

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **September 2, 2019**

RED ROBIN GOURMET BURGERS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-34851
(Commission File Number)

84-1573084
(IRS Employer
Identification Number)

6312 S. Fiddler's Green Circle, Suite 200N
Greenwood Village, Colorado
(Address of principal executive offices)

80111
(Zip Code)

Registrant's telephone number, including area code: **(303) 846-6000**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Exchange Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.001 par value	RRGB	NASDAQ (Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 1.01 Entry into a Material Definitive Agreement

The information set forth under Item 5.02 of this Form 8-K is incorporated herein by reference.

ITEM 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

Appointment of New Chief Executive Officer and Director

Red Robin Gourmet Burgers, Inc. (the “Company”) today announced that on September 2, 2019, the Board of Directors (the “Board”) appointed Paul J.B. Murphy III as President and Chief Executive Officer and a director of the Company, effective October 3, 2019. Mr. Murphy succeeds Pattye L. Moore who has served as Interim Chief Executive Officer and President since April 2019. Ms. Moore has served as Board Chair since 2010 and, as previously announced, plans to retire from the Board following an appropriate transition period.

In connection with Mr. Murphy’s appointment to the Board, the Board authorized an increase in its size from ten to eleven directors, also effective October 3, 2019. As a non-independent director, Mr. Murphy is not expected to serve on any of the Board’s standing committees.

Mr. Murphy, age 64, has served as Executive Chairman of Noodles & Company from July 2017. Prior to that, Mr. Murphy served as CEO and a member of the board of directors of Del Taco Restaurants, Inc. from February 2009 to July 2017, and as President from February 2009 to December 2016. From 1996 to 2008, Mr. Murphy held various roles with Einstein Noah Restaurant Group, Inc. Mr. Murphy originally joined Einstein’s as Senior Vice President, Operations in 1997. He was promoted to Executive Vice President, Operations in 1998, and to Chief Operating Officer in 2002. In 2003, he was appointed President and CEO and a member of the board of directors. Mr. Murphy has significant experience in both operational and executive leadership in the restaurant industry, including leading companies through successful business transformations.

Other than as described herein, there are no understandings or arrangements with any person regarding the appointment of Mr. Murphy to these positions. Mr. Murphy has no reportable relationships with the Company.

Summary of CEO Compensation Arrangement

In connection with Mr. Murphy’s appointment as Chief Executive Officer, the Company and Mr. Murphy entered into an employment agreement, dated September 2, 2019 (the “Murphy Employment Agreement”). The Murphy Employment Agreement has a term continuing through December 31, 2022, and provides for the following compensation: (i) an annual base salary of \$900,000; (ii) eligibility to receive an annual bonus with a target of 120% of base salary; (iii) sign-on cash bonus of \$500,000, payable in two installments: (a) \$275,000 upon Board approval of the Company’s 2020 budget, and (b) \$225,000 payable on the one-year anniversary of Mr. Murphy’s start date (with such second installment subject to repayment on a prorated basis if employment is terminated by the Company for Cause or by Mr. Murphy without Good Reason (as such terms are

defined in the Murphy Employment Agreement) in the first three years); and (iv) sign-on equity award consisting of restricted stock units (“RSUs”) with a grant date fair value of \$1.6 million, with a grant date seven days following his start date, which will cliff-vest on the third anniversary of the start date, subject to Mr. Murphy’s continued employment through such vesting date.

In fiscal year 2020 Mr. Murphy will receive an award under the Company’s long-term incentive plan (“LTIP”), which will have a target value equal to \$3.0 million.

Mr. Murphy may also participate in the Company’s standard benefit plans, as may be amended from time to time, in which other senior executives are eligible to participate. Additionally, he is entitled to a car allowance of \$15,000 per year, reimbursement of legal fees associated with the review, negotiation, and execution of his employment agreement (not to exceed \$10,000), and holidays and paid time off in accordance with the Company’s paid time off policies applicable to executive officers as in effect from time to time.

Upon the termination of Mr. Murphy’s employment for any reason, he will be entitled to receive any accrued but unpaid base salary, reimbursable expenses, prior year annual bonus to the extent unpaid (but not payable upon a termination for Cause), any compensation previously deferred by Mr. Murphy payable pursuant to, and at such times as provided for by, such deferred compensation plan, program or policy, and any payments, benefits or fringe benefits to which Mr. Murphy is entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant, payable in accordance with the terms of such plan, program or grant (the “accrued obligations”). In the event Mr. Murphy’s employment terminates due to his death or disability, in addition to the accrued obligations, he will also be entitled to receive a prorated bonus for the year of termination (based on actual performance, prorated for the number of days employed during the applicable fiscal year).

Upon Mr. Murphy’s termination of employment by the Company without Cause or due to his resignation for Good Reason, he will be entitled to receive as severance benefits in addition to accrued obligations and a prorated bonus for the year of termination (based on actual performance, prorated for the number of days employed during the applicable fiscal year), (i) 24 months of salary; (ii) immediate vesting of the RSU sign-on equity award; and (iii) subject to his timely election of continued healthcare coverage under COBRA, monthly payments (or reimbursement) of the cost of COBRA coverage for 18 months. Mr. Murphy’s receipt of the severance benefits mentioned in this paragraph is subject to his execution of a waiver and release of claims in favor of the Company and its affiliates, and adherence to post-employment restrictive covenant obligations.

Mr. Murphy will be subject to customary restrictive covenants in the Murphy Employment Agreement, including nondisclosure of confidential information, return of Company property, and, during employment and for the 24 months following termination of employment, non-competition and non-solicitation of employees, suppliers, and business relations of the Company.

The foregoing is a summary description of the Murphy Employment Agreement and does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Murphy Employment Agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

For more information about the Company's annual award programs and the Executive Change in Control Severance Plan, see the Company's proxy statement for the 2019 Annual Meeting of Stockholders filed with the Securities and Exchange Commission on April 10, 2019.

Retirement of Three Board Members

On September 5, 2019, the Company announced that Director Aylwin Lewis will retire from the Board following an appropriate CEO transition period. The Company previously announced the retirement of Pattye L. Moore, Board Chair and interim President and Chief Executive Officer, following such transition and that Director Stuart Oran has decided not to stand for re-election at the 2020 Annual Meeting of Shareholders.

