

SECURITIES AND EXCHANGE COMMISSION

FORM S-8

Initial registration statement for securities to be offered to employees pursuant to employee benefit plans

Filing Date: **1994-04-11**
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FILER

KARCHER CARL ENTERPRISES INC

CIK: **353718** | IRS No.: **952415578** | State of Incorpor.: **CA** | Fiscal Year End: **0129**
Type: **S-8** | Act: **33** | File No.: **033-53089** | Film No.: **94522184**
SIC: **5812** Eating places

Business Address
1200 N HARBOR BLVD
ANAHEIM CA 92801
7147745796

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON APRIL 11, 1994
Registration No. 33- _____

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT of 1933

CARL KARCHER ENTERPRISES, INC.
(Exact name of registrant as specified in its charter)

<TABLE>
<S> CALIFORNIA <C> 95-2415578
(State or other jurisdiction of (I.R.S. employer
incorporation or organization) identification no.)
</TABLE>

1200 North Anaheim Boulevard
Anaheim, California 92801
(Address of principal executive offices) (Zip Code)

1993 EMPLOYEE STOCK INCENTIVE PLAN and
DONALD E. DOYLE RESTRICTED STOCK GRANT
(Full title of the plan)

DONALD E. DOYLE
Carl Karcher Enterprises, Inc.
1200 North Anaheim Boulevard
Anaheim, California 92801
(Name and address of agent for service)

(714) 774-5796
(Telephone number, including area code, of agent for service)

With a copy to:
Richard A. Strong, Esq.
Gibson, Dunn & Crutcher
2029 Century Park East
Los Angeles, California 90067
(310) 552-8500

CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>
=====

Title of securities to be registered	Amount to be registered	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
<S> Common Stock	<C> 1,762,121 (1)	<C> \$11.9375 (2)	<C> \$21,035,320 (2)	<C> \$7,254

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</TABLE>

This document consists of ___ pages.
Exhibit Index is on page __.
(cover page continues on next page.)

- (1) Based on the registrant's estimate of the number of shares of Common Stock that will be purchased pursuant to the 1993 Employee Stock Incentive Plan (the "Plan") and issued pursuant to the Restricted Stock Agreement dated as of January 6, 1993 by and between the registrant and Donald E. Doyle (the "Doyle Restricted Stock Grant").

Pursuant to Rule 416(c), there is also being registered such number of additional shares of Common Stock that may become available for purchase under the Plan and the Doyle Restricted Stock Grant in the event of certain changes in the outstanding shares of Common Stock, including, among other things, reorganizations, mergers, recapitalizations, restructurings, stock dividends, stock splits, reverse stock splits and reclassifications.

- (2) Estimated in accordance with Rule 457(h) and Rule 457(c) solely for purposes of calculating the registration fee and based on the average of the high and low prices of the Common Stock of the Company on the NASDAQ National Market System on April 5, 1994 of \$11.9375.

3

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The following documents of Carl Karcher Enterprises, Inc., a California corporation (the "Company"), previously filed with the Securities and Exchange Commission are hereby incorporated by reference in the Registration Statement:

(i) The Company's Annual Report on Form 10-K for the year ended January 25, 1993 (File No. 0-10316) filed pursuant to Section 13(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act");

(ii) The Company's Quarterly Report on Form 10-Q for the quarter ended May 17, 1993 (File No. 0-10316) filed pursuant to Section 13(a) of the Exchange Act;

(iii) The Company's Quarterly Report on Form 10-Q for the quarter ended August 9, 1993 (File No. 0-10316) filed pursuant to Section 13(a) of the Exchange Act;

(iv) The Company's Quarterly Report on Form 10-Q for the quarter ended November 1, 1993 (File No. 0-10316) filed pursuant to Section 13(a) of the Exchange Act;

(v) The Company's Current Report on Form 8-K (File No. 0-10316) dated September 7, 1993 filed pursuant to Section 13 of the Exchange Act; and

(vi) The description of the Company's Common Stock set forth under the heading "Description of Registrant's Securities" in the Company's Registration Statement on Form 8-A (File No. 0-10316) filed with the Commission pursuant to the Exchange Act on April 12, 1982, together with any amendment or report filed with the Securities and Exchange Commission for the purpose of updating such description.

All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, prior to the filing of a post-effective amendment which indicates that all securities offered hereunder have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be part hereof from the date of filing of such documents.

ITEM 4. DESCRIPTION OF SECURITIES.

Not applicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

None.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Pursuant to provisions of the California General Corporation Law, the Company's Articles of Incorporation include a provision (the "Provision") which eliminates the personal liability of its directors to the Company and its shareholders for monetary damages to the fullest extent permissible under California law. The Provision has no effect on a director's liability (i) for acts or omissions that involve intentional misconduct or a knowing and culpable violation of law, (ii) for acts or omissions that a director believes to be contrary to the best interests of the Company or its shareholders or that involve the absence of good faith on the part of the director,

(iii) for any transaction from which a director derived an improper personal benefit, (iv) for acts or omissions that show a reckless disregard for the director's duty to the Company or its shareholders in circumstances in which the director was aware, or should have been aware, in the ordinary course of performing a director's duties, of a risk of a serious injury to the Company or its shareholders, (v) for acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the director's duty to the Company or its shareholders, (vi) under Section 310 of the California General Corporation Law (concerning contracts or transactions between the corporation and a director) or (vii) under Section 316 of the California General Corporation Law (directors' liability for improper dividends, loans and guarantees). The Provision does not eliminate liability of an officer for any act or omission as an officer, notwithstanding that the officer is also a director or that his or her actions, if negligent or improper, have been ratified by the Board of Directors. Further, the Provision has no effect on claims arising under federal or state securities laws and does not affect the availability of injunctions and other equitable remedies available to the Company's shareholders for any violation of a director's fiduciary duty to the Company or its shareholders. Although the validity and scope of the legislation underlying the Provision have not yet been interpreted to any significant extent by the California courts, the Provision may relieve directors of monetary liability to the Company for grossly negligent conduct, including conduct in situations involving attempted takeovers of the Company.

The Company's Articles of Incorporation also include a section authorizing the Company to indemnify its officers, directors and other agents through bylaw provisions, agreements, vote of shareholders or disinterested directors or otherwise, to the full extent permitted by law. The Company's Bylaws permit the Company to indemnify its directors, officers, employees and other agents to the fullest extent permitted by law. The Bylaws and Articles of Incorporation expressly authorize the use of indemnity agreements. The Company's Bylaws and Articles of Incorporation may require the Company, among other things, to indemnify such directors, officers, employees and other agents against certain liabilities that may arise by reason of their status or service as directors, officers, employees or agents (other than liabilities from willful misconduct of a culpable nature), to advance expenses to them as they are incurred, provided that they undertake to repay the amount advanced if it is ultimately determined by a court that they are not entitled to indemnification, and to obtain directors' and officers' insurance.

Section 317 of the California General Corporation Law makes provisions for the indemnification of officers, directors and other corporate agents in terms sufficiently broad to indemnify such persons, under certain circumstances, for liabilities (including reimbursement of expenses incurred) arising under the Securities Act of 1933. The Company has entered into indemnification agreements with all of the directors and executive officers of the Company and its subsidiaries whereby the Company will indemnify each such person (an "Indemnitee") against certain claims arising out of certain past, present or future acts, omissions or breaches of duty committed by an Indemnitee while serving in his or her employment capacity. Such indemnification does not apply to acts or omissions which are knowingly fraudulent, deliberately dishonest or arise from willful misconduct. Indemnification will only be provided to the extent that the Indemnitee has not already received payment in respect of such claim from the Company or from an insurance company.

The Company also maintains a liability insurance policy that insures directors and officers against certain liabilities incurred by them in their capacities as such, or arising out of their status as such.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

Not Applicable.

ITEM 8. EXHIBITS.

<TABLE>

<S>	<C>
4.1	Articles of Incorporation of the Company, filed as Exhibit 3-1 to the Registration Statement on Form S-1 (File No. 2-73695).
4.2	Bylaws of the Company, as amended, filed as Exhibit 3-2 to the Registration Statement on Form S-1 (File No. 2-73695).

