

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 15, 2018

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-34851

RED ROBIN GOURMET BURGERS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

84-1573084

(I.R.S. Employer Identification No.)

6312 S. Fiddler's Green Circle, Suite 200 N

Greenwood Village, CO

(Address of principal executive offices)

80111

(Zip Code)

(303) 846-6000

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class

Outstanding at August 21, 2018

Common Stock, \$0.001 par value per share

12,996,527

RED ROBIN GOURMET BURGERS, INC.

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PART I — FINANCIAL INFORMATION

ITEM 1. Financial Statements (unaudited)

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)

| | (Unaudited) July 15, 2018 | December 31, 2017 |
|--|------------------------------|-------------------|
| Assets: | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 21,896 | \$ 17,714 |
| Accounts receivable, net | 13,992 | 26,499 |
| Inventories | 29,294 | 29,553 |
| Prepaid expenses and other current assets | 17,798 | 31,038 |
| Total current assets | 82,980 | 104,804 |
| Property and equipment, net | 607,305 | 638,151 |
| Goodwill | 96,315 | 96,979 |
| Intangible assets, net | 36,627 | 38,273 |
| Other assets, net | 39,218 | 32,408 |
| Total assets | \$ 862,445 | \$ 910,615 |
| Liabilities and stockholders' equity: | | |
| Current liabilities: | | |
| Accounts payable | \$ 33,691 | \$ 35,347 |
| Accrued payroll and payroll-related liabilities | 37,665 | 32,777 |
| Unearned revenue | 40,627 | 55,915 |
| Accrued liabilities and other | 39,850 | 36,300 |
| Total current liabilities | 151,833 | 160,339 |
| Deferred rent | 76,930 | 74,980 |
| Long-term debt | 221,375 | 266,375 |
| Long-term portion of capital lease obligations | 9,804 | 10,197 |
| Other non-current liabilities | 10,685 | 11,289 |
| Total liabilities | 470,627 | 523,180 |
| Stockholders' equity: | | |
| Common stock, \$0.001 par value: 45,000 shares authorized; 17,851 and 17,851 shares issued; 13,003 and 12,954 shares outstanding | 18 | 18 |
| Preferred stock, \$0.001 par value: 3,000 shares authorized; no shares issued and outstanding | — | — |
| Treasury stock 4,848 and 4,897 shares, at cost | (200,482) | (202,485) |
| Paid-in capital | 211,352 | 210,708 |
| Accumulated other comprehensive loss, net of tax | (4,336) | (3,566) |
| Retained earnings | 385,266 | 382,760 |
| Total stockholders' equity | 391,818 | 387,435 |
| Total liabilities and stockholders' equity | \$ 862,445 | \$ 910,615 |

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

| | Twelve Weeks Ended | | Twenty-eight Weeks Ended | |
|--|--------------------|-----------------|--------------------------|------------------|
| | July 15, 2018 | July 9, 2017 | July 15, 2018 | July 9, 2017 |
| Revenues: | | | | |
| Restaurant revenue | \$ 310,392 | \$ 312,351 | \$ 725,094 | \$ 725,802 |
| Franchise and other revenues | 4,996 | 4,959 | 11,813 | 12,138 |
| Total revenues | <u>315,388</u> | <u>317,310</u> | <u>736,907</u> | <u>737,940</u> |
| Costs and expenses: | | | | |
| Restaurant operating costs (excluding depreciation and amortization shown separately below): | | | | |
| Cost of sales | 74,874 | 73,903 | 173,389 | 168,510 |
| Labor | 106,476 | 108,422 | 249,491 | 253,941 |
| Other operating | 42,668 | 40,057 | 97,693 | 92,121 |
| Occupancy | 26,460 | 25,140 | 61,470 | 58,259 |
| Depreciation and amortization | 22,323 | 21,173 | 51,516 | 49,217 |
| Selling, general, and administrative expenses | 35,617 | 36,288 | 81,935 | 84,252 |
| Pre-opening costs | 569 | 1,377 | 1,706 | 3,232 |
| Other charges | 10,615 | 1,584 | 16,902 | 1,584 |
| Total costs and expenses | <u>319,602</u> | <u>307,944</u> | <u>734,102</u> | <u>711,116</u> |
| Income (loss) from operations | (4,214) | 9,366 | 2,805 | 26,824 |
| Other expense: | | | | |
| Interest expense, net and other | 2,385 | 2,453 | 5,792 | 5,437 |
| (Loss) income before income taxes | (6,599) | 6,913 | (2,987) | 21,387 |
| (Benefit) provision for income taxes | (4,725) | (18) | (5,493) | 2,889 |
| Net income (loss) | <u>\$ (1,874)</u> | <u>\$ 6,931</u> | <u>\$ 2,506</u> | <u>\$ 18,498</u> |
| Earnings (loss) per share: | | | | |
| Basic | <u>\$ (0.14)</u> | <u>\$ 0.54</u> | <u>\$ 0.19</u> | <u>\$ 1.44</u> |
| Diluted | <u>\$ (0.14)</u> | <u>\$ 0.53</u> | <u>\$ 0.19</u> | <u>\$ 1.43</u> |
| Weighted average shares outstanding: | | | | |
| Basic | <u>12,982</u> | <u>12,896</u> | <u>12,979</u> | <u>12,872</u> |
| Diluted | <u>12,982</u> | <u>13,008</u> | <u>13,080</u> | <u>12,971</u> |

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)

| | Twelve Weeks Ended | | Twenty-eight Weeks Ended | |
|---|--------------------|--------------|--------------------------|--------------|
| | July 15, 2018 | July 9, 2017 | July 15, 2018 | July 9, 2017 |
| Net income (loss) | \$ (1,874) | \$ 6,931 | \$ 2,506 | \$ 18,498 |
| Foreign currency translation adjustment | (497) | 755 | (770) | 967 |
| Other comprehensive (loss) income, net of tax | (497) | 755 | (770) | 967 |
| Total comprehensive income (loss) | \$ (2,371) | \$ 7,686 | \$ 1,736 | \$ 19,465 |

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

| | Twenty-eight Weeks Ended | |
|--|--------------------------|------------------|
| | July 15, 2018 | July 9, 2017 |
| Cash flows from operating activities: | | |
| Net income | \$ 2,506 | \$ 18,498 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 51,516 | 49,217 |
| Other charges - asset impairment and unpaid other charges | 14,537 | 1,584 |
| (Benefit) provision for deferred income taxes | (7,766) | 1,805 |
| Stock-based compensation expense | 2,356 | 2,487 |
| Other, net | (964) | (1,944) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | 14,070 | 12,126 |
| Prepaid expenses and other current assets | 13,744 | 4,602 |
| Trade accounts payable and accrued liabilities | 77 | 23,039 |
| Unearned revenue | (13,591) | (9,280) |
| Other operating assets and liabilities, net | 535 | 2,591 |
| Net cash provided by operating activities | <u>77,020</u> | <u>104,725</u> |
| Cash flows from investing activities: | | |
| Purchases of property, equipment, and intangible assets | (27,319) | (41,847) |
| Proceeds from sales of real estate and property, plant, and equipment and other investing activities | 115 | 113 |
| Net cash used in investing activities | <u>(27,204)</u> | <u>(41,734)</u> |
| Cash flows from financing activities: | | |
| Borrowings of long-term debt | 160,500 | 85,250 |
| Payments of long-term debt and capital leases | (205,870) | (141,826) |
| Debt issuance costs | — | (664) |
| Proceeds from exercise of stock options and employee stock purchase plan | 732 | 2,588 |
| Net cash used in financing activities | <u>(44,638)</u> | <u>(54,652)</u> |
| Effect of exchange rate changes on cash | (996) | 108 |
| Net change in cash and cash equivalents | <u>4,182</u> | <u>8,447</u> |
| Cash and cash equivalents, beginning of period | 17,714 | 11,732 |
| Cash and cash equivalents, end of period | <u>\$ 21,896</u> | <u>\$ 20,179</u> |
| Supplemental disclosure of cash flow information | | |
| Income taxes paid | \$ 991 | \$ 2,205 |
| Interest paid, net of amounts capitalized | \$ 5,411 | \$ 5,699 |
| Change in construction related payables | \$ 2,127 | \$ 1,847 |

See Notes to Condensed Consolidated Financial Statements.

RED ROBIN GOURMET BURGERS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation and Recent Accounting Pronouncements

Red Robin Gourmet Burgers, Inc., a Delaware corporation, together with its subsidiaries (“Red Robin” or the “Company”), primarily develops, operates, and franchises full-service restaurants in North America. As of July 15, 2018, the Company owned and operated 484 restaurants located in 44 states and two Canadian provinces. The Company also had 88 franchised full-service restaurants in 16 states as of July 15, 2018. The Company operates its business as one operating and one reportable segment.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Red Robin and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company’s financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The results of operations for any interim period are not necessarily indicative of results for the full year.

The accompanying condensed consolidated financial statements of Red Robin have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”), including the instructions to Form 10-Q and Article 10 of Regulation S-X. Certain information and footnote disclosures normally included in the Company’s annual consolidated financial statements on Form 10-K have been condensed or omitted. The condensed consolidated balance sheet as of December 31, 2017 has been derived from the audited consolidated financial statements as of that date, but does not include all disclosures required for audited annual financial statements. For further information, please refer to and read these interim condensed consolidated financial statements in conjunction with the Company’s audited consolidated financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the SEC on February 27, 2018.