The departures of Mr. Lewis, Ms. Moore, and Mr. Oran were part of a board refresh, and not due to any disagreement with the Company or management.

The Company issued a press release on September 5, 2019 announcing the appointment of Mr. Murphy as Chief Executive Officer of the Company and the additional director change. A copy of the press release is attached as Exhibit 99.1 to this report and incorporated by reference herein.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
10.1	<u>Employment Agreement by and between Red Robin Gourmet Burgers, Inc. and Paul Murphy, dated September 2, 2019.</u>
99.1	<u>Red Robin Gourmet Burgers, Inc. Press Release dated September 5, 2019.</u>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 5, 2019

RED ROBIN GOURMET BURGERS, INC.

By: /s/ Michael L. Kaplan
Name: Michael L. Kaplan
Title: Senior Vice President & Chief Legal Officer

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement") is made as of this 2nd day of September, 2019, by and between RED ROBIN GOURMET BURGERS, INC., a Delaware corporation (the "Company"), and Paul Murphy ("Executive").

RECITAL

WHEREAS, the parties desire to enter into this Agreement setting forth the terms and conditions for the employment relationship between Executive and the Company.

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements herein contained and intending to be legally bound hereby, the Company and Executive hereby agree as follows:

AGREEMENT

1. Employment Period. (a) The Company, through its wholly-owned subsidiary, Red Robin International, Inc., a Nevada corporation ("RRI"), hereby employs Executive, and Executive hereby accepts such employment, upon the terms and conditions hereinafter set forth. The term of Executive's employment hereunder shall commence on October 3, 2019 (the "Effective Date"), and shall continue until December 31, 2022, subject to earlier termination as provided herein (such term being referred to herein as the "Employment Period"). This Agreement shall renew only upon written confirmation by both Parties of the intent to renew.

(b) Executive and the Company acknowledge that, except as may otherwise be provided by this Agreement or under any other written agreement between Executive and the Company, the employment of Executive by the Company and RRI is "at will" and Executive's employment may be terminated by either Executive or the Company at any time for any reason, or no reason, as long as consistent with applicable law. RRI shall be the "employer" for tax, legal reporting, payroll processing and similar purposes.

2. Position and Duties.

(a) During the Employment Period, Executive shall be employed as and hold the titles of President and Chief Executive Officer of the Company, with such duties, authorities and responsibilities that are customary for public company chief executive officer positions. Executive will be the principal executive officer of the Company, and shall report to the Company's Board of Directors, which will include interfacing with the Chair of the Company's Board of Directors, and certain committees of the Board of Directors and their respective chairpersons from time to time (collectively, the "Board"). The Board may assign Executive such other duties, authorities, and responsibilities that are not substantially inconsistent with his positions as Chief Executive Officer of the Company. Executive shall also become a member of the Board as of the Effective Date. Thereafter, during the Employment Period, the Board shall nominate Executive for re-election as a member of the Board at the expiration of the then current term, provided that the foregoing shall not be required to the extent prohibited by legal or regulatory requirements, or the current provisions of Section 6E of the Company's Certificate of Incorporation as in effect at any time or from time to time. During the Employment Period, Executive shall report only to the Board

and all employees of the Company, RRI and the Company's subsidiaries shall ultimately report to Executive or his designee. Executive agrees to serve without additional compensation, if elected or appointed thereto, as a director of any of the Company's subsidiaries and in one or more executive offices of any of the Company's subsidiaries.

(b) The Company may appoint another individual to serve as President of the Company, however any such appointee shall report directly to Executive and his or her duties shall include, but not be limited to, those that are usual and customary for that position, or that are assigned to the President by the Executive from time to time. Upon such appointment Executive shall (automatically and without further action) no longer serve as President of the Company and Executive acknowledges and agrees that he shall not have Good Reason with respect thereto.

(c) During the Employment Period, Executive shall devote substantially all of his skill, knowledge, and working time to the business and affairs of the Company and its subsidiaries; provided that in no event shall this sentence prohibit Executive from (i) performing personal, charitable, civic, educational, professional, community, or industry activities (ii) serving on the boards of directors of non-profit organizations and, with the prior written approval of the Board, other for profit companies, provided, that Executive may only serve on the board of one public company at any given time, and (iii) managing Executive's passive personal investments, so long as such activities do not materially interfere with Executive's duties for the Company or otherwise violate the terms and conditions of this Agreement or the Company's policies in effect from time to time applicable to Executive Officers of the Company. Executive shall perform his services at the Company's headquarters, presently located in Greenwood Village, Colorado, subject to reasonably required travel in connection with the performance of his services hereunder or as reasonably requested by the Board. Executive shall use his best efforts to carry out his responsibilities under this Agreement faithfully and efficiently.

(d) In his position as Chief Executive Officer of the Company, Executive shall, subject to the oversight of the Board, have full authority and responsibility to manage the operation of the Company's restaurants and franchise system, including the hiring and discharge of employees of the Company and its subsidiaries, closing, selling, developing and opening restaurants as contemplated by the annual budget approved by the Board (the "Annual Plan"), establishing and administering the Company's marketing plan, making improvements in and refurbishing the Company's restaurants consistent with the capital expenditure budget in the Annual Plan, administering and managing the day-to-day operation of the restaurants, granting new franchises, and administering and managing the franchise operations consistent with the Annual Plan.

3. Compensation.

(a) Base Salary. During the Employment Period, Executive shall receive from the Company an annual base salary ("Annual Base Salary") of no less than \$900,000, with such salary to be reviewed annually, and may be increased but not decreased, as determined by the Board and approved by the Compensation Committee of the Board of Directors of the Company (the "Compensation Committee"). The Annual Base Salary shall be paid in accordance with the Company's and RRI's normal payroll policy.

(b) Sign-On Bonus. The Company agrees to pay Executive a cash sign-on bonus of \$500,000 (the "Sign-On Bonus"), subject to all required taxes and withholdings, \$275,000 to be paid upon the Board's approval of the Annual Plan for the 2020 fiscal year and \$225,000 to be paid upon the one-year anniversary of the Effective Date. If Executive's employment with the Company is terminated (i) by the Company with Cause or (ii) as a result of Executive's resignation without Good Reason, in either case, less than thirty-six (36) full months after the Effective Date, Executive agrees to repay the amount of \$225,000, less \$6,250 for each full month of employment completed after the Effective Date. Executive further agrees that Executive will repay such amount by no later than ten (10) days following the effective date of the employment termination, and that any outstanding balance on such repayment obligation is delinquent and immediately collectable the day following the effective date of termination.