</TABLE>

<TABLE>

<S>	<C>
5.1	Opinion of Gibson, Dunn & Crutcher.
24.1	Consent of Independent Accountants.

- 24.2 Consent of Gibson, Dunn & Crutcher (included in Exhibit 5.1).
- 25.1 Power of Attorney (included on Signature Pages).
- 99.1 Form of 1993 Employee Stock Incentive Plan (the "Plan").
- 99.2 Form of Incentive Stock Option Agreement.
- 99.3 Form of Non-Qualified Stock Option Agreement.
- 99.4 Form of Directors' Non-Qualified Stock Option Agreement.
- 99.5 Restricted Stock Agreement dated as of January 6, 1993 by and between the Company and Donald E. Doyle.

</TABLE>

ITEM 9. UNDERTAKINGS.

The undersigned registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

2. That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment 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.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

4. That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the Registration Statement 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.

5. Insofar as indemnification for liabilities arising under the Securities Act of 1933 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 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 Act and will be governed by the final adjudication of such issue.

6

SIGNATURES AND POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Anaheim, State of California, on April 11, 1994.

CARL KARCHER ENTERPRISES, INC.

By: /s/ Donald E. Doyle

Its: President and Chief Executive

Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Donald E. Doyle, Loren C. Pannier and Richard C. Celio, each individually as his or her true and lawful attorneys-in-fact and agents, 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 to this Registration Statement, and to file the same, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on the dates indicated.

Signature	Title	Date
<S> /s/ Donald E. Doyle ----- Donald E. Doyle	<C> President, Chief Executive Officer and Director (Principal Executive Officer)	<C> April 11, 1994
/s/ William P. Foley II ----- William P. Foley II	Chairman of the Board	April 11, 1994
/s/ Carl N. Karcher ----- Carl N. Karcher	Director and Chairman of the Board Emeritus	April 11, 1994
/s/ Peter Churm ----- Peter Churm	Director	April 11, 1994
/s/ Daniel W. Holden ----- Daniel W. Holden	Director	April 11, 1994

</TABLE>

7

Signature	Title	Date
<S> /s/ Carl L. Karcher ----- Carl L. Karcher	<C> Director	<C> April 11, 1994
/s/ Daniel D. (Ron) Lane ----- Daniel D. (Ron) Lane	Director	April 11, 1994
/s/ Kenneth O. Olsen ----- Kenneth O. Olsen	Director	April 11, 1994
/s/ Elizabeth A. Sanders ----- Elizabeth A. Sanders	Director	April 11, 1994
/s/ Loren C. Pannier ----- Loren C. Pannier	Senior Vice President, Chief Financial Officer (Principal Financial Officer)	April 11, 1994
/s/ Laurie A. Ball ----- Laurie A. Ball	Vice President, Controller (Chief Accounting Officer)	April 11, 1994

</TABLE>

8

INDEX TO EXHIBITS

Exhibit Number	Description	Sequentially Numbered Page
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99.3	Form of Non-Qualified Stock Option Agreement
99.4	Form of Directors' Non-Qualified Stock Option Agreement
99.5	Restricted Stock Agreement dated as of January 6, 1993 by and between the Company and Donald E. Doyle.

</TABLE>

[GIBSON, DUNN & CRUTCHER LETTERHEAD]

April 11, 1994

(310) 552-8500

C 47036-00056

Carl Karcher Enterprises, Inc.
1200 North Harbor Boulevard
Anaheim, California 92801

Re: Registration Statement on Form S-8

Ladies and Gentlemen:

At your request, we have examined the above-referenced Registration Statement proposed to be filed with the Securities and Exchange Commission on January 5, 1994 in connection with the registration of 1,750,000 shares of the common stock, \$.01 par value (the "Common Stock"), of Carl Karcher Enterprises, Inc., a California corporation (the "Company"), issuable under the Company's 1993 Employee Stock Incentive Plan (the "Plan"), and 12,121 shares of Common Stock issued pursuant to the Restricted Stock Agreement dated as of January 6, 1993 between the Company and Donald E. Doyle (the "Restricted Stock Agreement"). We have also examined the proceedings taken by the Company in connection with the authorization and reservation of the shares of Common Stock issuable under the Plan and the authorization of the shares of Common Stock issued pursuant to the Restricted Stock Agreement.

Based on the foregoing, and in reliance thereon, we are of the opinion that the shares of Common Stock issuable under the Plan, when issued, delivered and paid for in accordance with the Plan and in the manner described in the Registration Statement will be, and the shares of Common Stock

EXHIBIT 5.1

GIBSON, DUNN & CRUTCHER

Carl Karcher Enterprises, Inc.
April 11, 1994
Page 2

issued pursuant to the Restricted Stock Agreement are, validly issued, fully paid and nonassessable.

We consent to the use of this opinion as an exhibit to the
Registration Statement.

Very truly yours,

GIBSON, DUNN & CRUTCHER

CONSENT OF INDEPENDENT AUDITORS

The Board of Directors
Carl Karcher Enterprises, Inc.

We consent to incorporation by reference in the Registration Statement (No. 33-) on Form S-8 of Carl Karcher Enterprises, Inc. of our reports dated April 15, 1993, except for Note 2 to the financial statements, which is as of May 3, 1993, relating to the balance sheets of Carl Karcher Enterprises, Inc. as of January 25, 1993 and January 27, 1992 and the related statements of operations, shareholders' equity and cash flows and related financial statement schedules for each of the years in the three-year period ended January 25, 1993, which reports appear in the January 25, 1993 Annual Report on Form 10-K of Carl Karcher Enterprises, Inc. Our report refers to a change in the method of accounting for income taxes.

KPMG PEAT MARWICK

Orange County, California
April 11, 1994

CARL KARCHER ENTERPRISES, INC.
1993 EMPLOYEE STOCK INCENTIVE PLAN

Section 1. PURPOSE OF PLAN

The purpose of this 1993 Employee Stock Incentive Plan ("Plan") of Carl Karcher Enterprises, Inc., a California corporation (the "Company"), is to enable the Company to attract, retain and motivate its employees by providing for or increasing the proprietary interests of such employees in the Company, and to enable the Company to attract, retain and motivate its nonemployee directors and further align their interest with those of the shareholders of the Company by providing for or increasing the proprietary interest of such directors in the Company.

Section 2. PERSONS ELIGIBLE UNDER PLAN

Any person, including any director of the Company, who is an employee of the Company or any of its subsidiaries (an "Employee") shall be eligible to be considered for the grant of Awards (as hereinafter defined) hereunder. Any director of the Company who is not an Employee (a "Nonemployee Director") shall automatically receive Nonemployee Director Options (as hereinafter defined) pursuant to Section 4 hereof, but shall not otherwise participate in this Plan.

Section 3. AWARDS

(a) The Committee (as hereinafter defined), on behalf of the Company, is authorized under this Plan to enter into any type of arrangement with an Employee that is not inconsistent with the provisions of this Plan and that, by its terms, involves or might involve the issuance of (i) shares of common stock of the Company ("Common Shares") or (ii) a Derivative Security (as such term is defined in Rule 16a-1 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as such Rule may be amended from time to time) with an exercise or conversion privilege at a price related to the Common Shares or with a value derived from the value of the Common Shares. The entering into of any such arrangement is referred to herein as the "grant" of an "Award."

(b) Awards are not restricted to any specified form or structure and may include, without limitation, sales or bonuses of stock, restricted stock, stock options, reload stock options, stock purchase warrants, other rights to acquire stock, securities convertible into or redeemable for stock, stock appreciation rights, limited stock appreciation rights, phantom stock, dividend equivalents, performance units or performance shares, and an Award may consist of one such security or benefit, or two or more of them in

tandem or in the alternative.

2

(c) Awards may be issued, and Common Shares may be issued pursuant to an Award, for any lawful consideration as determined by the Committee, including, without limitation, services rendered by the recipient of such Award.