The Company’s quarter that ended July 15, 2018 is referred to as second quarter 2018, or the twelve weeks ended July 15, 2018; the first quarter ended April 22, 2018 is referred to as first quarter 2018; and together, the first and second quarters of 2018 are referred to as the twenty-eight weeks ended July 15, 2018. The quarter ended July 9, 2017 is referred to as second quarter 2017, or the twelve weeks ended July 9, 2017; the first quarter ended April 16, 2017 is referred to as first quarter 2017, or the sixteen weeks ended April 16, 2017; and together, the first and second quarters of 2017 are referred to as the twenty-eight weeks ended July 9, 2017. The Company’s fiscal year 2018 comprises 52 weeks and will end on December 30, 2018.

Reclassifications

Certain amounts presented in prior periods have been reclassified to conform with the current period presentation. For the twelve weeks ended July 9, 2017, the Company reclassified local marketing costs of \$2.7 million from Other operating to Selling, general, and administrative expenses on the condensed consolidated statements of operations. For the twenty-eight weeks ended July 9, 2017, the Company reclassified local marketing costs of \$5.3 million. Management believes this presentation better reflects marketing expenses subject to corporate, rather than restaurant-level, decision making.

Recently Issued Accounting Standards

In February 2016, the Financial Accounting Standards Board (“FASB”) issued Update 2016-02, *Leases* (“Topic 842”). This guidance requires the recognition of liabilities for lease obligations and corresponding right-of-use assets on the balance sheet and disclosure of key information about leasing arrangements. This guidance is effective for annual and interim reporting periods beginning after December 15, 2018 using a modified retrospective adoption method with the option of applying the guidance either retrospectively to each prior comparative reporting period presented or retrospectively at the beginning of the period of adoption. Early adoption is permitted. The Company will adopt this guidance beginning with its fiscal first quarter 2019 and will apply it retrospectively at the beginning of the period of adoption through a cumulative-effect adjustment to retained earnings. We will elect to apply the practical expedients that do not require us to reassess existing contracts for embedded leases or to reassess lease classification or initial direct costs. The Company selected and began implementing a new lease management system during 2017. Once the transition to the new system is completed in 2018, this software will enable us

to quantify the full impact Topic 842 will have on our consolidated financial statements. We expect adoption of Topic 842 will result in a significant increase in the assets and liabilities on our consolidated balance sheet.

2. Revenue

In May 2014, the FASB issued *Revenue from Contracts with Customers* (“Topic 606”), subsequently amended by various standard updates. This guidance requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Additionally, this guidance expands related disclosure requirements. The Company adopted Topic 606 in first quarter 2018 and applied the guidance retrospectively to all prior periods presented. Topic 606 impacts the accounting treatment of the Company’s advertising contribution funds, and the Company’s financial statements, as outlined below.

Advertising Fund Contributions

Under Red Robin franchise agreements, the Company and its franchisees are required to contribute a certain percentage of revenues to two national media advertising funds. The Company’s national advertising services are provided on a system-wide basis and, therefore, not considered distinct performance obligations for individual franchisees. The Company previously recorded the advertising contributions from franchisees as a reduction to advertising expense under Selling, general, and administrative expenses. In accordance with Topic 606, the Company recognizes these sales-based advertising contributions from franchisees as franchise revenue when the underlying franchisee sales occur. The Company records the related advertising expenses as incurred under Selling, general, and administrative expenses. When an advertising fund is over-spent at year end, advertising expenses will be reported on the consolidated statement of operations in an amount that is greater than the revenue recorded for advertising contributions. Conversely, when an advertising fund is under-spent at year end, the Company will accrue advertising costs up to advertising contributions recorded in revenue. All prior periods presented have been retrospectively adjusted for this change in accounting policy. The adoption of this standard did not impact previously reported amounts of net income.

Impacts on Financial Statements

The following table summarizes the impact of Topic 606 adoption on previously reported results on the Company’s consolidated statements of operations (in thousands):

| | Twelve Weeks Ended July 9, 2017 | | | Twenty-eight Weeks Ended July 9, 2017 | | |
|--|---------------------------------|-------------|-------------|---------------------------------------|-------------|-------------|
| | As previously reported | Adjustments | As adjusted | As previously reported | Adjustments | As adjusted |
| Franchise and other revenue | \$ 3,420 | \$ 1,539 | \$ 4,959 | \$ 8,526 | \$ 3,612 | \$ 12,138 |
| Selling, general, and administrative expenses ⁽¹⁾ | 34,749 | 1,539 | 36,288 | 80,640 | 3,612 | 84,252 |

(1) Selling, general, and administrative expenses were previously reported as \$32.1 million prior to the reclassification of \$2.7 million of local marketing costs for second quarter 2017. Selling, general, and administrative expenses were previously reported as \$75.4 million prior to the reclassification of \$5.3 million for twenty-eight weeks ended July 9, 2017. See “Reclassifications” under Note 1, *Basis of Presentation and Recent Accounting Pronouncements*

Revenue recognition

Revenues consist of sales from restaurant operations; franchise revenue; and other revenue, including gift card breakage and miscellaneous revenue. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a restaurant guest, franchisee, or other customer.

Restaurant revenue

The Company recognizes revenues from restaurant sales when payment is tendered at the point of sale, as the Company’s performance obligation to provide food and beverage to the customer has been satisfied.

The Company sells gift cards which do not have an expiration date, and it does not deduct dormancy fees from outstanding gift card balances. We recognize revenue from gift cards as either: (i) Restaurant revenue, when the Company’s performance obligation to provide food and beverage to the customer is satisfied upon redemption of the gift card, or (ii) gift card breakage, as discussed in Other revenue below.

Red Robin Royalty™ deferred revenue primarily relates to a program in which registered members earn an award for a free entrée for every nine entrées purchased. We recognize the current sale of an entrée and defer a portion of the revenue to reflect partial pre-payment for the future entrée the member is entitled to receive. We estimate the future value of the award based on the historical average value of redemptions. We also estimate what portion of registered members are not likely to reach the ninth purchase based on historical activity and recognize the deferred revenue related to those purchases. We recognize the deferred revenue in restaurant revenue on earned rewards when the Company satisfies its performance obligation at redemption, or upon expiration. We compare the estimate of the value of future awards to historical redemptions to evaluate the reasonableness of the deferred amount.

Franchise revenue

Revenues we receive from our franchise arrangements include sales-based royalties and advertising fund contributions, area development fees, and franchise fees. Red Robin franchisees are required to remit 4.0% of their revenues as royalties to the Company and contribute 3.0% of revenues to two national media advertising funds. The Company recognizes these sales-based royalties and advertising fund contributions as the underlying franchisee sales occur.

The Company also provides its franchisees with management expertise, training, pre-opening assistance, and restaurant operating assistance in exchange for area development fees and franchise fees. The Company capitalizes these fees upon collection from the franchisee, which then amortize over the contracted franchise term as the services comprising the performance obligation are satisfied. The Company typically grants franchise rights to franchisees for a term of 20 years, with the right to extend the term for an additional ten years if various conditions are satisfied by the franchisee.

Other revenue

Gift card breakage is recognized when the likelihood of a gift card being redeemed by the customer is remote and the Company determines that there is not a legal obligation to remit the unredeemed gift card balance to the relevant jurisdiction. The determination of the gift card breakage rate is based upon the Company's specific historical redemption patterns. The Company recognizes gift card breakage by applying its estimate of the rate of gift card breakage on a pro rata basis over the period of estimated redemption.

Other revenue also consists of miscellaneous revenues considered insignificant to the Company's business.

Disaggregation of revenue

In the following table, revenue is disaggregated by type of good or service (in thousands):

| | Twelve Weeks Ended | | Twenty-eight Weeks Ended | |
|--------------------|--------------------|-------------------|--------------------------|-------------------|
| | July 15, 2018 | July 9, 2017 | July 15, 2018 | July 9, 2017 |
| Restaurant revenue | \$ 310,392 | \$ 312,351 | \$ 725,094 | \$ 725,802 |
| Franchise revenue | 4,006 | 4,115 | 9,449 | 9,651 |
| Other revenue | 990 | 844 | 2,364 | 2,487 |
| Total revenues | <u>\$ 315,388</u> | <u>\$ 317,310</u> | <u>\$ 736,907</u> | <u>\$ 737,940</u> |

Contract liabilities

Unearned gift card revenue at July 15, 2018 and December 31, 2017 was \$30.4 million and \$45.4 million. Deferred loyalty revenue, which was also included in Unearned revenue in the accompanying condensed consolidated balance sheets, was \$10.2 million and \$10.6 million at July 15, 2018 and December 31, 2017.

Revenue recognized in the condensed consolidated statements of operations for the redemption of gift cards that were included in the liability balance at the beginning of the fiscal year was as follows (in thousands):

| | Twenty-eight Weeks Ended | |
|-------------------|--------------------------|------------------|
| | July 15, 2018 | July 9, 2017 |
| Gift card revenue | <u>\$ 16,269</u> | <u>\$ 16,267</u> |

3. Goodwill and Intangible Assets

The following table presents goodwill as of July 15, 2018 and December 31, 2017 (in thousands):

| | | |
|---|----|---------------|
| Balance, December 31, 2017 | \$ | 96,979 |
| Foreign currency translation adjustment | | (664) |
| Balance, July 15, 2018 | \$ | <u>96,315</u> |

The Company recorded no goodwill impairment losses in the period presented in the table above or any prior periods.