(c) Annual Incentive Compensation. In addition to the Annual Base Salary, beginning in 2020, Executive is eligible to receive an annual cash bonus each fiscal year during the Employment Period as determined in accordance with the Company's annual incentive plan as in effect from time to time and as approved by the Compensation Committee (the "Annual Bonus"). For fiscal year 2020, Executive's target Annual Bonus (the "Target Bonus") shall be one hundred and twenty percent (120%) of Executive's Annual Base Salary. Such Target Bonus will be subject to adjustment by the Compensation Committee in fiscal year 2021 and later, but in no event shall ever exceed two-hundred percent (200%) of Executive's Annual Base Salary, or decreased by five percent (5%) of the Executive's Annual Base Salary without Executive's prior written consent and an equivalent and proportional deduction in all other Executive Officer's similar incentive compensation packages. The actual amount of any Annual Bonus shall depend on the level of achievement of the applicable performance criteria established with respect to the Annual Bonus by the Board and the Compensation Committee in their sole discretion. The Annual Bonus for each fiscal year shall be payable in accordance with the then-current annual incentive plan, but in no event later than March 15 of the following fiscal year.

(d) Long-Term Incentive Awards

(i) Sign-On Equity Awards. On the seventh day following the Effective Date, Executive will receive a grant of time-vested restricted stock units having a grant date fair value of \$1,600,000 (based on the closing price of the Company's common stock on the date of grant) pursuant to the Company's 2017 Performance Incentive Plan (the "2017 Plan"), all of which shall vest on the third anniversary of the Effective Date, subject to continued employment through such vesting date (the "Sign-On Equity Award"), except as otherwise specifically provided in Section 4(f)(iii)(C).

(ii) Generally. During the Employment Period, beginning in fiscal year 2020, Executive shall have the opportunity to participate in the Company's long term incentive plan ("LTIP"). Executive's annual grant under the LTIP shall be subject to such terms as approved by the Board or the Compensation Committee from time to time in accordance with the Company's LTIP, but the LTIP grant for fiscal year 2020 shall have a target value equal to \$3,000,000. Except as expressly provided herein, each such equity award shall be made in accordance with the Company's Equity Granting Policy. Executive's target value will be subject to adjustment by the Compensation Committee in fiscal year 2021 and later.

(c) Other Benefits.

(i) Welfare and Benefit Plans. During the Employment Period: (A) Executive shall be entitled to participate in all incentive, savings and retirement plans, practices, policies and programs of the Company and RRI to the same extent as other senior executive employees, including, among other things, participation in the Company's Non-Qualified Deferred Compensation Plan; and (B) Executive and/or Executive's family, as the case may be, shall be eligible to participate in, and shall receive all benefits under, all welfare benefit plans, practices, policies and programs provided by the Company and RRI (including, to the extent provided, without limitation, medical, prescription, dental, disability, salary continuance, employee life insurance, group life insurance, accidental death and travel accident insurance plans and programs) to the same extent as other senior executive employees.

(ii) Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable travel and other expenses incurred by Executive in carrying out Executive's duties under this Agreement, provided that Executive complies with the policies, practices and procedures of the Company and RRI for submission of expense reports, receipts or similar documentation of the incurrence and purpose of such expenses.

(iii) Paid Time Off. Executive shall be entitled to holidays and five (5) weeks of paid time off per calendar year in accordance with the Company's holiday and paid time off policies applicable to Executive Officers as in effect from time to time.

(iv) Car Allowance. During the Employment Period, Executive shall be paid a monthly car allowance in the gross amount of \$1,250.

(v) Payment of Legal Fees. The Company shall reimburse Executive for reasonable, documented legal fees incurred by Executive in connection with the review, negotiation, and execution of this Agreement, which reimbursement shall not exceed \$10,000.

(f) Reservation of Rights. Except as otherwise specifically agreed as to Executive in a separate agreement between the Company and Executive, the Company reserves the right to modify, suspend or discontinue any and all of the employee benefit plans, practices, policies and programs referenced in subsections 3(e)(i) and 3(e)(ii) above at any time so long as such action is taken with respect to Executive Officers generally and does not disproportionately adversely affect Executive.

4. Termination.

(a) Death or Disability. Executive's employment and all associated rights and benefits shall terminate automatically upon Executive's death. If the Company determines in good faith that the Disability of Executive has occurred, it may give to Executive written notice of its intention to terminate Executive's employment. In such event, Executive's employment with the Company shall terminate effective on the thirtieth (30th) day after receipt of such notice by Executive, provided that, within the thirty (30) days after such receipt, Executive shall not have returned to full-time performance of his duties.

(b) Cause. The Company may terminate Executive's employment at any time for Cause.

(c) By the Company without Cause. The Company may terminate Executive's employment at any time without Cause.

(d) By Executive for Good Reason. Executive may terminate his employment at any time for Good Reason subject to the notice and cure provisions set forth in the definition thereof.

(e) By Executive without Good Reason. Executive may terminate his employment at any time without Good Reason, provided that Executive must provide at least thirty (30) days advance notice to the Company of any such termination.

(f) Obligations of the Company Upon Termination.

(i) Death or Disability. If Executive's employment is terminated by reason of Executive's Death or Disability, this Agreement shall terminate without further obligations to Executive or his legal representatives under this Agreement, other than for (A) payment of the sum of (1) Executive's Annual Base Salary through the date of termination to the extent not theretofore paid and (2) reimbursement for any unreimbursed business expenses incurred through the date of termination which shall be paid in a lump sum in cash within thirty (30) days of the effective date of termination or such earlier date as may be required by law; (B) any payments, benefits or fringe benefits to which Executive shall be entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or this Agreement, which shall be paid at such times and in such forms as provided for by such plan, program or grant or such earlier date as may be required by law; (C) any Annual Bonus Earned but unpaid with respect to the fiscal year ending on or preceding the date of termination, which shall be paid in a lump sum in cash when such Annual Bonus payment is regularly paid to similarly situated executives (the payments and benefits described in clauses (A), (B), and (C) shall be hereinafter referred to as the "Accrued Obligations"); and (D) payment of a pro rata share (determined on the basis of the number of days on which Executive was employed by the Company during the fiscal year in which the date of termination occurred) of the Annual Bonus that would otherwise have been Earned based on actual performance and been payable pursuant to Section 3(c) hereof had Executive continued to be employed by the Company for the entirety of the fiscal year in which the date of termination occurred, which shall be paid in a lump sum in cash when such Annual Bonus payment is regularly paid to similarly situated executives.