(d) Subject to the provisions of this Plan, the Committee, in its sole and absolute discretion, shall determine all of the terms and conditions of each Award granted under this Plan, which terms and conditions may include, among other things:

(i) a provision permitting the recipient of such Award, including any recipient who is a director or officer of the Company, to pay the purchase price of the Common Shares or other property issuable pursuant to such Award, or such recipient's tax withholding obligation with respect to such issuance, in whole or in part, by any one or more of the following:

(A) the delivery of cash;

(B) the delivery of other property deemed acceptable by the Committee;

(C) the delivery of previously owned shares of capital stock of the Company (including "pyramiding") or other property;

(D) a reduction in the amount of Common Shares or other property otherwise issuable pursuant to such Award; or

(E) the delivery of a promissory note, the terms and conditions of which shall be determined by the Committee;

(ii) a provision conditioning or accelerating the receipt of benefits pursuant to such Award, either automatically or in the discretion of the Committee, upon the occurrence of specified events, including, without limitation, a change of control of the Company, an acquisition of a specified percentage of the voting power of the Company, the dissolution or liquidation of the Company, a sale of substantially all of the property and assets of the Company or an event of the type described in Section 8 hereof; or

(iii) a provision required in order for such Award to

qualify as an incentive stock option under Section 422 of the Internal Revenue Code (an "Incentive Stock Option").

Section 4. NONEMPLOYEE DIRECTOR OPTIONS

(a) Each year, on the first business day following the date of the annual meeting of shareholders of the Company, or any

2

3

adjournment thereof, at which directors of the Company are elected (the "Date of Grant"), each Nonemployee Director shall automatically be granted an option (a "Nonemployee Director Option") to purchase the number of Common Shares equal to the lesser of (i) 2,000 Common Shares or (ii) the number of Common Shares that have an aggregate Fair Market Value (as hereinafter defined) of \$18,000 on such Date of Grant. If a person shall become a Nonemployee Director on any day after a Date of Grant and prior to the annual meeting of shareholders of the Company immediately following such Date of Grant, and Nonemployee Director Options may be granted under this Plan on such day, such person shall automatically be granted a Nonemployee Director Option to purchase that number of Common Shares equal to (1) the number of Common Shares that is or would be subject to a Nonemployee Director Option granted to an Nonemployee Director on such Date of Grant multiplied by (2) a fraction, the numerator of which is equal to 365 minus the number of days since the last annual meeting of shareholders, and the denominator of which is equal to 365.

(b) If, on any date upon which Nonemployee Director Options are to be automatically granted pursuant to this Section 4, the number of Common Shares remaining available for options under this Plan is insufficient for the grant to each Nonemployee Director of a Nonemployee Director Option to purchase the entire number of Common Shares specified in this Section 4, then a Nonemployee Director Option to purchase a proportionate amount of such available number of Common Shares (rounded to the nearest whole share) shall be granted to each Nonemployee Director on such date.

(c) Each Nonemployee Director Option granted under this Plan shall become exercisable for the first time to purchase 33-1/3% of the Common Shares subject thereto (rounded to the nearest whole share) on each of the first, second and third anniversaries of the Date of Grant of such Nonemployee Director Option; provided, however, that such Nonemployee Director Option shall become fully exercisable on the date upon which the optionee shall cease to be a Nonemployee Director as a result of death or total disability.

(d) Each Nonemployee Director Option granted under this Plan shall expire upon the first to occur of the following:

(i) The first anniversary of the date upon which the optionee shall cease to be a Nonemployee Director as a result of death or total disability;

(ii) The 90th day after the date upon which the optionee shall cease to be a Nonemployee Director for any reason other than death or total disability;

(iii) The fifth anniversary of the Date of Grant of such Nonemployee Director Option.

3

4

(e) Each Nonemployee Director Option shall have an exercise price equal to the greater of (i) the aggregate Fair Market Value on the Date of Grant of such option of the Common Shares subject thereto or (ii) the aggregate par value of such Common Shares on such date.

(f) Payment of the exercise price of any Nonemployee Director Option granted under this Plan shall be made in full in cash concurrently with the exercise of such Nonemployee Director Option; provided, however, that, in the discretion of the Board of Directors of the Company (the "Board"), the payment of such exercise price may instead be made;

(i) in whole or in part, with Common Shares delivered concurrently with such exercise (such shares to be valued on the basis of the Fair Market Value of such shares on the date of such exercise), provided that the Company is not then prohibited from purchasing or acquiring Common Shares; and/or

(ii) in whole or in part, by the delivery, concurrently with such exercise and in accordance with Section 220.3(e)(4) of Regulation T promulgated under the Exchange Act, of a properly executed exercise notice for such Nonemployee Director Option and irrevocable instructions to a broker promptly to deliver to the Company a specified dollar amount of the proceeds of a sale of or a loan secured by the Common Shares issuable upon exercise of such Nonemployee Director Option.

(g) For purposes of this Section 4, the "Fair Market Value" of a Common Share or other security on any date (the "Determination Date") shall be equal to the closing price per Common Share or unit of such other security on the business day immediately preceding the Determination Date, as reported in The Wall Street Journal, Western Edition, or, if no closing price was so reported for such immediately preceding business day, the closing price for the next preceding business day for which a closing price was

so reported, or, if no closing price was so reported for any of the 30 business days immediately preceding the Determination Date, the average of the high bid and low asked prices per Common Share or unit of such other security on the business day immediately preceding the Determination Date in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System ("NASDAQ") or such other system then in use, or, if the Common Shares or such other security were not quoted by any such organization on such immediately preceding business day, the average of the closing bid and asked prices on such day as furnished by a professional market maker making a market in the Common Shares or such other security selected by the Board.

4

5

(h) All outstanding Nonemployee Director Options theretofore granted under this Plan shall become fully exercisable upon the first to occur of the following:

(i) the date of dissemination to the shareholders of the Company of a proxy statement seeking shareholder approval of a reorganization, merger or consolidation of the Company as a result of which the outstanding securities of the class then subject to this Plan are exchanged for or converted into cash, property and/or securities not issued by the Company, unless such reorganization, merger or consolidation shall have been affirmatively recommended to the shareholders of the Company by the Board;

(ii) the first date upon which the directors of the Company who were nominated by the Board for election as directors shall cease to constitute a majority of the authorized number of directors of the Company; or

(iii) the date of dissemination to the shareholders of the Company of a proxy statement disclosing a change of control of the Company.

(i) All outstanding Nonemployee Director Options theretofore granted under this Plan shall terminate upon the first to occur of the following:

(i) the dissolution or liquidation of the Company;

(ii) a reorganization, merger or consolidation of the Company as a result of which the outstanding securities of the class then subject to such outstanding Nonemployee Director Options

are exchanged for or converted into cash, property and/or securities not issued by the Company, which reorganization, merger or consolidation shall have been affirmatively recommended to the shareholders of the Company by the Board; or

(iii) the sale of substantially all of the property and assets of the Company.

(j) Each Nonemployee Director Option shall be nontransferable by the optionee other than by will or the laws of descent and distribution, and shall be exercisable during the optionee's lifetime only by the optionee or the optionee's guardian or legal representative.

(k) Nonemployee Director Options are not intended to qualify as Incentive Stock Options.

5

6

Section 5. STOCK SUBJECT TO PLAN

(a) The aggregate number of Common Shares that may be issued pursuant to all Incentive Stock Options granted under this Plan shall not exceed 1,000,000, subject to adjustment as provided in Section 8 hereof.

(b) At any time, the aggregate number of Common Shares issued and issuable pursuant to all Awards (including all Incentive Stock Options) granted under this Plan shall not exceed 1,750,000, subject to adjustment as provided in Section 8 hereof.

(c) For purposes of Section 4(b) hereof, the aggregate number of Common Shares issued and issuable pursuant to Awards granted under this Plan shall at any time be deemed to be equal to the sum of the following:

(i) the number of Common Shares that were issued prior to such time pursuant to Awards granted under this Plan, other than Common Shares that were subsequently reacquired by the Company pursuant to the terms and conditions of such Awards and with respect to which the holder thereof received no benefits of ownership such as dividends; plus

(ii) the number of Common Shares that were otherwise issuable prior to such time pursuant to Awards granted under this Plan, but that were withheld by the Company as payment of the purchase price of the Common Shares issued pursuant to such Awards or as payment of the recipient's tax withholding obligation with respect to such issuance; plus

(iii) the maximum number of Common Shares that are or may be issuable at or after such time pursuant to Awards granted under this Plan prior to such time.

