _____
Name: _____
Title: _____

[FRANCHISEE'S NAME]

By: _____
Name: _____
Title: _____

Appendix A

Modifications:

Section 13:1 Covenant Not to Compete: Licensee covenants that, during the term of this License Agreement, and also for a period of twelve (12) months after termination of this License Agreement for any reason, and in addition to and not as a limitation of any other restriction upon Licensee contained herein, neither Licensee, nor any Guarantor, nor any general partner of Licensee if Licensee is a partnership, nor any shareholder, limited partner, member or other equity owner holding at least a fifteen percent (15.0%) interest in Licensee, shall, without prior written permission of Arby's, either directly or indirectly, for himself or on behalf of or in conjunction with any other person or entity~~: (i)~~ engage or be engaged in any capacity in, operate, manage or have a fifteen percent (15.0%) or greater interest in any business offering roast beef sandwiches for sale to consumers and located within the Protected Area for Licensee's Restaurant as specified in Exhibit B~~.; or (ii) solicit or attempt to solicit any officer, employee or independent contractor of Arby's or its affiliates or of any Arby's licensee in the Arby's System to terminate or reduce his or her employment or business relationship with Arby's or its affiliates or with such Arby's licensee and shall not assist any other person or entity in such a solicitation. In addition, Arby's covenants that, during the term of this License Agreement, neither Arby's nor any affiliates controlled by Arby's will solicit or attempt to solicit any officer, employee or independent contractor of Licensee or its affiliates to terminate or reduce his or her employment or business relationship with Licensee or its affiliates and shall not assist any other person or entity in such a solicitation.~~

Provision as Amended:

Section 13:1 Covenant Not to Compete: Licensee covenants that, during the term of this License Agreement, and also for a period of twelve (12) months after termination of this License Agreement for any reason, and in addition to and not as a limitation of any other restriction upon Licensee contained herein, neither Licensee, nor any Guarantor, nor any general partner of Licensee if Licensee is a partnership, nor any shareholder, limited partner, member or other equity owner holding at least a fifteen percent (15.0%) interest in Licensee, shall, without prior written permission of Arby's, either directly or indirectly, for himself or on behalf of or in conjunction with any other person or entity engage or be engaged in any capacity in, operate, manage or have a fifteen percent (15.0%) or greater interest in any business offering roast beef sandwiches for sale to consumers and located within the Protected Area for Licensee's Restaurant as specified in Exhibit B.

EXHIBIT C

EMPLOYEE NOTICE
(post through December 31, 2020)

In July 2018, the Attorney General of your state asked Arby's to stop using or enforcing No-Poach Provisions in its franchise agreement. The Attorney General believes that these provisions may have prevented some employees from getting a job at another Arby's location.

Arby's does not believe that it acted improperly in any way, and denies that it violated any law. Nevertheless, Arby's cooperated with the Attorney General and agreed to stop using or enforcing these provisions.

You are allowed to be recruited or hired by Arby's or another Arby's franchisee in the future, if you so desire.

If you have any questions or concerns, please contact your state Attorney General's Office [include list of state #s or Email].

AVISO PARA EMPLEADO
(publique hasta el 31 de diciembre de 2020)

En julio de 2018, el Fiscal General de su estado solicitó a Arby's que deje de usar o hacer cumplir cláusulas de no contratación de otros empleados de Arby's o de franquiciatarios en sus acuerdos de franquicia. El Fiscal General cree que estas cláusulas pueden haber impedido a algunos empleados de conseguir un trabajo en otra locación de Arby's.

Arby's no cree que actuó incorrectamente de ninguna manera, y niega que haya violado cualquier ley. Sin embargo, Arby's cooperó con el Fiscal General y acordó a dejar de usar o hacer cumplir estas cláusulas.

Se le permite ser reclutado o contratado por Arby's u otro franquiciatario de Arby's en el futuro, si así lo desea.

Si tiene cualquier pregunta o preocupaciones, por favor contacte y a la Oficina del Fiscal General de su estado [include list of phone numbers or Email].