The following table presents intangible assets as of July 15, 2018 and December 31, 2017 (in thousands):

| | July 15, 2018 | | | December 31, 2017 | | |
|--|-----------------------|--------------------------|---------------------|-----------------------|--------------------------|---------------------|
| | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount |
| Intangible assets subject to amortization: | | | | | | |
| Franchise rights | \$ 54,422 | \$ (31,557) | \$ 22,865 | \$ 54,447 | \$ (29,685) | \$ 24,762 |
| Favorable leases | 13,001 | (7,832) | 5,169 | 13,001 | (7,459) | 5,542 |
| Liquor licenses and other | 10,848 | (9,714) | 1,134 | 10,148 | (9,667) | 481 |
| | <u>\$ 78,271</u> | <u>\$ (49,103)</u> | <u>\$ 29,168</u> | <u>\$ 77,596</u> | <u>\$ (46,811)</u> | <u>\$ 30,785</u> |
| Indefinite-lived intangible assets: | | | | | | |
| Liquor licenses and other | \$ 7,459 | \$ — | \$ 7,459 | \$ 7,488 | \$ — | \$ 7,488 |
| Intangible assets, net | <u>\$ 85,730</u> | <u>\$ (49,103)</u> | <u>\$ 36,627</u> | <u>\$ 85,084</u> | <u>\$ (46,811)</u> | <u>\$ 38,273</u> |

4. Earnings Per Share

Basic earnings (loss) per share amounts are calculated by dividing net income (loss) by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings (loss) per share amounts are calculated based upon the weighted-average number of shares of common stock and potentially dilutive shares of common stock outstanding during the period. Potentially dilutive shares are excluded from the computation in periods in which they have an anti-dilutive effect. Diluted earnings (loss) per share reflect the potential dilution that could occur if holders of options exercised their options into common stock.

The Company uses the treasury stock method to calculate the effect of outstanding stock options. Basic weighted average shares outstanding is reconciled to diluted weighted average shares outstanding as follows (in thousands):

| | Twelve Weeks Ended | | Twenty-eight Weeks Ended | |
|---|--------------------|---------------|--------------------------|---------------|
| | July 15, 2018 | July 9, 2017 | July 15, 2018 | July 9, 2017 |
| Basic weighted average shares outstanding | 12,982 | 12,896 | 12,979 | 12,872 |
| Dilutive effect of stock options and awards | — | 112 | 101 | 99 |
| Diluted weighted average shares outstanding | <u>12,982</u> | <u>13,008</u> | <u>13,080</u> | <u>12,971</u> |
| Awards excluded due to anti-dilutive effect on diluted earnings per share | 344 | 169 | 298 | 317 |

5. Other Charges

Other charges consist of the following (in thousands):

| | Twelve Weeks Ended | | Twenty-eight Weeks Ended | |
|--------------------------|--------------------|--------------|--------------------------|--------------|
| | July 15, 2018 | July 9, 2017 | July 15, 2018 | July 9, 2017 |
| Asset impairment | \$ 9,643 | \$ 1,584 | \$ 9,643 | \$ 1,584 |
| Litigation contingencies | — | — | 4,000 | — |
| Spiral menu disposal | 506 | — | 506 | — |
| Reorganization costs | 466 | — | 2,753 | — |
| Other charges | \$ 10,615 | \$ 1,584 | \$ 16,902 | \$ 1,584 |

In second quarter 2018, the Company determined eight Company-owned restaurants were impaired and recognized a non-cash impairment charge of \$9.6 million. In the second quarter of 2017, the Company determined five Company-owned restaurants were impaired and recognized a non-cash impairment charge of \$1.6 million. The Company recognized the impairment charges resulting from the continuing and projected future results of these restaurants, primarily through projected cash flows.

6. Borrowings

Borrowings as of July 15, 2018 and December 31, 2017 are summarized below (in thousands):

| | July 15, 2018 | December 31, 2017 |
|--|---------------|-------------------|
| Revolving credit facility and other long-term debt | \$ 221,375 | \$ 266,375 |
| Capital lease obligations | 10,567 | 10,938 |
| Total debt | 231,942 | 277,313 |
| Less: Current portion | (763) | (741) |
| Long-term debt | \$ 231,179 | \$ 276,572 |

On June 30, 2016, the Company entered into a credit facility (the “Credit Facility”), which provides for a \$400 million revolving line of credit with a sublimit for the issuance of up to \$25 million in letters of credit and swingline loans up to \$15 million. On April 13, 2017, the Company entered into the first amendment (the “Amendment”) to the Credit Facility. The Amendment increased the lease adjusted leverage ratio to 5.25x through October 1, 2017 before stepping down to 5.0x through July 15, 2018 and returning to 4.75x thereafter. The Amendment also provides for additional pricing tiers that increase LIBOR spread rates and commitment fees to the extent the Company’s lease adjusted leverage ratio exceeds 4.75x, in addition to revising terms for permitted acquisitions and investments. The Amendment is effective through October 7, 2018 and is cancelable at the Company’s discretion. Upon termination of the Amendment, the terms of the Credit Facility executed on June 30, 2016 remain effective.

The Credit Facility matures on June 30, 2021. As of July 15, 2018, the Company had outstanding borrowings under the Credit Facility of \$220.5 million, in addition to amounts issued under letters of credit of \$7.6 million, which reduced the amount available under the facility but were not recorded as debt. As of December 31, 2017, the Company had outstanding borrowings under the Credit Facility of \$265.5 million, in addition to amounts issued under letters of credit of \$7.6 million.

Loan origination costs associated with the Credit Facility are included as deferred costs in Other assets, net in the accompanying condensed consolidated balance sheets. Unamortized debt issuance costs were \$2.0 million and \$2.4 million as of July 15, 2018 and December 31, 2017.

7. Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The carrying amounts of the Company’s cash and cash equivalents, accounts receivable, and accounts payable approximate fair value due to the short term nature or maturity of the instruments.

The following tables present the Company's assets measured at fair value on a recurring basis as of July 15, 2018 and December 31, 2017 (in thousands):

| | July 15, 2018 | Level 1 | Level 2 | Level 3 |
|-------------------------------------|---------------|----------|---------|---------|
| Assets: | | | | |
| Investments in rabbi trust | \$ 8,774 | \$ 8,774 | \$ — | \$ — |
| Total assets measured at fair value | \$ 8,774 | \$ 8,774 | \$ — | \$ — |

| | December 31, 2017 | Level 1 | Level 2 | Level 3 |
|-------------------------------------|-------------------|----------|---------|---------|
| Assets: | | | | |
| Investments in rabbi trust | \$ 9,292 | \$ 9,292 | \$ — | \$ — |
| Total assets measured at fair value | \$ 9,292 | \$ 9,292 | \$ — | \$ — |

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value on the consolidated financial statements on a nonrecurring basis include items such as property, plant and equipment, goodwill, and other intangible assets. These assets are measured at fair value if determined to be impaired.

As of July 15, 2018 and December 31, 2017, the Company measured non-financial assets for impairment using continuing and projected future cash flows, as discussed in Note 5, *Other Charges*, which were based on significant inputs not observable in the market and thus represented a level 3 fair value measurement.

Disclosures of Fair Value of Other Assets and Liabilities

The Company's liabilities under its Credit Facility and capital leases are carried at historical cost in the accompanying condensed consolidated balance sheets. Both the Credit Facility and the Company's capital lease obligations are considered to be level 2 instruments. The carrying value of the Credit Facility approximates fair value as the interest rate on this instrument approximates current market rates. For disclosure purposes, the Company estimated the fair value of the capital lease obligations using discounted cash flow analysis based on market rates obtained from independent third parties for similar types of debt.

The following table presents the carrying value and estimated fair value of the Company's capital lease obligations as of July 15, 2018 and December 31, 2017 (in thousands):

| | July 15, 2018 | | December 31, 2017 | |
|---------------------------|----------------|----------------------|-------------------|----------------------|
| | Carrying Value | Estimated Fair Value | Carrying Value | Estimated Fair Value |
| Capital lease obligations | \$ 10,567 | \$ 10,879 | \$ 10,938 | \$ 11,563 |

8. Commitments and Contingencies

In the normal course of business, there are various claims in process, matters in litigation, and other contingencies. These include employment-related claims and claims alleging illness, injury, or other food quality, health, or operational issues. Evaluating contingencies related to litigation is a complex process involving subjective judgment on the potential outcome of future events, and the ultimate resolution of litigated claims may differ from our current analysis. We review the adequacy of accruals and disclosures pertaining to litigation matters each quarter in consultation with legal counsel, and we assess the probability and range of possible losses associated with contingencies for potential accrual in the consolidated financial statements. While it is not possible to predict the outcome of these claims with certainty, management is of the opinion that adequate provision for potential losses associated with these matters has been made in the financial statements.

During the twenty-eight weeks ended July 15, 2018, the Company recorded \$4.0 million of litigation contingencies for employment-related claims. Refer to Note 5, *Other Charges*.