Section 6. DURATION OF PLAN

No Awards shall be made under this Plan after April 19, 1998. Although Common Shares may be issued after April 19, 1998 pursuant to Awards made prior to such date, no Common Shares shall be issued under this Plan after April 19, 2008.

Section 7. ADMINISTRATION OF PLAN

(a) This Plan shall be administered by a committee (the "Committee") of the Board of Directors of the Company (the "Board") consisting of two or more directors, each of whom is a "disinterested person" (as such term is defined in Rule 16b-3 promulgated under the Exchange Act, as such Rule may be amended from time to time).

(b) Subject to the provisions of this Plan, the Committee shall be authorized and empowered to do all things

6

7

necessary or desirable in connection with the administration of this Plan, including, without limitation, the following:

(i) adopt, amend and rescind rules and regulations relating to this Plan;

(ii) determine which persons are Employees and to which of such Employees, if any, Awards shall be granted hereunder;

(iii) grant Awards to Employees and determine the terms and conditions thereof, including the number of Common Shares issuable pursuant thereto;

(iv) determine the terms and conditions of the Nonemployee Director Options that are automatically granted hereunder, other than the terms and conditions specified in Section 4 hereof;

(v) determine whether, and the extent to which adjustments are required pursuant to Section 8 hereof; and

(vi) interpret and construe this Plan and the terms and

conditions of any Award granted hereunder.

Section 8. ADJUSTMENTS

If the outstanding securities of the class then subject to this Plan are increased, decreased or exchanged for or converted into cash, property or a different number or kind of securities, or if cash, property or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, restructuring, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, or if substantially all of the property and assets of the Company are sold, then, unless the terms of such transaction shall provide otherwise, the Committee shall make appropriate and proportionate adjustments in (a) the number and type of shares or other securities or cash or other property that may be acquired pursuant to Incentive Stock Options and other Awards theretofore granted under this Plan and (b) the maximum number and type of shares or other securities that may be issued pursuant to Incentive Stock Options and other Awards thereafter granted under this Plan.

Section 9. AMENDMENT AND TERMINATION OF PLAN

The Board may amend or terminate this Plan at any time and in any manner, subject to the following limitations:

(a) No such amendment or termination shall deprive the recipient of any Award theretofore granted under this Plan,

7

8

without the consent of such recipient, of any of his or her rights thereunder or with respect thereto; and

(b) Section 4 hereof shall not be amended more than once every six months, other than to comport with changes in the Internal Revenue Code, the Employee Retirement Income Security Act, or the rules and regulations thereunder.

Section 10. EFFECTIVE DATE OF PLAN

(a) This Plan shall be effective as of April 20, 1993, the date upon which it was approved by the Board; provided, however, that no Common Shares may be issued under this Plan until it has been approved, directly or indirectly, by the affirmative votes of the holders of a majority of the securities of the Company present, or represented, and entitled to vote at a meeting duly held in accordance with the laws of the State of California.

(b) Notwithstanding the foregoing, Section 4 of this Plan shall not be effective until the close of business on the date of the 1993 Annual Meeting of the Shareholders of the Company, or any adjournment thereof, at which directors of the Company are elected.

CARL KARCHER ENTERPRISES, INC.

1993 EMPLOYEE STOCK INCENTIVE PLAN

INCENTIVE STOCK OPTION AGREEMENT

This Stock Option Agreement ("Agreement") is made and entered into as of the Date of Grant indicated below by and between Carl Karcher Enterprises, Inc., a California corporation (the "Company"), and the person named below as Employee.

WHEREAS, Employee is an employee of the Company and/or one or more of its subsidiaries; and

WHEREAS, pursuant to the Company's 1993 Employee Stock Incentive Plan (the "Plan"), the committee of the Board of Directors of the Company administering the Plan (the "Committee") has approved the grant to Employee of an option to purchase shares of the common stock of the Company (the "Common Stock"), on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties hereto hereby agree as follows:

1. Grant of Option; Certain Terms and Conditions. The Company hereby grants to Employee, and Employee hereby accepts, as of the Date of Grant, an option to purchase the number of shares of Common Stock indicated below (the "Option Shares") at the Exercise Price per share indicated below, which option shall expire at 5:00 o'clock p.m., California time, on the Expiration Date indicated below and shall be subject to all of the terms and conditions set forth in this Agreement (the "Option"). On each anniversary of the Date of Grant, the Option shall become exercisable to purchase, and shall vest with respect to, that number of Option Shares (rounded to the nearest whole share) equal to the total number of Option Shares multiplied by the Annual Vesting Rate indicated below.

<TABLE>

<S> Employee: Date of Grant: Number of shares purchasable: Exercise Price per share: Expiration Date: Annual Vesting Rate:	<C> _____ _____ _____ _____ _____ %
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</TABLE>

The Option is intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code (an "Incentive Stock Option") and consequently:

(a) the Expiration Date shall not be more than 10 years after the Date of Grant and the Exercise Price per share shall not be less than the Fair Market Value (as defined in the Plan) per share on the Date of Grant; provided, however, that if, on the Date of Grant, Employee owns (after application of the family and other attribution rules of Section 425(d) of the Internal Revenue Code) more than 10% of the total combined voting power of all classes of stock of the Company or of its parent or subsidiary corporations, then the Expiration Date shall not be more than five years after the Date of Grant and the Exercise Price per share shall not be less than 110% of the Fair Market Value per share on the Date of Grant; and

(b) the aggregate Fair Market Value (determined as of the date such options are granted) of the shares of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by Employee during any calendar year (under the Plan and all other stock option plans of the Company and its parent and subsidiary corporations) shall not exceed \$100,000.

2. Acceleration and Termination of Option.

(a) Termination of Employment.

(i) Termination Within One Year After Change of Control. In the event that Employee shall cease to be an employee of the Company or any of its subsidiaries (such event shall be referred to herein as the "Termination" of Employee's "Employment") for any reason, or for no reason, within one year after a Change of Control (as hereinafter defined), then (A) the portion of the Option that has not vested on or prior to the date of such Termination of Employment shall fully vest on such date and (B) the Option shall terminate upon the earlier of the Expiration Date or the first anniversary of the date of such Termination of Employment. "Change of Control" shall mean the first to occur of the following events:

(X) any date upon which the directors of the Company who were last nominated by the Board of Directors (the "Board") for election as directors cease to constitute a majority of the directors of the Company;

(Y) the date of the first public announcement that any person or entity, together with all Affiliates and Associates (as such capitalized terms are defined in Rule 12b-2

promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") of such person or entity, shall have become the Beneficial Owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of voting securities of the Company representing 25% or more of the voting power of the Company (a "25% Stockholder"); provided, however, that the terms "person" and "entity," as used in this clause (Y), shall not include (1) the Company or any of its subsidiaries, (2) any employee benefit plan of the Company or any of its subsidiaries, (3) any entity holding voting securities of the Company for or pursuant to the terms of any such plan, (4) any person or entity if the transaction that resulted in such person or entity becoming a 25% Stockholder was approved in advance by the Board; or (5) any person or entity who was a 25% Stockholder on the date of adoption of the Plan by the Company's Board of Directors; or

(Z) a reorganization, merger or consolidation of the Company (other than a reorganization, merger or consolidation the sole purpose of which is to change the Company's domicile solely within the United States) the consummation of which results in the outstanding securities of any class then subject to the Option being exchanged for or converted into cash, property and/or a different kind of securities.

(ii) Retirement. If Employee's Employment is Terminated by reason of Employee's retirement in accordance with the Company's then-current retirement policy ("Retirement"), and a Change of Control shall not have occurred within one year prior thereto, then (A) the portion of the Option that has not vested on or prior to the date of such Retirement shall terminate on such date and (B) the remaining vested portion of the Option shall terminate upon the Expiration Date.