(ii) Cause or Resignation other than with Good Reason. If Executive's employment is terminated by the Company for Cause or Executive resigns from his position as Chief Executive Officer of the Company without Good Reason, this Agreement shall terminate without further obligations to Executive other than payment of the Accrued Obligations as described in Section 4(f)(i) (provided, that if Executive's employment is terminated for Cause, then the amount described in clause (C) of the Accrued Obligations shall not be payable). If it is subsequently determined that the Company did not have Cause for termination hereof or that Executive had Good Reason for termination, then the decision to terminate shall be deemed to have been made

under Section 4(c) or (d), as applicable, and the amounts payable under Section 4(f)(iii) shall be the only amounts Executive may receive on account of his termination.

(iii) By the Company without Cause or by Executive for Good Reason. If the Company terminates Executive's employment without Cause or Executive terminates his employment for Good Reason, this Agreement shall terminate without further obligations to Executive other than:

(A) payment of the Accrued Obligations and a pro rata share of the Annual Bonus for the fiscal year in which the date of termination occurred, each, as described in Section 4(f)(i); and

(B) payment of the equivalent of two times the Executive's Annual Base Salary as in effect immediately prior to the date of termination, which shall be paid in substantially equal installments for the twenty-four (24) month period following the date of termination, subject to standard withholdings and other authorized deductions;

(C) immediate vesting of the Sign-On Equity Award; and

(D) upon Executive's timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), as amended, the Company shall pay to Executive in a lump sum in cash within thirty (30) days after such election an amount equal to the product of (x) the portion of premiums of Executive's group health insurance, including coverage for Executive's eligible dependents, that the Company paid immediately prior to his date of termination and (y) eighteen (18);

provided, however, that as a condition precedent to receiving the payments and benefits provided for in this Section 4(f)(iii) (other than payment of the Accrued Obligations), Executive shall first execute and deliver to the Company and RRI a general release agreement in substantially the form attached as Exhibit A hereto (the "Release"), and all rights of Executive thereunder or under applicable law to rescind or revoke the release shall have expired no later than the date specified in such release, which shall either be twenty-eight (28) days or fifty-two (52) days, dependent upon the circumstances, after the date of termination (the "Release Condition"). For the avoidance of doubt, the payments contemplated by Section 4(f)(iii)(B) shall be paid, subject to satisfaction of the Release Condition, in substantially equal installments on regularly scheduled payroll dates beginning on the first payroll date that is sixty (60) days after Executive experiences a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Internal Revenue Code of 1986, as amended (the "Code"); provided, that such first payment shall be a lump sum payment equal to the amount of all payments due from the date of such termination through the date of such first payment. If Executive fails to satisfy the Release Condition, all payments and benefits set forth in this Section 4(f)(iii) (other than the payment of the Accrued Obligations) shall be forfeited; provided, further, notwithstanding any other provision contained in this Agreement, if Executive receives severance payments and benefits under the Red Robin Gourmet Burgers, Inc. Executive Change in Control Severance Plan (as such plan may be modified, amended and/or restated from time to time) (the "Executive CIC Severance Plan"), Executive shall have no right to receive the payments and benefits under this Section 4(f)(iii). For purposes of the Executive CIC Severance Plan, insofar as it is applicable to Executive: (x) the Release Agreement (as defined in the Executive CIC Severance Plan) shall be replaced with (and all references therein shall be deemed

to refer to) the Release (as defined in this Agreement); (y) the Cash Severance Multiplier (as defined in the Executive CIC Severance Plan) shall be 2.0 (not 3.0); and (z) the definitions of Cause and Good Reason (each as defined in the Executive CIC Severance Plan) shall be replaced with the definition of Cause and Good Reason (each as defined in this Agreement).

(iv) Exclusive Remedy. Executive agrees that the payments contemplated by this Section 4(f) shall constitute the exclusive and sole remedy for any termination of his employment, and Executive covenants not to assert or pursue any other remedies, at law or in equity, with respect to any termination of employment; provided, however, that nothing contained in this Section 4(f)(iv) shall prevent Executive from otherwise challenging in a subsequent arbitration proceeding a determination by the Company that it was entitled to terminate Executive's employment hereunder for Cause.

(v) Termination of Payments. Anything in this Agreement to the contrary notwithstanding, the Company may terminate all payments and benefits owing to Executive pursuant to this Section 4(f) upon the Company's discovery of any breach or threatened breach by Executive of his obligations under the general release or Sections 5, 6, 7 and 8 of this Agreement after written notice to Executive, and, if curable, providing the Executive with thirty (30) days to cure. No payments shall be terminated during this cure period (if applicable).

(vi) Resignation as Officer or Director Upon Termination. Upon termination of Executive's employment with the Company for any reason whatsoever, Executive shall thereupon be deemed to have immediately resigned from any positions with the Company and all of its subsidiaries and affiliates, whether as an officer, director, employee, fiduciary or otherwise. In such event, Executive shall, at the request of the Company, execute any documents reasonably required to evidence such resignations.

(g) Survival of Certain Obligations Following Termination. Notwithstanding any other provision contained in this Agreement, the provisions in Sections 5 through 11 and 14 through 22 of this Agreement shall survive any termination of Executive's employment hereunder (but shall be subject to Executive's right to receive the payments and benefits provided under this Section 4).

5. Confidential Information(i) . Except in the good-faith performance of his duties hereunder, Executive shall not disclose to any person or entity or use, any information not in the public domain, in any form, acquired by Executive while he was employed or associated with the Company or RRI or, if acquired following the termination of such association, such information which, to Executive's knowledge, has been acquired, directly or indirectly, from any person or entity owing a duty of confidentiality to the Company or RRI, relating to the Company or its business. Executive agrees and acknowledges that all of such information, in any form, and copies and extracts thereof are and shall remain the sole and exclusive property of the Company, and Executive shall on request return to the Company the originals and all copies of any such information provided to or acquired by Executive in connection with his association with the Company or RRI, and shall return to the Company all files, correspondence and/or other

communications received, maintained and/or originated by Executive during the course of such association.