9. Subsequent Events

On August 9, 2018, the Company's board of directors authorized an increase to the Company's share repurchase program of approximately \$21 million to a total of \$75 million of the Company's common stock. The share repurchase authorization was effective as of August 9, 2018, and will terminate upon completing repurchases of \$75 million of common stock unless otherwise terminated by the board.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations provides a narrative of our financial performance and condition that should be read in conjunction with the accompanying condensed consolidated financial statements. All comparisons under this heading between 2018 and 2017 refer to the twelve and twenty-eight week periods ending July 15, 2018 and July 9, 2017, unless otherwise indicated.

Overview

Red Robin Gourmet Burgers, Inc., a Delaware corporation, together with its subsidiaries ("Red Robin," "we," "us," "our" or the "Company"), primarily develops, operates, and franchises full-service restaurants with 572 locations in North America. As of July 15, 2018, the Company operated 484 Company-owned restaurants located in 44 states and two Canadian provinces. The Company also had 88 franchised full-service restaurants in 16 states as of July 15, 2018. The Company operates its business as one operating and one reportable segment.

The following summarizes the operational and financial highlights during the twelve and twenty-eight weeks ended July 15, 2018:

- *Financial performance.*
 - Restaurant revenue decreased \$2.0 million, or 0.6%, to \$310.4 million for the twelve weeks ended July 15, 2018, as compared to the twelve weeks ended July 9, 2017, primarily due to a \$7.9 million, or 2.6%, decrease in comparable restaurant revenue and a \$1.0 million decrease from closed restaurants, partially offset by a \$6.6 million increase in revenue from newly opened restaurants and a \$0.3 million favorable foreign currency exchange impact. Restaurant revenue decreased \$0.7 million, or 0.1% to \$725.1 million for the twenty-eight weeks ended July 15, 2018, as compared to the twenty-eight weeks ended July 9, 2017, primarily due to a \$11.7 million, or 1.7% decrease in comparable restaurant revenue and a \$2.3 million decrease from closed restaurants, partially offset by a \$12.4 million increase in revenue from newly opened restaurants and a \$0.9 million favorable foreign currency exchange impact. For the full year 2018, we expect total revenues to range from \$1.350 billion to \$1.365 billion, including a comparable restaurant revenue decrease of 1.0% to 2.0%.
 - Restaurant operating costs, as a percentage of restaurant revenue, increased 150 basis points to 80.7% for the twelve weeks ended July 15, 2018, as compared to 79.2% for the twelve weeks ended July 9, 2017. For the twenty-eight weeks ended July 15, 2018, restaurant operating costs, as a percentage of revenue, increased 140 basis points to 80.3%, as compared to 78.9% for the same period in 2017. The increases were due to higher food and beverage costs, other operating costs, and occupancy costs, as a percentage of restaurant revenue, offset by a decrease in labor costs as a percentage of restaurant revenue.
 - Net loss was \$1.9 million for the twelve weeks ended July 15, 2018 compared to \$6.9 million net income for the twelve weeks ended July 9, 2017. Diluted loss per share was \$0.14 for the twelve weeks ended July 15, 2018, as compared to diluted earnings per share of \$0.53 for the twelve weeks ended July 9, 2017. Excluding the impact of \$0.54 per diluted share for asset impairment, \$0.03 per diluted share for reorganization costs, and \$0.03 per diluted share for the disposal of spiral menus, net income per diluted share for the twelve weeks ended July 15, 2018 was \$0.46. Excluding the impact of \$0.08 per diluted share for asset impairment, net income per diluted share for the twelve weeks ended July 9, 2017 was \$0.61. Net income was \$2.5 million for the twenty-eight weeks ended July 15, 2018 compared to \$18.5 million for the twenty-eight weeks ended July 9, 2017. Diluted earnings per share was \$0.19 for the twenty-eight weeks ended July 15, 2018, as compared to diluted earnings per share of \$1.43 for the same period in 2017. Excluding the impact of \$0.54 per diluted share for asset impairment, \$0.23 per diluted share for litigation contingencies, \$0.16 per diluted share for reorganization costs, and \$0.03 per diluted share for the disposal of spiral menus, net income per diluted share for the twenty-eight weeks ended July 15, 2018 was \$1.15. Excluding the impact of \$0.07 per diluted share for asset impairment, net income per diluted share for the twenty-eight weeks ended July 9, 2017 was \$1.50. For the full year 2018, we expect earnings per diluted share to range from \$1.80 to \$2.20.
- *Marketing.* Our Red Robin Royalty™ loyalty program operates in all our U.S. and Canadian Company-owned Red Robin restaurants and has been rolled out to most of our franchised restaurants. We engage our guests through Red Robin Royalty with offers designed to increase frequency of visits as a key part of our overall marketing strategy. We also inform enrolled guests early about new menu items to generate awareness and trial of these offerings. Our media buying approach is concentrated on generating significant reach and frequency while on-air. In addition, we use digital, social, and earned media to target and more effectively reach specific segments of our guest base.

- *Restaurant Development.* During the twelve weeks ended July 15, 2018, we opened two Red Robin restaurants. Our franchisees opened one Red Robin restaurant during second quarter 2018. The Company plans to open two Red Robin restaurants and our franchisees plan to open two Red Robin restaurants during the remainder of 2018.

Restaurant Data

The following table details restaurant unit data for our Company-owned and franchised locations for the periods indicated:

| | Twelve Weeks Ended | | Twenty-eight Weeks Ended | |
|----------------------------------|--------------------|--------------|--------------------------|--------------|
| | July 15, 2018 | July 9, 2017 | July 15, 2018 | July 9, 2017 |
| Company-owned: | | | | |
| Beginning of period | 484 | 469 | 480 | 465 |
| Opened during the period | 2 | 3 | 6 | 9 |
| Acquired from franchisees | — | — | — | — |
| Closed during the period | (2) | — | (2) | (2) |
| End of period | 484 | 472 | 484 | 472 |
| Franchised: | | | | |
| Beginning of period | 87 | 87 | 86 | 86 |
| Opened during the period | 1 | — | 2 | 1 |
| Sold or closed during the period | — | (1) | — | (1) |
| End of period | 88 | 86 | 88 | 86 |
| Total number of restaurants | 572 | 558 | 572 | 558 |

Results of Operations

Operating results for each fiscal period presented below are expressed as a percentage of total revenues, except for the components of restaurant operating costs, which are expressed as a percentage of restaurant revenue.

This information has been prepared on a basis consistent with our audited 2017 annual financial statements, with the exception of changes made due to the adoption of Topic 606, and, in the opinion of management, includes all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the information for the periods presented. Our operating results may fluctuate significantly as a result of a variety of factors, and operating results for any period presented are not necessarily indicative of results for a full fiscal year.

| | Twelve Weeks Ended | | Twenty-eight Weeks Ended | |
|---|--------------------|--------------|--------------------------|--------------|
| | July 15, 2018 | July 9, 2017 | July 15, 2018 | July 9, 2017 |
| Revenues: | | | | |
| Restaurant revenue | 98.4 % | 98.4 % | 98.4 % | 98.4 % |
| Franchise royalties, fees, and other revenues | 1.6 | 1.6 | 1.6 | 1.6 |
| Total revenues | 100.0 | 100.0 | 100.0 | 100.0 |
| Costs and expenses: | | | | |
| Restaurant operating costs (exclusive of depreciation and amortization shown separately below): | | | | |
| Cost of sales | 24.1 | 23.7 | 23.9 | 23.2 |
| Labor | 34.3 | 34.7 | 34.4 | 35.0 |
| Other operating | 13.7 | 12.8 | 13.5 | 12.7 |
| Occupancy | 8.5 | 8.0 | 8.5 | 8.0 |
| Total restaurant operating costs | 80.7 | 79.2 | 80.3 | 78.9 |
| Depreciation and amortization | 7.1 | 6.7 | 7.0 | 6.7 |
| Selling, general, and administrative | 11.3 | 11.4 | 11.1 | 11.5 |
| Pre-opening costs | 0.2 | 0.4 | 0.2 | 0.4 |
| Other charges | 3.4 | 0.5 | 2.3 | 0.2 |
| Income (loss) from operations | (1.3) | 3.0 | 0.4 | 3.6 |
| Interest expense, net and other | 0.8 | 0.8 | 0.8 | 0.7 |
| (Loss) income before income taxes | (2.1) | 2.2 | (0.4) | 2.9 |
| (Benefit) provision for income taxes | (1.5) | — | (0.7) | 0.4 |
| Net income (loss) | (0.6)% | 2.2% | 0.3 % | 2.5% |

Certain percentage amounts in the table above do not total due to rounding as well as restaurant operating costs being expressed as a percentage of restaurant revenue and not total revenues.