(iii) Death or Permanent Disability. If Employee's Employment is Terminated by reason of the death or Permanent Disability (as hereinafter defined) of Employee, and a Change of Control shall not have occurred within one year prior thereto, then (A) the portion of the Option that has not vested on or prior to the date of such Termination of Employment shall terminate on such date and (B) the remaining vested portion of the Option shall terminate upon the earlier of the Expiration Date or the first anniversary of the date of such Termination of Employment. "Permanent Disability"

shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment

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that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months. Employee shall not be deemed to have a Permanent Disability until proof of the existence thereof shall have been furnished to the Board in such form and manner, and at such times, as the Board may require. Any determination by the Board that Employee does or does not have a Permanent Disability shall be final and binding upon the Company and Employee.

(iv) Other Termination. If Employee's Employment is Terminated for no reason, or for any reason other than Retirement, death or Permanent Disability, and a Change of Control shall not have occurred within one year prior thereto, then the Option shall terminate upon the date of such Termination of Employment.

(b) Death Following Termination of Employment.

Notwithstanding anything to the contrary in this Agreement, if Employee shall die at any time after the Termination of his or her Employment and prior to the Expiration Date, then (i) the portion of the Option that has not vested on or prior to the date of such death shall terminate on such date and (ii) the remaining vested portion of the Option shall terminate on the earlier of the Expiration Date or the first anniversary of the date of such death.

(c) Other Events Causing Acceleration of Option. The Committee, in its sole discretion, may accelerate the exercisability of the Option at any time and for any reason.

(d) Other Events Causing Termination of Option.

Notwithstanding anything to the contrary in this Agreement, the Option shall terminate upon the consummation of any of the following events, or, if later, the thirtieth day following the first date upon which such event shall have been approved by both the Board and the stockholders of the Company:

(i) the dissolution or liquidation of the Company; or

(ii) a sale of substantially all of the property and assets of the Company, unless the terms of such sale shall provide otherwise.

3. Adjustments. In the event that the outstanding

securities of the class then subject to the Option are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split

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or the like, or in the event that substantially all of the property and assets of the Company are sold, then, unless such event shall cause the Option to terminate pursuant to Section 2(d) hereof, the Committee shall make appropriate and proportionate adjustments in the number and type of shares or other securities or cash or other property that may thereafter be acquired upon the exercise of the Option; provided, however, that any such adjustments in the Option shall be made without changing the aggregate Exercise Price of the then unexercised portion of the Option.

4. Exercise.

(a) The Option shall be exercisable during Employee's lifetime only by Employee or by his or her guardian or legal representative, and after Employee's death only by the person or entity entitled to do so under Employee's last will and testament or applicable intestate law. The Option may only be exercised by the delivery to the Company of a written notice of such exercise, which notice shall specify the number of Option Shares to be purchased (the "Purchased Shares") and the aggregate Exercise Price for such shares (the "Exercise Notice"), together with payment in full of such aggregate Exercise Price in cash or by check payable to the Company; provided, however, that payment of such aggregate Exercise Price may instead be made, in whole or in part, by the delivery to the Company of a certificate or certificates representing shares of Common Stock, duly endorsed or accompanied by a duly executed stock powers, which delivery effectively transfers to the Company good and valid title to such shares, free and clear of any pledge, commitment, lien, claim or other encumbrance (such shares to be valued on the basis of the aggregate Fair Market Value (as defined in the Plan) thereof on the date of such exercise), provided that the Company is not then prohibited from purchasing or acquiring such shares of Common Stock.

5. Payment of Withholding Taxes. If the Company becomes obligated to withhold an amount on account of any tax imposed as a result of the exercise of the Option, including, without limitation, any federal, state, local or other income tax, or any F.I.C.A., state disability insurance tax or other employment tax, then Employee shall, on the first day upon which the Company becomes obligated to pay such amount to the appropriate taxing

authority, pay such amount to the Company in cash or by check payable to the Company.

6. Notices. All notices and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally or five days after mailing by certified or registered mail, postage prepaid, return receipt requested, to the Company at 1200 North Harbor Boulevard, Anaheim, California 92801, Attention: Mr. Roger Shively, or to Employee at the address set forth beneath his or her signature on the signature page hereto,

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6

or at such other addresses as they may designate by written notice in the manner aforesaid.

7. Stock Exchange Requirements; Applicable Laws. Notwithstanding anything to the contrary in this Agreement, no shares of stock purchased upon exercise of the Option, and no certificate representing all or any part of such shares, shall be issued or delivered if (a) such shares have not been admitted to listing upon official notice of issuance on each stock exchange upon which shares of that class are then listed or (b) in the opinion of counsel to the Company, such issuance or delivery would cause the Company to be in violation of or to incur liability under any federal, state or other securities law, or any requirement of any stock exchange listing agreement to which the Company is a party, or any other requirement of law or of any administrative or regulatory body having jurisdiction over the Company.

8. Nontransferability. Neither the Option nor any interest therein may be sold, assigned, conveyed, gifted, pledged, hypothecated or otherwise transferred in any manner other than by will or the laws of descent and distribution

9. Plan. The Option is granted pursuant to the Plan, as in effect on the Date of Grant, and is subject to all the terms and conditions of the Plan, as the same may be amended from time to time; provided, however, that no such amendment shall deprive Employee, without his or her consent, of the Option or of any of Employee's rights under this Agreement. The interpretation and construction by the Committee of the Plan, this Agreement, the Option and such rules and regulations as may be adopted by the Committee for the purpose of administering the Plan shall be final and binding upon Employee. Until the Option shall expire, terminate or be exercised in full, the Company shall, upon written request therefor, send a copy of the Plan, in its then-current form, to Employee or any other person or entity then entitled to exercise the Option.

10. Stockholder Rights. No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Option Shares until the Option shall have been duly exercised to purchase such Option Shares in accordance with the provisions of this Agreement.

11. Employment Rights. No provision of this Agreement or of the Option granted hereunder shall (a) confer upon Employee any right to continue in the employ of the Company or any of its subsidiaries, (b) affect the right of the Company and each of its subsidiaries to terminate the employment of Employee, with or without cause, or (c) confer upon Employee any right to participate in any employee welfare or benefit plan or other program of the Company or any of its subsidiaries other than the Plan. EMPLOYEE HEREBY ACKNOWLEDGES AND AGREES THAT THE COMPANY AND EACH OF ITS SUBSIDIARIES MAY TERMINATE THE EMPLOYMENT OF

6

7

EMPLOYEE AT ANY TIME AND FOR ANY REASON, OR FOR NO REASON, UNLESS EMPLOYEE AND THE COMPANY OR SUCH SUBSIDIARY ARE PARTIES TO A WRITTEN EMPLOYMENT AGREEMENT THAT EXPRESSLY PROVIDES OTHERWISE.

12. Governing Law. This Agreement and the Option granted hereunder shall be governed by and construed and enforced in accordance with the laws of the State of California without reference to choice or conflict of law principles.

IN WITNESS WHEREOF, the Company and Employee have duly executed this Agreement as of the Date of Grant.

CARL KARCHER ENTERPRISES, INC.

By _____
Title:

EMPLOYEE

Signature

Street Address

City, State and Zip Code

Social Security Number

CARL KARCHER ENTERPRISES, INC.

1993 EMPLOYEE STOCK INCENTIVE PLAN

NON-QUALIFIED STOCK OPTION AGREEMENT

This Stock Option Agreement ("Agreement") is made and entered into as of the Date of Grant indicated below by and between Carl Karcher Enterprises, Inc., a California corporation (the "Company"), and the person named below as Employee.