6. Covenant Not to Compete. Executive agrees that, for the period commencing on the Effective Date and ending twenty-four (24) months after the date of termination of Executive's employment with the Company (the "Restrictive Period"), Executive shall not directly or indirectly, either for himself or for, with or through any other Person, own, manage, operate, control, be employed by, participate in, loan money to or be connected in any manner with, or permit his name to be used by, either (i) any business that, in the reasonable judgment of the Board, competes with the Company and its subsidiaries in the burger-focused restaurant business in (x) the United States, (y) the Canadian provinces of Alberta and British Columbia, or (z) any other country, province or territory in which the Company conducts business as of the date Executive's employment terminates, or (ii) the following casual dining and brew-centric restaurant concepts (and their successors): Five Guys, Chili's, Applebee's, Ruby Tuesday, TGIFridays, Texas Roadhouse, BJ's, Yardhouse, Millers Ale House and Brickhouse ("Competitive Activity"); provided, however, that this Section 6 shall not prohibit Executive from serving as a non-employee member of the board of directors of a burger-focused restaurant business other than (I) a burger-focused casual dining business or (II) any of the businesses listed in the immediately preceding clause (ii). In making its judgment as to whether any business is engaged in a Competitive Activity, the Board shall act in good faith, and shall first provide Executive with a reasonable opportunity to present such information as Executive may desire for the Board's consideration. For purposes of this Agreement, the term "participate" includes any direct or indirect interest, whether as an officer, director, employee, partner, sole proprietor, trustee, beneficiary, agent, representative, independent contractor, consultant, advisor, provider of personal services, creditor, owner (other than by ownership of less than five percent (5%) of the stock of a publicly-held corporation whose stock is traded on a national securities exchange).

7. No Interference; Nondisparagement.

(a) During the Restrictive Period, Executive shall not, without the prior written approval of the Company, directly or indirectly through any other Person (i) induce or attempt to induce any employee of the Company or RRI at the level of Assistant Store Manager or higher in restaurant operations or the level of Director or higher at the Company's home office to leave the employ of the Company or RRI, or in any way interfere with the relationship between the Company or RRI and any employee thereof (for the sake of clarity, this clause (i) shall not be violated by virtue of general advertisements or solicitations for positions that are not targeted at employees of the Company or RRI), (ii) hire any Person who was an employee of the Company or RRI at the level of Assistant Store Manager or higher in restaurant operations or the level of Director or higher at the Company's home office within twelve months after such Person's employment with the Company or RRI was terminated for any reason or (iii) induce or attempt to induce any supplier or other business relation of the Company or RRI to cease doing business with the Company or RRI, or in any way interfere with the relationship between any such supplier or business relation and the Company or RRI, in the case of clauses (i) or (iii), to the extent any such actions result (or would reasonably be expected to result) in harm to the Company or RRI.

(b) Executive agrees not to disparage the Company, any of its products or practices, or any of its directors, officers, stockholders, or affiliates (each in their capacities as such), either

orally or in writing, at any time; provided, however, that Executive may (A) confer in confidence with his legal representatives, (B) make truthful statements as required by law or when requested by a governmental, regulatory or similar body or entity and/or (C) make truthful statements in the course of performing his duties to the Company. The Company shall instruct its current directors, and following the date of termination of Executive's employment, its current Executive Officers, to not disparage Executive, either orally or in writing, at any time; provided, however, that the Company shall not be required to instruct its directors or Executive Officers to refrain from (X) conferring in confidence with their respect legal representatives, (Y) making truthful statements as required by law or when requested by a governmental, regulatory, or similar body or entity and/or (Z) making truthful statements in the course of performing duties to the Company.

8. Return of Documents. In the event of the termination of Executive's employment for any reason, Executive shall deliver to the Company all of (a) the property of the Company or any of its subsidiaries, and (b) non-personal documents and data of any nature and in whatever medium of the Company or any of its subsidiaries, in each case within his possession and control, and he shall not take with his any such property, documents or data or any reproduction thereof, or any documents containing or pertaining to any Confidential Information.

9. Reasonableness of Restrictions. Executive agrees that the covenants set forth in Sections 5, 6, 7 and 8 are reasonable with respect to their duration, geographical area, and scope. In the event that any of the provisions of Sections 5, 6, 7 and 8 relating to the geographic or temporal scope of the covenants contained therein or the nature of the business or activities restricted thereby shall be declared by a court of competent jurisdiction to exceed the maximum restrictiveness such court deems enforceable, such provision shall be deemed to be replaced herein by the maximum restriction deemed enforceable by such court.

10. Injunctive Relief. The parties hereto agree that either party hereto would suffer irreparable harm from a breach by the other party of any of the covenants or agreements contained herein, for which there is no adequate remedy at law. Therefore, in the event of the actual or threatened breach by a party of any of the provisions of this Agreement, the other party, and in the case of the Company, its respective successors or assigns, may, in addition and supplementary to other rights and remedies existing in their favor, apply to any court of law or equity of competent jurisdiction for specific performance, injunctive or other relief (without the necessity of posting bond or security) in order to enforce compliance with, or prevent any violation of, the provisions hereof; and that, in the event of such a breach or threat thereof by one party, the other party shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the other party from engaging in activities prohibited hereby or such other relief as may be required to specifically enforce any of the covenants contained herein.

11. Extension of Restricted Periods. In addition to the remedies the Company may seek and obtain pursuant to this Agreement, the restricted periods set forth herein may be extended by any and all periods during which Executive shall be found by a court to have been in violation of the covenants contained herein if so ordered by a court.

12. Stock Ownership Requirement. While employed by the Company, Executive shall be expected to maintain ownership of common stock or stock equivalents in such amounts and on such terms and conditions as are set forth in the Company's Executive Stock Ownership

Guidelines established by the Compensation Committee and in effect from time to time (the "Ownership Guidelines"). Executive is expected to meet the ownership requirements set forth in the Ownership Guidelines within the time period stated in the Ownership Guidelines. In the event Executive is unable to meet his ownership requirements within the defined time period, Executive shall retain all net after-tax profit Shares following option exercise and/or the vesting of restricted stock units and any other awards settled in Shares, until Executive has satisfied the requirements set forth in this Section 12. No additional liability shall apply to Executive if Executive fails to satisfy the stock ownership requirements set forth in this Section 12. For the sake of clarity, failure to satisfy the requirements set forth in this Section 12 (other than any willful breach by Executive of the obligation not to dispose of net after-tax profit Shares as contemplated above) shall not constitute Cause.