Revenues

| (Revenues in thousands) | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|--|--------------------|--------------|----------------|--------------------------|--------------|----------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Restaurant revenue | \$ 310,392 | \$ 312,351 | (0.6)% | \$ 725,094 | \$ 725,802 | (0.1)% |
| Franchise and other revenue | 4,996 | 4,959 | 0.7 % | 11,813 | 12,138 | (2.7)% |
| Total revenues | \$ 315,388 | \$ 317,310 | (0.6)% | \$ 736,907 | \$ 737,940 | (0.1)% |
| Average weekly sales volumes in Company-owned restaurants ⁽¹⁾ | \$ 53,341 | \$ 55,288 | (3.5)% | \$ 53,548 | \$ 55,403 | (3.3)% |
| Total operating weeks | 5,819 | 5,655 | 2.9 % | 13,541 | 13,117 | 3.2 % |
| Restaurant revenue per square foot | \$ 104 | \$ 106 | (1.9)% | \$ 243 | \$ 247 | (1.6)% |

(1) Calculated using constant currency rates. Using historical currency rates, the average weekly sales per unit for the twelve and twenty-eight weeks ended July 9, 2017 for Company-owned restaurants was \$55,234 and \$55,333. The Company calculates non-GAAP constant currency average weekly sales per unit by translating prior year local currency average weekly sales per unit to U.S. dollars based on current quarter average exchange rates. The Company considers non-GAAP constant currency average weekly sales per unit to be a useful metric to investors and management as they facilitate a more useful comparison of current performance to historical performance.

Restaurant revenue for the twelve weeks ended July 15, 2018, which comprises primarily food and beverage sales, decreased \$2.0 million, or 0.6%, as compared to second quarter 2017. The decrease was due to a \$7.9 million, or 2.6% decrease in comparable restaurant revenue and a \$1.0 million decrease from closed restaurants, offset by a \$6.6 million increase in revenue from newly opened restaurants and a \$0.3 million favorable foreign currency exchange impact. The comparable restaurant revenue decrease was driven by a 1.9% decrease in average guest check and a 0.7% decrease in guest counts. The decrease in average guest check resulted from a 2.4% decrease in menu mix offset by a 0.5% increase in pricing. The decrease in menu mix is the result of our differentiated strategy to drive traffic growth through everyday affordability. Although our comparable restaurant guest counts are down 0.7%, we outperformed the casual dining sector by 160 basis points in the second quarter of 2018, as measured by Black Box Intelligence. We are focusing on opportunities to improve our service execution, which we believe will drive increased guest counts and comparable restaurant revenue increases.

Restaurant revenue for the twenty-eight weeks ended July 15, 2018 decreased \$0.7 million, or 0.1% as compared to the same period in 2017. The decrease was due to a \$11.7 million, or 1.7% decrease in comparable sales and a \$2.3 million decrease from closed restaurants, offset by a \$12.4 million increase in revenue from newly opened restaurants and a \$0.9 million favorable foreign currency exchange impact. The comparable restaurant revenue decrease was driven by a 1.5% decrease in average guest check and a 0.2% decrease in guest counts. The decrease in average guest check resulted from a 2.3% decrease in menu mix offset by a 0.8% increase in pricing.

Average weekly sales volumes represent the total restaurant revenue for all Company-owned Red Robin restaurants for each time period presented, divided by the number of operating weeks in the period. Comparable restaurant revenues include those restaurants that are in the comparable base at the end of each period presented. New restaurants are restaurants that are open but not included in the comparable category because they have not operated for five full quarters. Fluctuations in average weekly net sales volumes for Company-owned restaurants reflect the effect of comparable restaurant revenue changes as well as the performance of new and acquired restaurants during the period and the average square footage of our restaurants.

Franchise and other revenue remained flat for the twelve weeks ended July 15, 2018 compared to the twelve weeks ended July 9, 2017 and decreased \$0.3 million for the twenty-eight weeks ended July 15, 2018 compared to the twenty-eight weeks ended July 9, 2017, primarily due to a decrease in gift card breakage. Our franchisees reported a comparable restaurant revenue increase of 1.2% for the twelve weeks ended July 15, 2018 compared to the twelve weeks ended July 9, 2017 and an increase of 0.2% for the twenty-eight weeks ended July 15, 2018 compared to the twenty-eight weeks ended July 9, 2017.

Cost of Sales

| (In thousands, except percentages) | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|------------------------------------|--------------------|--------------|----------------|--------------------------|--------------|----------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Cost of sales | \$ 74,874 | \$ 73,903 | 1.3% | \$ 173,389 | \$ 168,510 | 2.9% |
| As a percent of restaurant revenue | 24.1% | 23.7% | 0.4% | 23.9% | 23.2% | 0.7% |

Cost of sales, which comprises food and beverage costs, is variable and generally fluctuates with sales volume. Cost of

sales as a percentage of restaurant revenue increased 40 basis points for the twelve weeks ended July 15, 2018 as compared to the same period in 2017. For the twenty-eight weeks ended July 15, 2018, cost of sales as a percentage of revenue increased 70 basis points as compared to the twenty-eight weeks ended July 9, 2017. The increases were mainly driven by the higher tavern mix and lower non-alcoholic beverage mix, and the higher cost of steak fries.

Labor

| <u>(In thousands, except percentages)</u> | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|---|--------------------|--------------|----------------|--------------------------|--------------|----------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Labor | \$ 106,476 | \$ 108,422 | (1.8)% | \$ 249,491 | \$ 253,941 | (1.8)% |
| As a percent of restaurant revenue | 34.3% | 34.7% | (0.4)% | 34.4% | 35.0% | (0.6)% |

Labor costs include restaurant-level hourly wages and management salaries as well as related taxes and benefits. For the twelve weeks ended July 15, 2018, labor as a percentage of restaurant revenue decreased 40 basis points compared to the same period in 2017. For the twenty-eight weeks ended July 15, 2018, labor as a percentage of restaurant revenue decreased 60 basis points compared to the same period in 2017. The decreases were primarily driven by labor model changes, partially offset by increases in minimum wage rates in certain jurisdictions and management salaries.

Other Operating

| <u>(In thousands, except percentages)</u> | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|---|--------------------|--------------|----------------|--------------------------|--------------|----------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Other operating | \$ 42,668 | \$ 40,057 | 6.5% | \$ 97,693 | \$ 92,121 | 6.0% |
| As a percent of restaurant revenue | 13.7% | 12.8% | 0.9% | 13.5% | 12.7% | 0.8% |

Other operating costs include costs such as equipment repairs and maintenance costs, restaurant supplies, utilities, restaurant technology, and other miscellaneous costs. For the twelve weeks ended July 15, 2018, other operating costs as a percentage of restaurant revenue increased 90 basis points as compared to the same period in 2017. For the twenty-eight weeks ended July 15, 2018, other operating costs as a percentage of revenue increased 80 basis points. The increases were primarily due to higher costs of restaurant supplies, restaurant technology, third-party delivery fees, partially offset by a decrease in janitorial costs.

Occupancy

| <u>(In thousands, except percentages)</u> | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|---|--------------------|--------------|----------------|--------------------------|--------------|----------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Occupancy | \$ 26,460 | \$ 25,140 | 5.3% | \$ 61,470 | \$ 58,259 | 5.5% |
| As a percent of restaurant revenue | 8.5% | 8.0% | 0.5% | 8.5% | 8.0% | 0.5% |

Occupancy costs include fixed rents, property taxes, common area maintenance charges, general liability insurance, contingent rents, and other property costs. Occupancy costs incurred prior to opening our new restaurants are included in pre-opening costs. For the twelve and twenty-eight weeks ended July 15, 2018, occupancy costs as a percentage of restaurant revenue increased 50 basis points over the prior year. The increases were primarily driven by an increase in fixed rents, property taxes, and general liability insurance costs. Our fixed rents for the twelve weeks ended July 15, 2018 and July 9, 2017 were \$17.7 million and \$17.2 million, an increase of \$0.5 million due to 14 net additional locations opened since second quarter 2017. Our fixed rents for the twenty-eight weeks ended July 15, 2018 and July 9, 2017 were \$41.2 million and \$39.7 million, an increase of \$1.5 million due to 21 net additional locations opened since the fourth quarter of 2016.

Depreciation and Amortization

| <u>(In thousands, except percentages)</u> | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|---|--------------------|--------------|----------------|--------------------------|--------------|----------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Depreciation and amortization | \$ 22,323 | \$ 21,173 | 5.4% | \$ 51,516 | \$ 49,217 | 4.7% |
| As a percent of total revenues | 7.1% | 6.7% | 0.4% | 7.0% | 6.7% | 0.3% |

Depreciation and amortization includes depreciation on capital expenditures for restaurants and corporate assets as well

as amortization of acquired franchise rights, leasehold interests, and certain liquor licenses. For the twelve weeks ended July 15, 2018, depreciation and amortization expense increased \$1.2 million or 5.4% over the prior year. For the twenty-eight weeks ended July 15, 2018, depreciation and amortization expense increased \$2.3 million or 4.7% over the prior year. The increases were primarily related to new restaurants opened since second quarter 2017 and new restaurant technology implemented beginning in third quarter 2017.

Selling, General, and Administrative

| (In thousands, except percentages) | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|---|---------------------------|---------------------|-----------------------|---------------------------------|---------------------|-----------------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Selling, general, and administrative | \$ 35,617 | \$ 36,288 | (1.8)% | \$ 81,935 | \$ 84,252 | (2.8)% |
| As a percent of total revenues | 11.3% | 11.4% | (0.1)% | 11.1% | 11.5% | (0.4)% |

Selling, general, and administrative costs include all corporate and administrative functions. Components of this category include marketing and advertising costs; corporate, regional, and franchise support salaries and benefits; travel; professional and consulting fees; corporate information systems; legal expenses; office rent; training; and board of directors expenses.