WHEREAS, Employee is an employee of the Company and/or one or more of its subsidiaries; and

WHEREAS, pursuant to the Company's 1993 Employee Stock Incentive Plan (the "Plan"), the committee of the Board of Directors of the Company administering the Plan (the "Committee") has approved the grant to Employee of an option to purchase shares of the common stock of the Company (the "Common Stock"), on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties hereto hereby agree as follows:

1. Grant of Option; Certain Terms and Conditions. The Company hereby grants to Employee, and Employee hereby accepts, as of the Date of Grant, an option to purchase the number of shares of Common Stock indicated below (the "Option Shares") at the Exercise Price per share indicated below, which option shall expire at 5:00 o'clock p.m., California time, on the Expiration Date indicated below and shall be subject to all of the terms and conditions set forth in this Agreement (the "Option"). On each anniversary of the Date of Grant, the Option shall become exercisable to purchase, and shall vest with respect to, that number of Option Shares (rounded to the nearest whole share) equal to the total number of Option Shares multiplied by the Annual Vesting Rate indicated below.

<TABLE>

<S> Employee: Date of Grant: Number of shares purchasable: Exercise Price per share: Expiration Date: Annual Vesting Rate:	<C> _____ _____ _____ _____ _____%
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</TABLE>

The Option is not intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code (an "Incentive Stock Option").

2. Acceleration and Termination of Option.

(a) Termination of Employment.

(i) Termination Within One Year After Change of Control. In the event that Employee shall cease to be an employee of the Company or any of its subsidiaries (such event shall be referred to herein as the "Termination" of Employee's "Employment") for any reason, or for no reason, within one year after a Change of Control (as hereinafter defined), then (A) the portion of the Option that has not vested on or prior to the date of such Termination of Employment shall fully vest on such date and (B) the Option shall terminate upon the earlier of the Expiration Date or the first anniversary of the date of such Termination of Employment. "Change of Control" shall mean the first to occur of the following events:

(X) any date upon which the directors of the Company who were last nominated by the Board of Directors (the "Board") for election as directors cease to constitute a majority of the directors of the Company;

(Y) the date of the first public announcement that any person or entity, together with all Affiliates and Associates (as such capitalized terms are defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of such person or entity, shall have become the Beneficial Owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of voting securities of the Company representing 25% or more of the voting power of the Company (a "25% Stockholder"), provided, however, that the terms "person" and "entity," as used in this clause (Y), shall not include (1) the Company or any of its subsidiaries, (2) any employee benefit plan of the Company or any of its subsidiaries, (3) any entity holding voting securities of the Company for or pursuant to the terms of any such plan, (4) any person or entity if the transaction that resulted in such person or entity becoming a 25% Stockholder was approved in advance by the Board or (5) any person or entity who was a 25% Stockholder on the date of adoption of the Plan by the Company's Board of Directors; or

(Z) a reorganization, merger or consolidation of the Company (other than a reorganization, merger or consolidation the sole purpose of which is to change the Company's domicile solely within the United States) the consummation of which results in the outstanding securities of any class then subject to the Option being exchanged for or converted into cash, property and/or a different kind of securities.

(ii) Retirement. If Employee's Employment is Terminated by reason of Employee's retirement in accordance with the Company's then-current retirement policy ("Retirement"), and a Change of Control shall not have occurred within one year prior thereto, then (A) the portion of the Option that has not vested on or prior to the date of such Retirement shall terminate on such date and (B) the remaining vested portion of the Option shall terminate upon the Expiration Date.

(iii) Death or Permanent Disability. If Employee's Employment is Terminated by reason of the death or Permanent Disability (as hereinafter defined) of Employee, and a Change of Control shall not have occurred within one year prior thereto, then (A) the portion of the Option that has not vested on or prior to the date of such Termination of Employment shall terminate on such date and (B) the remaining vested portion of the Option shall terminate upon the earlier of the Expiration Date or the first anniversary of the date of such Termination of Employment. "Permanent Disability" shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months. Employee shall not be deemed to have a Permanent Disability until proof of the existence thereof shall have been furnished to the Board in such form and manner, and at such times, as the Board may require. Any determination by the Board that Employee does or does not have a Permanent Disability shall be final and binding upon the Company and Employee.

(iv) Other Termination. If Employee's Employment is Terminated for no reason, or for any reason other than Retirement, death or Permanent Disability, and a Change of Control shall not have occurred within one year prior thereto, then the Option shall terminate upon the date of such Termination of Employment.

(b) Death Following Termination of Employment.

Notwithstanding anything to the contrary in this Agreement, if

4

Employee shall die at any time after the Termination of his or her Employment and prior to the Expiration Date, then (i) the portion of the Option that has not vested on or prior to the date of such death shall terminate on such date and (ii) the remaining vested portion of the Option shall terminate on the earlier of the Expiration Date or the first anniversary of the date of such death.

(c) Other Events Causing Acceleration of Option. The Committee, in its sole discretion, may accelerate the exercisability of the Option at any time and for any reason.

(d) Other Events Causing Termination of Option. Notwithstanding anything to the contrary in this Agreement, the Option shall terminate upon the consummation of any of the following events, or, if later, the thirtieth day following the first date upon which such event shall have been approved by both the Board and the stockholders of the Company:

(i) the dissolution or liquidation of the Company; or

(ii) a sale of substantially all of the property and assets of the Company, unless the terms of such sale shall provide otherwise.

3. Adjustments. In the event that the outstanding securities of the class then subject to the Option are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, or in the event that substantially all of the property and assets of the Company are sold, then, unless such event shall cause the Option to terminate pursuant to Section 2(d) hereof, the Committee shall make appropriate and proportionate adjustments in the number and type of shares or other securities or cash or other property that may thereafter be acquired upon the exercise of the Option; provided, however, that any such adjustments in the Option shall be made without changing the aggregate Exercise Price of the then unexercised portion of the Option.

4. Exercise.

(a) The Option shall be exercisable during Employee's lifetime only by Employee or by his or her guardian or legal representative, and after Employee's death only by the person or entity entitled to do so under Employee's last will and testament or applicable intestate law. The Option may only be exercised by the delivery to the Company

5

written notice of such exercise, which notice shall specify the number of Option Shares to be purchased (the "Purchased Shares") and the aggregate Exercise Price for such shares (the "Exercise Notice"), together with payment in full of such aggregate Exercise Price in cash or by check payable to the Company; provided, however, that payment of such aggregate Exercise Price may instead be made, in whole or in part, by the delivery to the Company of a certificate or certificates representing shares of Common Stock, duly endorsed or accompanied by a duly executed stock powers, which delivery effectively transfers to the Company good and valid title to such shares, free and clear of any pledge, commitment, lien, claim or other encumbrance (such shares to be valued on the basis of the aggregate Fair Market Value (as defined in the Plan) thereof on the date of such exercise), provided that the Company is not then prohibited from purchasing or acquiring such shares of Common Stock.

5. Payment of Withholding Taxes. If the Company becomes obligated to withhold an amount on account of any tax imposed as a result of the exercise of the Option, including, without limitation, any federal, state, local or other income tax, or any F.I.C.A., state disability insurance tax or other employment tax, then Employee shall, on the first day upon which the Company becomes obligated to pay such amount to the appropriate taxing authority, pay such amount to the Company in cash or by check payable to the Company.

6. Notices. All notices and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally or five days after mailing by certified or registered mail, postage prepaid, return receipt requested, to the Company at 1200 North Harbor Boulevard, Anaheim, California 92801, Attention: Mr. Roger Shively, or to Employee at the address set forth beneath his or her signature on the signature page hereto, or at such other addresses as they may designate by written notice in the manner aforesaid.

7. Stock Exchange Requirements; Applicable Laws. Notwithstanding anything to the contrary in this Agreement, no shares of stock purchased upon exercise of the Option, and no certificate representing all or any part of such shares, shall be issued or delivered if (a) such shares have not been admitted to listing upon official notice of issuance on each stock exchange upon which shares of that class are then listed or (b) in the opinion of counsel to the Company, such issuance or delivery would cause the Company to be in violation of or to incur liability under any federal, state or other securities law, or any requirement of any stock exchange listing agreement to which the Company is a party, or any other requirement of law or of any

6

8. Nontransferability. Neither the Option nor any interest therein may be sold, assigned, conveyed, gifted, pledged, hypothecated or otherwise transferred in any manner other than by will or the laws of descent and distribution

9. Plan. The Option is granted pursuant to the Plan, as in effect on the Date of Grant, and is subject to all the terms and conditions of the Plan, as the same may be amended from time to time; provided, however, that no such amendment shall deprive Employee, without his or her consent, of the Option or of any of Employee's rights under this Agreement. The interpretation and construction by the Committee of the Plan, this Agreement, the Option and such rules and regulations as may be adopted by the Committee for the purpose of administering the Plan shall be final and binding upon Employee. Until the Option shall expire, terminate or be exercised in full, the Company shall, upon written request therefor, send a copy of the Plan, in its then-current form, to Employee or any other person or entity then entitled to exercise the Option.