13. Definitions. As used herein, unless the context otherwise requires, the following terms have the following respective meanings:

"Cause" means with respect to the termination by the Company of Executive as an employee of the Company:

- (i) Executive's continual and deliberate gross neglect in the performance of his material duties;
- (ii) Executive's failure to devote substantially all of his working time to the business of the Company and its subsidiaries (other than as expressly permitted in this Agreement or by applicable state or federal law);
- (iii) Executive's failure to follow the lawful directives of the Board relating to his duties and responsibilities hereunder in any material respect;
- (iv) Executive's engaging in misconduct in connection with the performance of any of his duties, including, without limitation, falsifying or attempting to falsify documents, books or records of the Company or its subsidiaries, misappropriating or attempting to misappropriate funds or other property, or securing or attempting to secure any personal profit in connection with any transaction entered into on behalf of the Company or its subsidiaries;
- (v) the violation by Executive, in any material respect, of any policy or of any code or standard of behavior or conduct generally applicable to employees of the Company or its subsidiaries;
- (vi) Executive's breach of the material provisions of this Agreement or any other non-competition, non-interference, non-disclosure, confidentiality or other similar agreement executed by Executive with the Company or any of its subsidiaries or other act of disloyalty to the Company or any of its subsidiaries (including, without limitation, aiding a competitor or unauthorized disclosure of confidential information); or
- (vii) Executive's engaging in conduct that is reasonably likely to result in material injury to the reputation of the Company or any of its subsidiaries, including, without limitation, commission of a felony, fraud, embezzlement, or other crime involving moral turpitude;

provided, that a termination for Cause by the Company of any of the events described in clauses (i), (ii), (iv) and (v) above shall only be effective on thirty (30) days advance written notification, providing Executive the opportunity to cure, if reasonably capable of cure within said thirty (30)-day period; provided, however, that no such notification is required if the Cause event is not reasonably capable of cure or the Board determines that its fiduciary obligation legally requires it to effect a termination of Executive for Cause immediately. Notwithstanding the preceding sentence, the Board may suspend with compensation Executive while it conducts a good faith inquiry of whether grounds for Cause exist.

“Disability” means a physical or mental impairment which substantially limits a major life activity of Executive and which renders Executive unable to perform the essential functions of his position, even with reasonable accommodation which does not impose an undue hardship on the Company. The Company reserves the right, in good faith, to make the determination of disability under this Agreement based upon information supplied by Executive and/or his medical personnel, as well as information from medical personnel (or others) selected by the Company or its insurers. Nothing in this definition is meant to waive Executive’s rights under the Health Insurance Portability and Accountability Act of 1996 or the Americans with Disabilities Act, as amended.

“Earned” has the definition of that term as it is used in the Colorado Wage and Hour Act, Colo. Rev. Stat. § 8-4-101, et seq., at the time of the Effective Date.

“Executive Officers” means together the individuals holding the positions treated as “executive officers” of the Company from time to time, as determined by the Board for purposes of disclosure in the Company’s public filings with the Securities and Exchange Commission. As of the date hereof, the Executive Officers include the individuals holding the following positions: Interim President and Chief Executive Officer; EVP and Chief Operations Officer; EVP and Chief Concept Officer; EVP and Chief Financial Officer; SVP and Chief Legal Officer; and SVP and Chief Information Officer.

“Good Reason” shall mean the occurrence, without Executive’s express written consent, of: (i) any reduction in Executive’s compensation other than as permitted pursuant to Section 3 hereof; (ii) a relocation of the Company’s headquarters to a location more than twenty (20) miles from the location of the Company’s headquarters prior to such relocation; (iii) any breach by the Company of any material provision of this Agreement; or (iv) a significant reduction in the then-effective responsibilities of the Chief Executive Officer of the Company; provided that Executive gives written notice to the Company of the existence of such a condition within ninety (90) days of the initial existence of the condition, the Company has at least thirty (30) days from the date when such notice is provided to cure the condition without being required to make payments due to termination by the Company for Good Reason (the “Cure Period”), and Executive actually terminates his employment for Good Reason within thirty (30) days after the expiration of the Cure Period. For the avoidance of doubt and consistent with the terms of this Agreement, in the event the Board appoints someone to succeed Executive as President of the Company, Executive acknowledges and agrees that any such appointment shall not constitute “Good Reason” so long as Executive remains the Chief Executive Officer of the Company.

“Person” means any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended).

“Share” means one share of common stock of the Company, \$0.001 par value, and such other securities as may become the subject of awards granted pursuant to the 2017 Plan, or become subject to such awards, pursuant to an adjustment made under Section 5 of the 2017 Plan.

14. Arbitration. Except as otherwise provided herein, any controversy arising out of or relating to this Agreement, its enforcement or interpretation, or because of an alleged breach, default, or misrepresentation in connection with any of its provisions, or any other controversy arising out of Executive’s employment, including, but not limited to, any state or federal statutory or common law claims, shall be submitted to arbitration in Denver, Colorado, before a sole arbitrator (the “Arbitrator”) selected from Judicial Arbitrator Group, Inc., Denver, Colorado, or its successor (“JAG”), or if JAG is no longer able to supply the arbitrator, such arbitrator shall be selected from the Judicial Arbitration and Mediation Services, Inc. (“JAMS”), or other mutually agreed upon arbitration provider, as the exclusive forum for the resolution of such dispute. Provisional injunctive relief may, but need not, be sought by either party to this Agreement in a court of law while arbitration proceedings are pending, and any provisional injunctive relief granted by such court shall remain effective until the matter is finally determined by the Arbitrator. Final resolution of any dispute through arbitration may include any remedy or relief which the Arbitrator deems just and equitable, including any and all remedies provided by applicable state or federal statutes. At the conclusion of the arbitration, the Arbitrator shall issue a written decision that sets forth the essential findings and conclusions upon which the Arbitrator’s award or decision is based. Any award or relief granted by the Arbitrator hereunder shall be final and binding on the parties hereto and may be enforced by any court of competent jurisdiction. The parties acknowledge and agree that they are hereby waiving any rights to trial by jury in any action, proceeding or counterclaim brought by either of the parties against the other in connection with any matter whatsoever arising out of or in any way connected with this Agreement or Executive’s employment, and under no circumstances shall class claims be processed or participated in by Executive. The parties agree that Company shall be responsible for payment of the forum costs of any arbitration hereunder, including the Arbitrator’s fee. Executive and the Company further agree that in any proceeding to enforce the terms of this Agreement, the prevailing party shall be entitled to its or his reasonable attorneys’ fees and costs incurred by it or his in connection with resolution of the dispute in addition to any other relief granted.