Selling, general, and administrative costs in the twelve weeks ended July 15, 2018 decreased \$0.7 million or 1.8% as compared to the same period in 2017. The decrease was primarily due to decreases in incentive compensation, corporate marketing, and salaries related to the reorganization in first quarter 2018. For the twenty-eight weeks ended July 15, 2018, selling, general, and administrative costs decreased \$2.3 million or 2.8%. The decrease was primarily due to decreases in incentive compensation, professional services, corporate marketing, and salaries related to the reorganization in first quarter 2018, offset by an increase in local marketing costs.

Pre-opening Costs

| (In thousands, except percentages) | Twelve Weeks Ended | | | Twenty-eight Weeks Ended | | |
|---|---------------------------|---------------------|-----------------------|---------------------------------|---------------------|-----------------------|
| | July 15, 2018 | July 9, 2017 | Percent Change | July 15, 2018 | July 9, 2017 | Percent Change |
| Pre-opening costs | \$ 569 | \$ 1,377 | (58.7)% | \$ 1,706 | \$ 3,232 | (47.2)% |
| As a percent of total revenues | 0.2% | 0.4% | (0.2)% | 0.2% | 0.4% | (0.2)% |

Pre-opening costs, which are expensed as incurred, comprise the costs of labor, hiring, and training the initial work force for our new restaurants; occupancy costs incurred prior to opening; travel expenses for our training teams; the cost of food and beverages used in training; licenses and marketing; supply costs; and other direct costs related to the opening of new restaurants. Our pre-opening costs fluctuate from period to period, depending upon, but not limited to, the number of restaurant openings, the size of the restaurants being opened, and the location of the restaurants. Pre-opening costs for any given quarter will typically include expenses associated with restaurants opened during the quarter as well as expenses related to restaurants opening in subsequent quarters.

Pre-opening costs decreased \$0.8 million for the twelve weeks ended July 15, 2018, and decreased \$1.5 million for the twenty-eight weeks ended July 15, 2018. The decreases were primarily due to fewer restaurant openings during the twelve and twenty-eight week periods ended July 15, 2018 as compared to the same periods in 2017.

Interest Expense, Net and Other

Interest expense, net and other was \$2.4 million for the twelve weeks ended July 15, 2018, a decrease of \$0.1 million, or 2.8%, from the same period in 2017. Interest expense, net and other was \$5.8 million for the twenty-eight weeks ended July 15, 2018, an increase of \$0.4 million, or 6.5% from the same period in 2017. The increase was primarily related to recognizing a loss on the Company's deferred compensation plan assets during first quarter 2018 compared to a gain in the same period a year ago. Our weighted average interest rate was 4.5% and 4.3% for the twelve and twenty-eight weeks ended July 15, 2018, as compared to 3.7% and 3.4% for the twelve weeks and twenty-eight weeks ended July 9, 2017.

Provision for Income Taxes

The effective tax rate for the twelve weeks ended July 15, 2018 was a 71.6% benefit, compared to a 0.3% benefit for the twelve weeks ended July 9, 2017. The effective tax rate for the twenty-eight weeks ended July 15, 2018 and July 9, 2017 was a 183.9% benefit and a 13.5% expense. The change in both the twelve and twenty-eight week effective tax rates are primarily due to the decrease in income as well as the decrease in the federal statutory rate from 35% to 21% in the first quarter of 2018 compared to the same period a year ago.

Liquidity and Capital Resources

Cash and cash equivalents increased \$4.2 million to \$21.9 million at July 15, 2018, from \$17.7 million at the beginning of the fiscal year. We expect to continue to reinvest available cash flows from operations to pay down debt, maintain existing restaurants and infrastructure, repurchase our common stock, develop new restaurants, and execute our long-term strategic initiatives.

Cash Flows

The table below summarizes our cash flows from operating, investing, and financing activities for each period presented (in thousands):

| | Twenty-eight Weeks Ended | |
|---|--------------------------|-----------------|
| | July 15, 2018 | July 9, 2017 |
| Net cash provided by operating activities | \$ 77,020 | \$ 104,725 |
| Net cash used in investing activities | (27,204) | (41,734) |
| Net cash used in financing activities | (44,638) | (54,652) |
| Effect of exchange rate changes on cash | (996) | 108 |
| Net change in cash and cash equivalents | <u>\$ 4,182</u> | <u>\$ 8,447</u> |

Operating Cash Flows

Net cash flows provided by operating activities decreased \$27.7 million to \$77.0 million for the twenty-eight weeks ended July 15, 2018. The decrease was primarily driven by a \$14.6 million increase in payments to vendors, a \$9.9 million decrease in cash generated from restaurant operations, a \$8.2 million increase in bonus payout, and a \$2.0 million increase in reorganization costs, partially offset by a \$5.4 million returned vendor deposit and \$2.1 million in additional receipts from gift cards and miscellaneous receivables.

Investing Cash Flows

Net cash flows used in investing activities decreased \$14.5 million to \$27.2 million for the twenty-eight weeks ended July 15, 2018, as compared to \$41.7 million for the same period in 2017. The decrease is primarily due to decreased investment in new restaurant openings and restaurant remodels.

The following table lists the components of our capital expenditures, net of currency translation effect, for the twelve weeks ended July 15, 2018 (in thousands):

| | Twenty-eight Weeks Ended July 15, 2018 |
|---|---|
| Restaurant maintenance capital and other | \$ 11,987 |
| New restaurants | 8,006 |
| Investment in technology infrastructure and other | 7,326 |
| Total capital expenditures | <u>\$ 27,319</u> |

Financing Cash Flows

Cash used in financing activities decreased \$10.0 million to \$44.6 million for the twenty-eight weeks ended July 15, 2018, as compared to the same period in 2017. The decrease primarily resulted from a \$11.2 million decrease in net repayments made on long-term debt and a \$0.7 million decrease in debt issuance costs offset by a \$1.9 million decrease in net cash proceeds received from the exercise of employee stock options and purchase plan.

Credit Facility

On June 30, 2016, the Company entered into a credit facility (the "Credit Facility"), which provides for a \$400 million revolving line of credit with a sublimit for the issuance of up to \$25 million in letters of credit and swingline loans up to \$15 million. On April 13, 2017, the Company entered into a first amendment (the "Amendment") to the Credit Facility. The Amendment increased the lease adjusted leverage ratio to 5.25x through October 1, 2017 before stepping down to 5.0x through July 15, 2018 and returning to 4.75x thereafter. The Amendment also provides for additional pricing tiers that increase LIBOR spread rates and commitment fees to the extent the Company's lease adjusted leverage ratio exceeds 4.75x, in addition to revising terms for permitted acquisitions and investments. The Amendment is effective through October 7, 2018 and is

cancelable at the Company's discretion. Upon termination of the Amendment, the terms of the Credit Facility executed on June 30, 2016 remain effective. As of July 15, 2018, the Company's lease adjusted leverage ratio was 3.94x.

The Credit Facility matures on June 30, 2021. Borrowings under the Credit Facility are secured by first priority liens and security interests in substantially all of the Company's assets, including the capital stock of certain Company subsidiaries. Borrowings are available for financing activities including restaurant construction costs, working capital, and general corporate purposes, including, among other uses, to refinance certain indebtedness, permitted acquisitions, and redemption of capital stock. We do not believe any of our lenders will be unable to fulfill their lending commitments under our Credit Facility. Loan origination costs associated with the Credit Facility are included as deferred costs in Other assets, net in the accompanying condensed consolidated balance sheet. As of July 15, 2018, the Company had outstanding borrowings under the Credit Facility of \$220.5 million, in addition to amounts issued under letters of credit of \$7.6 million, which reduce the amount available under the Credit Facility but are not recorded as debt.

Covenants. We are subject to a number of customary covenants under our Credit Facility, including limitations on additional borrowings, acquisitions, stock repurchases, sales of assets, and dividend payments. As of July 15, 2018, we were in compliance with all debt covenants.

Debt Outstanding. Total debt and capital lease obligations outstanding decreased \$45.4 million to \$231.9 million at July 15, 2018, from \$277.3 million at December 31, 2017, primarily due to net repayments of \$45.0 million on the Credit Facility during the twenty-eight weeks ended July 15, 2018.

Share Repurchase. On August 9, 2018, the Company's board of directors authorized an increase to the Company's share repurchase program of approximately \$21 million to a total of \$75 million of the Company's common stock. The share repurchase authorization was effective as of August 9, 2018, and will terminate upon completing repurchases of \$75 million of common stock unless otherwise terminated by the board. Pursuant to the repurchase program, purchases may be made from time to time at the Company's discretion and the Company is not obligated to acquire any particular amount of common stock.

We typically maintain current liabilities in excess of our current assets which results in a working capital deficit. We are able to operate with a working capital deficit because restaurant sales are primarily conducted on a cash or credit card basis. Rapid turnover of inventory results in limited investment in inventories, and cash from sales is usually received before related payables for food, supplies, and payroll become due. In addition, receipts from the sale of gift cards are received well in advance of related redemptions. Rather than maintain higher cash balances that would result from this pattern of operating cash flows, we typically utilize operating cash flows in excess of those required for currently-maturing liabilities to pay for capital expenditures, debt repayment, or to repurchase stock. When necessary, we utilize our revolving credit facility to satisfy short-term liquidity requirements. We believe our future cash flows generated from restaurant operations combined with our remaining borrowing capacity under the Credit Facility will be sufficient to satisfy any working capital deficits and our planned capital expenditures.