10. Stockholder Rights. No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Option Shares until the Option shall have been duly exercised to purchase such Option Shares in accordance with the provisions of this Agreement.

11. Employment Rights. No provision of this Agreement or of the Option granted hereunder shall (a) confer upon Employee any right to continue in the employ of the Company or any of its subsidiaries, (b) affect the right of the Company and each of its subsidiaries to terminate the employment of Employee, with or without cause, or (c) confer upon Employee any right to participate in any employee welfare or benefit plan or other program of the Company or any of its subsidiaries other than the Plan. EMPLOYEE HEREBY ACKNOWLEDGES AND AGREES THAT THE COMPANY AND EACH OF ITS SUBSIDIARIES MAY TERMINATE THE EMPLOYMENT OF EMPLOYEE AT ANY TIME AND FOR ANY REASON, OR FOR NO REASON, UNLESS EMPLOYEE AND THE COMPANY OR SUCH SUBSIDIARY ARE PARTIES TO A WRITTEN EMPLOYMENT AGREEMENT THAT EXPRESSLY PROVIDES OTHERWISE.

12. Governing Law. This Agreement and the Option granted hereunder shall be governed by and construed and enforced in accordance with the laws of the State of California without reference to choice or conflict of law principles.

IN WITNESS WHEREOF, the Company and Employee have duly executed this Agreement as of the Date of Grant.

CARL KARCHER ENTERPRISES, INC.

By _____
Title:

EMPLOYEE

Signature

Street Address

City, State and Zip Code

Social Security Number

CARL KARCHER ENTERPRISES, INC.

1993 EMPLOYEE STOCK INCENTIVE PLAN

DIRECTORS' NON-QUALIFIED STOCK OPTION AGREEMENT

This Stock Option Agreement ("Agreement") is made and entered into as of the Date of Grant indicated below by and between Carl Karcher Enterprises, Inc., a California corporation (the "Company"), and the person named below, who is a Director of the Company ("Grantee").

WHEREAS, Grantee is a Nonemployee Director (as defined in the Company's 1993 Employee Stock Incentive Plan (the "Plan")) of the Company;

WHEREAS, pursuant to the Plan, each Nonemployee Director is automatically granted each year an option to purchase shares of the common stock of the Company (the "Common Stock"); and

WHEREAS, the Grantee is being granted such an option on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties hereto hereby agree as follows:

1. Grant of Option; Certain Terms and Conditions. The Company hereby grants to Grantee, and Grantee hereby accepts, as of the Date of Grant, an option to purchase the number of shares of Common Stock indicated below (the "Option Shares") at the Exercise Price per share indicated below, which option shall expire at 5:00 o'clock p.m., California time, on the Expiration Date indicated below (or such earlier date as may be set forth in Section 2 below) and shall be subject to all of the terms and conditions set forth in this Agreement (the "Option"). On each anniversary of the Date of Grant, the Option shall become exercisable to purchase, and shall vest with respect to, that number of Option Shares (rounded to the nearest whole share) equal to the total number of Option Shares multiplied by the Annual Vesting Rate indicated below.

<TABLE>

<S>	<C>
Grantee:	
Date of Grant:	June 16, 1993
Number of Shares Purchasable:	2,000
Exercise Price per Share:	\$7.25
Expiration Date:	June 16, 1998

</TABLE>

The Option is not intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code (an "Incentive Stock Option").

2. Acceleration and Termination of Option.

(a) Termination of Option.

This Option shall expire upon the first to occur of the following:

(i) The first anniversary of the date upon which Grantee shall cease to be a Nonemployee Director as a result of death or Permanent Disability. As used herein, "Permanent Disability" means the inability to perform in all material respects such Grantee's duties and obligations as a Director of the Company by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months. Grantee shall not be deemed to have a Permanent Disability until proof of the existence thereof shall have been furnished to the Board in such form and manner, and at such times, as the Board may require. Any determination by the Board that the Grantee does or does not have a Permanent Disability shall be final and binding upon the Company and Grantee;

(ii) The ninetieth day after the date upon which Grantee shall cease to be a Nonemployee Director for any reason other than death or total disability;

(iii) The fifth anniversary of the Date of Grant of this Option;

(iv) The dissolution or liquidation of the Company;

(v) A reorganization, merger or consolidation of the Company as a result of which the outstanding securities of the class then subject to this Option are exchanged for or converted into cash, property and/or securities not issued by the Company, which reorganization, merger or consolidation shall have been affirmatively recommended to the shareholders of the Company by the Board; or

(vi) The sale of substantially all of the property and assets of the Company.

3. Acceleration of Vesting of Option.

Notwithstanding the provisions of Section 1, this Option shall become fully exercisable upon the first to occur of the following:

(i) The date upon which Grantee shall cease to be a Nonemployee Director as a result of death or Permanent Disability;

(ii) The date of dissemination to the shareholders of the Company of a proxy statement seeking shareholder approval of a reorganization, merger or consolidation of the Company as a result of which the outstanding securities of the class then subject to the Plan are exchanged for or converted into cash, property and/or securities not issued by the Company, unless such reorganization, merger or consolidation shall have been affirmatively recommended to the shareholders of the Company by the Board;

(iii) The first date upon which the Directors of the Company who are nominated by the Board for election as Directors shall cease to constitute a majority of the authorized number of Directors of the Company; or

(iv) The date of dissemination to the shareholders of the Company of a proxy statement disclosing a change of control of the Company.

4. Adjustments. In the event that the outstanding securities of the class then subject to the Option are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, or in the event that substantially all of the property and assets of the Company are sold, then, unless such event shall cause the Option to terminate pursuant to Section 2 hereof, the Board of Directors shall make appropriate and proportionate adjustments in the number and type of shares or other securities or cash or other property that may thereafter be acquired upon the exercise of the Option; provided, however, that any such adjustments in the Option shall be made without changing the aggregate Exercise Price of the then unexercised portion of the Option.

5. Exercise.

(a) The Option shall be exercisable during Grantee's lifetime only by Grantee or by his or her guardian or legal representative, and after Grantee's death only by the person or entity entitled to do so under Grantee's last will and testament or applicable intestate law. The Option may only be exercised by the delivery to the Company of a written notice of such exercise, which notice shall specify the number of Option Shares to be purchased (the "Purchased Shares") and the aggregate Exercise Price for such shares (the "Exercise Notice"), together

4

with payment in full of such aggregate Exercise Price in cash or by check payable to the Company.

6. Payment of Withholding Taxes. If the Company becomes obligated to withhold an amount on account of any tax imposed as a result of the exercise of the Option, including, without limitation, any federal, state, local or other income tax, or any F.I.C.A., state disability insurance tax or other employment tax, then Grantee shall, on the first day upon which the Company becomes obligated to pay such amount to the appropriate taxing authority, pay such amount to the Company in cash or by check payable to the Company.

7. Notices. All notices and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally or five days after mailing by certified or registered mail, postage prepaid, return receipt requested, to the Company at 1200 North Harbor Boulevard, Anaheim, California 92801, Attention: Mr. Roger Shively, or to Grantee at the address set forth beneath his or her signature on the signature page hereto, or at such other addresses as they may designate by written notice in the manner aforesaid.

8. Stock Exchange Requirements; Applicable Laws. Notwithstanding anything to the contrary in this Agreement, no shares of stock purchased upon exercise of the Option, and no certificate representing all or any part of such shares, shall be issued or delivered if (a) such shares have not been admitted to listing upon official notice of issuance on each stock exchange upon which shares of that class are then listed or (b) in the opinion of counsel to the Company, such issuance or delivery would cause the Company to be in violation of or to incur liability under any federal, state or other securities law, or any requirement of any stock exchange listing agreement to which the Company is a party, or any other requirement of law or of any administrative or regulatory body having jurisdiction over the Company.