15. Governing Law. This Agreement and the legal relations hereby created between the parties hereto shall be governed by and construed under and in accordance with the internal laws of the State of Colorado, without regard to conflicts of laws principles thereof. Executive shall submit to the venue and personal jurisdiction of the Colorado state and federal courts concerning any dispute for which judicial redress is permitted pursuant to this Agreement; however the Company is not limited in seeking relief in those courts.

16. Taxes.

(a) Executive shall be solely liable for Executive’s tax consequences of compensation and benefits payable under this Agreement, including any consequences of the application of Section 409A of the Code.

(b) In order to comply with all applicable federal or state income tax laws or regulations, the Company may withhold from any payments made under this Agreement all applicable federal, state, city or other applicable taxes.

17. Section 409A Savings Clause

(a) It is the intention of the parties that compensation or benefits payable under this Agreement not be subject to the additional tax imposed pursuant to Section 409A of the Code, and this Agreement shall be interpreted accordingly. To the extent such potential payments or benefits could become subject to additional tax under such Section, the parties shall cooperate to amend this Agreement with the goal of giving Executive the economic benefits described herein in a manner that does not result in such tax being imposed. The foregoing notwithstanding, the Company shall in no event whatsoever be liable for any additional tax, interest or penalty incurred by Executive as a result of the failure of any payment or benefit to satisfy the requirements of Section 409A of the Code.

(b) The Executive's right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments within the meaning of Treas. Reg. § 1.409A-2(b)(2)(iii). In addition, payments or benefits pursuant to Section 4(f) shall be exempt from the requirements of Section 409A of the Code to the maximum extent possible as "short-term deferrals" pursuant to Treasury Regulation Section 1.409A-1(b)(4), as involuntary separation pay pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii), and/or under any other exemption that may be applicable, and this Agreement shall be construed accordingly.

(c) Notwithstanding any provision to the contrary in this Agreement, (i) no amount of non-qualified deferred compensation subject to Section 409A of the Code that is payable in connection with the termination of his employment shall be paid to Executive unless the termination of Executive's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations; (ii) if Executive is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent that delayed commencement of any portion of the termination benefits to which Executive is entitled under this Agreement (after taking into account all exclusions applicable to such termination benefits under Section 409A) is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of Executive's termination benefits shall not be provided to Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of Executive's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A) and (B) the date of Executive's death; provided, that upon the earlier of such dates, all payments deferred pursuant to the foregoing shall be paid to Executive in a lump sum, and any remaining payments due under this Agreement shall be paid as otherwise provided herein; (iii) the determination of whether Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his separation from service shall be made by the Company in accordance with the terms of Section 409A of the Code and applicable guidance thereunder (including, without limitation, Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto).

(d) To the extent that any reimbursement of expenses or in-kind benefits constitutes “deferred compensation” under Section 409A of the Code, such reimbursement or benefit shall be provided no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any in-kind benefits provided in one year shall not affect the amount of in-kind benefits provided in any other year.

18. Entire Agreement. This Agreement constitutes and contains the entire agreement and final understanding concerning Executive’s employment with the Company and the other subject matters addressed herein between the parties. It is intended by the parties as a complete and exclusive statement of the terms of their agreement. It supersedes and replaces all prior negotiations and all agreements proposed or otherwise, whether written or oral, concerning the subject matter hereof. Any representation, promise or agreement not specifically included in this Agreement shall not be binding upon or enforceable against either party. This is a fully integrated agreement.

19. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Board (or a person expressly authorized thereby) and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

20. Clawback. Executive acknowledges that any incentive compensation contemplated under this Agreement shall be subject to the Company’s clawback policies, including, without limitation, any policy adopted to the extent required by applicable law or written Company policy adopted to implement the requirements of such law (including, without limitation, Section 304 of the Sarbanes Oxley Act and Section 954 of the Dodd Frank Act. Agreement).

21. Permitted Actions. Nothing in this Agreement shall prohibit Executive from reporting possible violations of federal or state law or regulation to or otherwise cooperating with or providing information requested by any governmental agency or entity, including, but not limited to, the Department of Justice, the Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, the Congress, and any agency Inspector General, or making other disclosures that are protected under the whistleblower provisions of federal or state law or regulation. Executive does not need the prior authorization of the Company to make any such reports or disclosures and Executive is not required to notify the Company that Executive has made such reports or disclosures. Notwithstanding anything to the contrary contained herein, Executive will not be held criminally or civilly liable under any federal or state trade secret law for any disclosure of Confidential Information that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the Company’s Confidential Information to Executive’s attorney and use the Confidential

Information in the court proceeding if Executive (A) files any document containing the trade secret under seal; and (B) does not disclose the Confidential Information, except pursuant to court order.

22. Miscellaneous.

(a) Binding Effect. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company and their respective heirs, successors and assigns, except that Executive may not assign his rights or delegate his obligations hereunder without the prior written consent of the Company.

(b) Notices. All notices required to be given hereunder shall be in writing and shall be deemed to have been given if (i) delivered personally or by documented courier or delivery service, (ii) transmitted by facsimile during normal business hours or (iii) mailed by registered or certified mail (return receipt requested and postage prepaid) to the following listed persons at the addresses and facsimile numbers specified below, or to such other persons, addresses or facsimile numbers as a party entitled to notice shall give, in the manner hereinabove described, to the others entitled to notice:

If to the Company, to:

Red Robin Gourmet Burgers, Inc.
6312 South Fiddler's Green Circle, Suite 200N
Greenwood Village, CO 80111
Attention: Chair of the Board of Directors and Chief Legal Officer
Facsimile No.: 303-846-6048

with a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
Attention: Lawrence I. Witdorchic
Facsimile No.: 212-492-0237

If to Executive, to:

To Executive's last known address as reflected in the Company's records, or to such other address as Executive shall designate by written notice to the Company.

with a copy to:

Lewis Brisbois Bisgaard & Smith LLP
1700 Lincoln, Suite 4000
Denver, CO 80202
Attention: Jon J. Olafson
Facsimile No.: 303-861-7767

If given personally or by documented courier or delivery service, or transmitted by facsimile, a notice shall be deemed to have been given when it is received. If given by mail, it shall be deemed to have been given on the third business day following the day on which it was posted.