Inflation

The primary inflationary factors affecting our operations are food, labor costs, energy costs, and materials used in the construction of new restaurants. A large number of our restaurant personnel are paid at rates based on the applicable minimum wage, and increases in the minimum wage rates have directly affected our labor costs in recent years. Many of our leases require us to pay taxes, maintenance, repairs, insurance, and utilities, all of which are generally subject to inflationary increases. We believe labor cost inflation along with food cost inflation due primarily to potatoes and ground beef had a negative impact on our financial condition and results of operations during the twenty-eight weeks ended July 15, 2018. Uncertainties related to fluctuations in costs, including energy costs, commodity prices, annual indexed or potential minimum wage increases, and construction materials make it difficult to predict what impact, if any, inflation may continue to have on our business, but it is anticipated inflation will have a negative impact on labor costs for the remainder of 2018.

Seasonality

Our business is subject to seasonal fluctuations. Historically, sales in most of our restaurants have been higher during the summer months and winter holiday season and lower during the fall season. As a result, our quarterly and annual operating results and comparable restaurant revenue may fluctuate significantly as a result of seasonality. Accordingly, results for any one quarter or year are not necessarily indicative of results to be expected for any other quarter or for any year, and comparable restaurant sales for any particular future period may decrease.

Off Balance Sheet Arrangements

Except for operating leases, primarily restaurant leases entered into in the normal course of business, we do not have any material off balance sheet arrangements.

Contractual Obligations

There were no material changes outside the ordinary course of business to our contractual obligations since the filing of Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017.

Critical Accounting Policies and Estimates

Critical accounting policies and estimates are those we believe are both significant and that require us to make difficult, subjective, or complex judgments, often because we need to estimate the effect of inherently uncertain matters. We base our estimates and judgments on historical experiences and various other factors we believe to be appropriate under the circumstances. Actual results may differ from these estimates, including our estimates of future restaurant level cash flows, which are subject to the current economic environment, and we might obtain different results if we use different assumptions or conditions. We had no significant changes in our critical accounting policies and estimates which were disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017.

Recently Issued and Recently Adopted Accounting Standards

See Note 1, *Basis of Presentation and Recent Accounting Pronouncements*, of Notes to Condensed Consolidated Financial Statements of this report.

Forward-Looking Statements

Certain information and statements contained in this report are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "PSLRA") codified at Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. This statement is included for purposes of complying with the safe harbor provisions of the PSLRA. Forward-looking statements include statements regarding our expectations, beliefs, intentions, plans, objectives, goals, strategies, future events, or performance and underlying assumptions and other statements which are other than statements of historical facts. These statements may be identified, without limitation, by the use of forward-looking terminology such as "anticipate," "assume," "believe," "estimate," "expect," "intend," "plan," "project," "may," "will," "would," and similar expressions. Certain forward-looking statements are included in this Quarterly Report on Form 10-Q, principally in the sections captioned "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations". Forward-looking statements in this report include, among other things: our financial performance, including anticipated revenues, earnings and outlook, and comparable restaurant revenue; our marketing strategy and promotions; expected uses for available cash flow; capital investments; beliefs about the ability of our lenders to fulfill their lending commitments under our Credit Facility and about the sufficiency of future cash flows to satisfy any working capital deficit and planned capital expenditures; the anticipated effects of inflation on labor and commodity costs for 2018; and the effect of the adoption of new accounting standards on our financial and accounting systems.

Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from those we express in these forward-looking statements. These risks and uncertainties include, but are not limited to, the following: the effectiveness of our business improvement initiatives, including the effectiveness of our affordability, service improvement and off-site initiatives; the ability to fulfill planned expansion; the effectiveness of our marketing campaigns; uncertainty regarding general economic conditions and economic recovery; concentration of restaurants in certain markets and lack of consumer awareness of our brand in new markets; changes in consumer disposable income, consumer spending trends and habits; the effectiveness of our information technology and new technology systems, including cyber security with respect to those systems; regional mall and lifestyle center traffic trends or other trends affecting traffic at our restaurants; increased competition and discounting in the casual-dining restaurant market; costs and availability of food and beverage inventory; changes in commodity prices, particularly ground beef; changes in labor and energy costs; limitations on the Company's ability to execute stock repurchases due to lack of available share or acceptable stock price levels or other market or Company-specific conditions; our ability to attract qualified managers and team members; changes in the availability under our Credit Facility or other access to capital; minimum wage increases; changes in health care and insurance costs; costs and other effects of legal claims by team members, franchisees, customers, vendors, stockholders, including relating fluctuations in our stock price, and others, including settlement of those claims; effectiveness of management strategies and decisions; weather conditions and related events in regions where our restaurants are operated; changes in accounting standards policies and practices or related interpretations by auditors or regulatory entities; and other risk factors described from time to time in our SEC reports, including the Company's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the SEC on February 27, 2018.

Although we believe the expectations reflected in our forward-looking statements are based on reasonable assumptions, such expectations may prove to be materially incorrect due to known and unknown risks and uncertainties. All forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Except as required by law,

we undertake no obligation to update any forward-looking statement to reflect events or circumstances arising after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

There has been no material change in the interest rate risk, foreign currency exchange risk, or commodity price risk since the filing of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017.

We continue to monitor our interest rate risk on an ongoing basis and may use interest rate swaps or similar instruments in the future to manage our exposure to interest rate changes related to our borrowings as the Company deems appropriate. As of July 15, 2018, we had \$220.5 million of borrowings subject to variable interest rates. A 1.0% change in the effective interest rate applied to these loans would have resulted in pre-tax interest expense fluctuation of \$2.2 million on an annualized basis.

The Company's restaurant menus are highly dependent upon a few select commodities, including ground beef, poultry, and potatoes. We may or may not have the ability to increase menu prices, or vary menu items, in response to food commodity price increases. A 1.0% increase in food costs would negatively impact cost of sales by approximately \$3.2 million on an annualized basis.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the management of the Company ("Management"), including the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, Management recognizes that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives. The Company's CEO and CFO have concluded that, based upon the evaluation of disclosure controls and procedures (as defined in Rule 13a-15(e) or 15d-15(e) under the Exchange Act), the Company's disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. Legal Proceedings

For a description of our legal proceedings, see Note 8, *Commitments and Contingencies*, of Notes to Condensed Consolidated Financial Statements of this report.

ITEM 1A. Risk Factors

A description of the risk factors associated with our business is contained in Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 filed with the SEC on February 27, 2018. There have been no material changes to our Risk Factors disclosed in our 2017 Annual Report on Form 10-K.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the twelve weeks ended July 15, 2018, the Company did not have any sales of securities in transactions that were not registered under the Securities Act of 1933, as amended, that have not been reported in a Current Report on Form 8-K. On August 9, 2018, the Company's board of directors authorized an increase to the Company's share repurchase program of approximately \$21 million to a total of \$75 million of the Company's common stock. The increased share repurchase authorization became effective on August 9, 2018, and will terminate upon completing repurchases of \$75 million of common stock unless otherwise terminated by the board. Purchases under the repurchase program may be made in open market or privately negotiated transactions, and may include transactions pursuant to a repurchase plan administered in accordance with Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended. Purchases may be made from time to time at the Company's discretion and the timing and amount of any share repurchases will be determined based on share price, market conditions, legal requirements, and other factors. The repurchase program does not obligate the Company to acquire any particular amount of common stock, and the Company may suspend or discontinue the repurchase program at any time.

The Company did not repurchase any of its common stock during the twelve weeks ended July 15, 2018. Since February 11, 2016, when the share repurchase program was originally authorized, the Company has purchased 940,034 shares for a total of \$46.1 million. Prior to the increase in the share repurchase authorization, the program had a remaining authorized purchase limit of \$53.9 million as of July 15, 2018 and on August 9, 2018.

ITEM 5. Other Information

In accordance with applicable SEC rules, the foregoing is intended to satisfy the Company's Item 5.02(e) Form 8-K reporting obligations by making timely disclosure in accordance with Item 5(a) of Form 10-Q.

On August 20, 2018, the Company entered into amendments to the employment agreements (the "Amended Employment Agreements") with each of the Company's named executive officers to remove the change in control benefit provided in each such agreement. Upon the effective date of the Employment Agreement Amendments, each named executive officer entered into a participation agreement and became a participant in the Company's Executive Change in Control Severance Plan (the "Executive CIC Severance Plan"), which is described further below. For each of the named executive officers, eligibility to participate in the Executive CIC Severance Plan was conditioned upon entering into his or her respective Amended Employment Agreements to remove the change in control benefit.

On August 14, 2018, the Company adopted the Executive CIC Severance Plan, which provides certain benefits to key management employees to promote the long-term financial interests of the Company and its shareholders by reducing the risk of departures and distractions of such employees in a change in control situation, which would be detrimental to the Company and its shareholders. Eligible employees include the Company's chief executive officer, executive vice presidents and senior vice presidents. In addition to the replacement of employment agreement provisions relating to change in control for the named executive officers as described above, the Executive CIC Severance Plan is intended to replace any prior change in control agreements or arrangements with other eligible participants.