9. Nontransferability. Neither the Option nor any interest therein may be sold, assigned, conveyed, gifted, pledged, hypothecated or otherwise transferred in any manner other than by will or the laws of descent and distribution

10. Plan. The Option is granted pursuant to the Plan, as in effect on the Date of Grant, and is subject to all the terms and conditions of the Plan, as the same may be amended from time to time; provided, however, that no such amendment shall deprive Grantee, without his or her consent, of the Option or of any of Grantee's rights under this Agreement. The

interpretation and construction by the Board of Directors of the Plan, this Agreement, the Option and such rules and regulations as may be adopted by the Committee and the Board of Directors for the purpose of administering the Plan shall be final and binding upon

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Grantee. Until the Option shall expire, terminate or be exercised in full, the Company shall, upon written request therefor, send a copy of the Plan, in its then-current form, to Grantee or any other person or entity then entitled to exercise the Option.

11. Stockholder Rights. No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Option Shares until the Option shall have been duly exercised to purchase such Option Shares in accordance with the provisions of this Agreement.

12. Governing Law. This Agreement and the Option granted hereunder shall be governed by and construed and enforced in accordance with the laws of the State of California without reference to choice or conflict of law principles.

IN WITNESS WHEREOF, the Company and Grantee have duly executed this Agreement as of the Date of Grant.

CARL KARCHER ENTERPRISES, INC.

By _____
Title:

GRANTEE

Signature

Street Address

City, State and Zip Code

Social Security Number

5

RESTRICTED STOCK AGREEMENT

This Restricted Stock Agreement ("Agreement") is made and entered into as of the Date of Award indicated below by and between Carl Karcher Enterprises, Inc., a California corporation (the "Company"), and Donald E. Doyle ("Executive").

WHEREAS, Executive is the President and Chief Executive Officer of the Company; and

WHEREAS, in connection with the retention of Executive in such capacities, the Board of Directors of the Company has approved the award to Executive of the right to receive shares of the common stock of the Company (the "Common Stock"), on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties hereto hereby agree as follows:

1. Award; Certain Terms and Conditions. The Company hereby awards to Executive, and Executive hereby accepts, as of the Date of Award, the right to receive the number of shares of Common Stock indicated below (the "Restricted Shares"). The Restricted Shares shall be subject to all of the terms and conditions set forth in this Agreement, including the restrictions imposed pursuant to Section 3 hereof; provided, however, that on each anniversary of the Date of Award, such restrictions shall terminate with respect to that number of Restricted Shares (rounded to the nearest whole share) equal to the total number of Restricted Shares multiplied by the Annual Vesting Rate indicated below (the termination of such restrictions with respect to any Restricted Share, for any reason, shall be referred to herein as the "vesting" of such share).

<TABLE>

<CAPTION>

<S>	<C>
Date of Award:	January 6, 1993
Number of shares purchasable:	12,121
Annual Vesting Rate:	33-1-3%
Vesting Dates:	January 6, 1994 January 6, 1995 January 6, 1996

</TABLE>

2. Consideration for Shares. The consideration for the issuance and

sale of Restricted Shares contemplated hereby consists of past services to the Company and/or one or more of its subsidiaries.

3. Restrictions. Until a Restricted Share vests, it may not be sold, assigned, conveyed, gifted, pledged, hypothecated or otherwise transferred in any manner.

2

4. Acceleration of Vesting.

(a) Notwithstanding anything to the contrary in this Agreement, in the event that Executive shall cease to be an employee of the Company or any of its subsidiaries for any reason, or for no reason, within one year after a Change of Control (as hereinafter defined), all then unvested Restricted Shares shall vest upon the date of such event.

(b) "Change of Control" shall mean the first to occur of the following events:

(i) any date upon which the directors of the Company who were nominated by the Board of Directors (the "Board") for election as directors cease to constitute a majority of the directors of the Company;

(ii) the date of the first public announcement that any person or entity, together with all Affiliates and Associates (as such capitalized terms are defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of such person or entity, shall have become the Beneficial Owner (as defined in Rule 13d-3 promulgated under the Exchange Act) of voting securities of the Company representing 50% or more of the voting power of the Company (a "50% Stockholder"); provided, however, that the terms "person" and "entity," as used in this clause (ii), shall not include (A) the Company or any of its subsidiaries, (B) any employee benefit plan of the Company or any of its subsidiaries, (C) any entity holding voting securities of the Company for or pursuant to the terms of any such plan or (D) any person or entity if the transaction that resulted in such person or entity becoming a 50% Stockholder was approved in advance by the Board; or

(iii) a reorganization, merger or consolidation of the Company (other than a reorganization, merger or consolidation the sole purpose of which is to change the Company's domicile solely within the United States) the consummation of which results in the outstanding securities of any class then comprising the Restricted Shares being exchanged for or converted into cash, property and/or a different kind of securities.

(c) In addition, the Board of Directors, in its sole discretion, may

accelerate the vesting of any or all of the Restricted Shares at any time.

5. Termination of Award. Notwithstanding anything to the contrary in this Agreement, if Executive shall cease to be an employee of the Company or any of its subsidiaries for any reason, or for no reason, then, unless the Board of

2

3

Directors shall determine otherwise, the then unvested portion of award of Restricted Shares shall terminate and be of no further force and affect.

6. Payment of Withholding Taxes. If the Company becomes obligated to withhold an amount on account of any federal, state or local tax imposed as a result of the sale of the Restricted Shares to Executive pursuant to this Agreement or the termination of the restrictions imposed upon the Restricted Shares hereunder, including, without limitation, any federal, state or other income tax, or any F.I.C.A., state disability insurance tax or other employment tax (the date upon which the Company becomes so obligated shall be referred to herein as the "Withholding Date"), then Executive shall pay such amount (the "Withholding Liability") to the Company on the Withholding Date in cash or by check payable to the Company.

7. Escrow.

(a) Until a Restricted Share vests, (i) the record address of the holder of record of such Restricted Share shall be c/o the Secretary of the Company at the address of the Company's principal executive office, (ii) the stock certificate representing such Restricted Share (together with any dividends, cash, property and/or securities comprising all or any part of such Restricted Share as provided in Section 9 hereof) shall be held in escrow in the custody of the Secretary of the Company, duly endorsed in blank or accompanied by a duly executed stock powers, and (iii) such stock certificate shall contain the following legend:

"The transfer and registration of transfer of the securities represented by this certificate are subject to certain restrictions as provided in a Restricted Stock Agreement dated as of January 6, 1993 by and between the Corporation and Donald E. Doyle."

(b) From and after the date upon which a Restricted Share vests, the holder of record of such Restricted Share shall be entitled (provided that Executive shall have paid the Withholding Liability to the Company pursuant to Section 6 hereof) to receive the stock certificate representing such Restricted Share (together with any cash, property and/or securities comprising all or any part of such Restricted Share as provided in Section 8 hereof), which stock certificate shall not contain the legend set forth in subsection (a) (iii)

above.

9. Voting; Dividends; Certain Corporate Transactions. Except upon the vesting of each installment of Restricted Shares, Executive shall not be entitled to exercise any voting rights with respect to such Restricted Shares or to receive any cash dividends paid with respect thereto. In the event that the outstanding securities of any class then comprising the Restricted Shares (whether vested or unvested) are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed in respect of such outstanding securities, in either case as a result of a

3

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reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, then, unless the Board of Directors shall determine otherwise, the term "Restricted Shares" shall, from and after the date of such event, include such cash, property and/or securities so distributed in respect of the Restricted Shares, or into or for which the Restricted Shares are so increased, decreased, exchanged or converted.

10. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California without reference to choice or conflict of law principles.

IN WITNESS WHEREOF, the Company and Executive have duly executed this Agreement as of the Date of Award.

CARL KARCHER ENTERPRISES, INC.

By _____
Title

Executive

Signature

Street Address

City, State and Zip Code

Social Security Number