(c) Headings. The section and other headings contained in this Agreement are for the convenience of the parties only and are not intended to be a part hereof or to affect the meaning or interpretation hereof.

(d) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

(e) Construction. Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against any party on the basis that the party was the drafter.

(f) Savings Clause. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Agreement which can be given effect without the invalid provisions or applications and to this end the provisions of this Agreement are declared to be severable. Subject to the foregoing, upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent reasonably practicable.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

RED ROBIN GOURMET BURGERS, INC.

By: /s/ Michael L. Kaplan
Name: Michael L. Kaplan
Title: Senior Vice President and Chief Legal Officer

EXECUTIVE:

/s/ Paul Murphy
Paul Murphy

[Signature Page to Employment Agreement (Paul Murphy)]

Red Robin Gourmet Burgers Announces Appointment of Paul Murphy as President and Chief Executive Officer

Proven Restaurant Industry Veteran Brings 30+ Years of Operational Experience and Extensive Track Record of Successfully Executing Business Transformations and Creating Significant Shareholder Value

Greenwood Village, CO — September 5, 2019 — Red Robin Gourmet Burgers, Inc. (NASDAQ: RRGB) (“Red Robin” or the “Company”) today announced that Paul J.B. Murphy III has been appointed as President, Chief Executive Officer, and a member of the Company’s Board of Directors, effective October 3, 2019. He succeeds Pattye Moore, who has served as interim Chief Executive Officer since April 2019. This leadership transition is the result of a comprehensive search process and follows the Company’s recently announced board changes, which included the addition of three new independent Board directors with substantial industry experience and the announcement of the pending retirements of three existing board members. Aylwin Lewis and Ms. Moore, who is also Board Chair, will retire from the Board following an appropriate transition period, and Stuart Oran will not stand for re-election in 2020.

Mr. Murphy is a highly accomplished restaurant executive whose significant experience includes:

- Serving as Executive Chairman of Noodles & Company from 2017 to 2019, where he was responsible for 459 restaurants across 29 states. In this role, he led a business turnaround that delivered four consecutive quarters of positive comparable restaurant sales growth on revenues of \$457 million.
- Serving as Chief Executive Officer of Del Taco Restaurants, Inc. from 2009 to 2017, where he was responsible for the financial and operational performance of 543 company-operated and franchised restaurants with revenues of \$470 million. During his tenure, he led a successful brand repositioning that resulted in 17 consecutive quarters of company-operated comparable restaurant sales growth and 11 consecutive quarters of system-wide comparable restaurants sales growth. Mr. Murphy also took the company public in 2015.
- Serving in leadership positions at Einstein Noah Restaurant Group, Inc. for 11 years, including as President, Chief Executive Officer and board director from 2003 to 2008. He was previously Chief Operating Officer and also held other senior operating roles. During his tenure as President and CEO, Mr. Murphy was responsible for 593 company-operated and franchised restaurants with revenues of \$390 million

“The Board is confident Paul is the right leader to drive the continued transformation of Red Robin and restore the Company to sustainable growth and profitability,” said Ms. Moore. “Paul brings a multi-decade-long track record of substantial shareholder value-creation, as well as a unique combination of operational, brand-positioning and turnaround expertise, making him ideally suited to lead Red Robin. With the support of our experienced Board, I know Paul will be able to leverage his significant experience to further improve the business and position the Company to deliver enhanced operational and financial performance and substantial shareholder value.”

“I am honored to join Red Robin at this pivotal moment in the Company’s transformation,” said Mr. Murphy. “Red Robin is an iconic American brand with tremendous potential, and I am excited to work with the Board and management team as we execute on our significant opportunities to drive improved financial results. Pattye and the team have done an outstanding job of establishing a strong foundation, underscored by the Company’s improved operating and guest satisfaction metrics in the second quarter, and I look forward to building on this momentum as we create value for shareholders, Guests, Team Members and other stakeholders.”

About Red Robin

Red Robin Gourmet Burgers, Inc. (www.redrobin.com), a casual dining restaurant chain founded in 1969 that operates through its wholly-owned subsidiary, Red Robin International, Inc., and under the trade name Red Robin Gourmet Burgers and Brews, is the Gourmet Burger Authority™, famous for serving

more than two dozen craveable, high-quality burgers with Bottomless Steak Fries® in a fun environment welcoming to Guests of all ages. Whether a family dining with kids, adults grabbing a drink at the bar, or teens enjoying a meal, Red Robin offers an unparalleled experience for its Guests. In addition to its many burger offerings, Red Robin serves a wide variety of salads, soups, appetizers, entrees, desserts, and signature beverages. Red Robin offers a variety of options behind the bar, including its extensive selection of local and regional beers, and innovative adult beer shakes and cocktails, earning the restaurant a VIBE Vista Award for Best Beer Program in a Multi-Unit Chain Restaurant. There are more than 560 Red Robin restaurants across the United States and Canada, including locations operating under franchise agreements. Red Robin... YUMMM@! Connect with Red Robin on Facebook, Instagram, and Twitter.

Forward-Looking Statements

Forward-looking statements in this press release are made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on assumptions believed by the Company to be reasonable and speak only as of the date on which such statements are made. Except as required by law, the Company undertakes no obligation to update such statements to reflect events or circumstances arising after such date, and cautions investors not to place undue reliance on any such forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those described in the statements based on a number of factors, including but not limited to the following: the effectiveness of the Company's strategic initiatives, including the effectiveness of the Company's affordability, service improvement, technology, and off-site initiatives to drive traffic and sales; the ability to increase labor productivity through alternative labor models, and to train the Company's workforce for service execution complexities related to growth of multiple revenue streams in the restaurant; the success of the Company's franchising efforts; and other risk factors described from time to time in the Company's Form 10-K, Form 10-Q, and Form 8-K reports (including all amendments to those reports) filed with the U.S. Securities and Exchange Commission.

Contacts

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