The Executive CIC Severance Plan provides participants with certain payments and benefits upon a qualifying termination of employment within two years following a "change in control" (as defined in the CIC Severance Plan) of the Company. In the event the employment of any of the participants is terminated by the Company without "cause" or by the participant for "good reason" (each as defined in the Executive CIC Severance Plan) during such two-year period, such participant is entitled to receive the following payments and benefits:

- payment, in cash, equal to the sum of (1) accrued but unpaid salary through the date of termination, (2) reimbursement for any unreimbursed business expenses incurred through the termination date, (3) any payments, benefits or fringe benefits to which the participant is entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or any other agreement, and (4) any annual bonus earned but unpaid with respect to the fiscal year ending on or preceding the termination date (which will be paid in a lump sum in cash when such annual bonus payment is regularly paid to similarly situated Company employees);
- A lump sum payment, in cash, equal to the product of (a) the participant's annual base salary and the annual target bonus applicable to the participant, multiplied by (b) a "cash severance multiplier" (which in the case of the chief executive officer is 3, in the case of participants who are executive vice presidents is 2, and in the case of participants who are senior vice presidents is 1);
- a lump sum payment of a prorated portion of the participant's target bonus for the year in which the termination occurs;
- upon timely election of continuation coverage under COBRA by the participant, a cash lump sum equal to the product of (x) the portion of premiums of the participant's group health insurance, including coverage for the participant's eligible dependents, if any, that the Company paid immediately prior to the termination date and (y) (1) 24 in the case of the chief executive officer and any participating executive vice president and (2) 12 in the case of any participating senior vice president; and
- all outstanding and unvested stock option and restricted stock awards subject solely to time-based vesting shall vest in full and any restrictions or forfeiture provisions applicable to restricted stock awards shall lapse, notwithstanding the provisions of any equity incentive plan or any award agreement(s) between the participant and the Company thereunder.

The Executive CIC Severance Plan provides that all severance payments and obligations of the Company are subject to receipt of a signed and irrevocable release of claims and restrictive covenants agreement.

The foregoing descriptions of (i) the Executive CIC Severance Plan is qualified in its entirety by the full text of the Executive CIC Severance Plan, a copy of which is filed as Exhibit 10.1 hereto and incorporated by reference herein and (ii) each of the Amended Employment Agreements is qualified in its entirety by the full text of the Employment Agreement Amendments, copies of which are filed as Exhibits 10.2-10.6 hereto and incorporated by reference herein.

ITEM 6. Exhibits

| Exhibit Number | Description |
|---------------------------|---|
| 10.1 | Red Robin Gourmet Burgers, Inc. Executive Change in Control Severance Plan dated August 14, 2018. |
| 10.2 | Amended and Restated Employment Agreement by and between Red Robin Gourmet Burgers, Inc. and Denny Marie Post, dated August 20, 2018. |
| 10.3 | Amended and Restated Employment Agreement by and between Red Robin Gourmet Burgers, Inc. and Guy J. Constant, dated August 20, 2018. |
| 10.4 | Amended and Restated Employment Agreement by and between Red Robin Gourmet Burgers, Inc. and Jonathan A. Muhtar, dated August 20, 2018. |
| 10.5 | Amended and Restated Employment Agreement by and between Red Robin Gourmet Burgers, Inc. and Carin L. Stutz, dated August 20, 2018. |
| 10.6 | Amended and Restated Employment Agreement by and between Red Robin Gourmet Burgers, Inc. and Michael L. Kaplan, dated August 20, 2018. |
| 31.1 | Rule 13a-14(a) Certification of Chief Executive Officer |
| 31.2 | Rule 13a-14(a) Certification of Chief Financial Officer |
| 32.1 | Section 1350 Certifications of Chief Executive Officer and Chief Financial Officer |
| 101 | The following financial information from the Quarterly Report on Form 10-Q of Red Robin Gourmet Burgers, Inc. for the quarter ended July 15, 2018, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at July 15, 2018 and December 31, 2017; (ii) Condensed Consolidated Statements of Operations for the twelve and twenty-eight weeks ended July 15, 2018 and July 9, 2017; (iii) Condensed Consolidated Statements of Comprehensive Income for the twelve and twenty-eight weeks ended July 15, 2018 and July 9, 2017; (iv) Condensed Consolidated Statements of Cash Flows for the twenty-eight weeks ended July 15, 2018 and July 9, 2017; and (v) the Notes to Condensed Consolidated Financial Statements, tagged as blocks of text. |

SIGNATURE

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

August 22, 2018

(Date)

RED ROBIN GOURMET BURGERS, INC.
(Registrant)

By:

/s/ Guy J. Constant

Guy J. Constant
(Chief Financial Officer)

**RED ROBIN GOURMET BURGERS, INC.
EXECUTIVE CHANGE IN CONTROL
SEVERANCE PLAN
(Effective August 14, 2018)**

RED ROBIN GOURMET BURGERS, INC.
EXECUTIVE CHANGE IN CONTROL
SEVERANCE PLAN
(Effective August 14, 2018)

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**RED ROBIN GOURMET BURGERS, INC.
EXECUTIVE CHANGE IN CONTROL
SEVERANCE PLAN**

(Effective August 14, 2018)

SECTION 1

Purpose

The Red Robin Gourmet Burgers, Inc. Executive Change in Control Severance Plan (the “Plan”) has been established by Red Robin Gourmet Burgers, Inc. (the “Company”), effective as of August 14, 2018, to promote the long-term financial interests of the Company and its shareholders by reducing the risk of departures and distractions of such employees in a Change in Control situation, which would be detrimental to the Company and its shareholders. Capitalized terms not defined in the body of the Plan are set forth in Exhibit A hereto.

SECTION 2

Participation

2.1 Participation. Except as otherwise provided by the Board or the Compensation Committee of the Board (the Board or the Compensation Committee, the “Administrator”), the Company’s Chief Executive Officer, President, Executive Vice Presidents and Senior Vice Presidents shall be eligible to participate in the Plan (each such eligible individual, an “Eligible Employee”). The Administrator may delegate its authority under this Section 2.1 to the Chief Executive Officer with respect to Participants other than the Chief Executive Officer.

2.2 Participation Agreement. In order for an Eligible Employee to become a Participant in the Plan, the Company may require such individual to execute a participation agreement, which agreement shall include a requirement that the individual agrees to be bound by the provisions of this Plan.

2.3 Cessation of Participation. Subject to the provisions of Section 3.1, an individual shall cease to be a Participant in, or have any rights under, the Plan as of the date, if any, prior to a Change in Control, on which he or she ceases to be employed by the Company. Anything in this Plan notwithstanding, if a Change in Control occurs and if the Participant’s employment with the Company terminated prior to the date on which the Change in Control occurs, and such termination of employment was at the request of any third party participating in or causing the Change in Control, or (ii) otherwise arose in connection with, in relation to, or in anticipation of the Change in Control, then the Participant shall be entitled to all payments and benefits under the Plan as though the Participant had terminated his or her employment for Good Reason on the day after the Change in Control.

SECTION 3
Severance Benefits

3.1 Severance Benefits on a Qualifying Termination. In the event of a Qualifying Termination, then the Participant shall be entitled to receive the following severance benefits, subject to Section 3.3:

- (a) The Accrued Obligations;
- (b) A cash lump sum payment equal to the Participant's Cash Severance Multiplier times the sum of his or her (i) Base Salary and (ii) Target Bonus, payable within ten (10) days following the Termination Date;
- (c) With respect to the year in which the Qualifying Termination occurs, a cash lump sum payment equal to a pro rata portion of the Participant's Target Bonus for such year, determined by multiplying such Target Bonus by a fraction, the numerator of which is the number of days in the then-current calendar year through the Termination Date and the denominator of which is three hundred and sixty-five (365), payable in a cash lump sum within ten (10) days following the Termination Date;
- (d) Upon the Participant's timely election of continuation coverage under COBRA, the Company shall pay to the Participant in a cash lump sum within thirty (30) days after such election an amount equal to the product of (x) the portion of premiums of the Participant's group health insurance, including coverage for the Participant's eligible dependents, if any, that the Company paid immediately prior to the Termination Date and (y) the number of months in the applicable Benefits Continuation Period; and
- (e) All outstanding and unvested stock option and restricted stock awards subject solely to time-based vesting shall vest in full and any restrictions or forfeiture provisions applicable to restricted stock awards shall lapse, notwithstanding the provisions of any equity incentive plan or any award agreement(s) between the Participant and the Company thereunder. Equity awards which vest in whole or part on achievement of performance criteria shall vest based on actual performance results and in accordance with their award agreements. This Section 3.1(e) shall not alter the remaining term of any option. For purposes of the Plan, references to restricted stock shall also include restricted stock units. If the Participant's employment is terminated by the Company other than for Cause within ninety (90) days preceding a Change in control,

any acceleration of vesting for time-based awards shall occur on such Change in Control.

For avoidance of doubt, the amount of payments to be provided under this Section 3.1 shall be determined without regard to any action that constitutes Good Reason under subsection (i) of the definition of "Good Reason". In the event of any conflict between the terms of the Plan and the terms of any equity plan or individual agreement evidencing an equity award, the terms of the Plan (including, but not limited to, the definition of "Change in Control") shall prevail.

3.2 Other Terminations of Employment. For the avoidance of doubt, if the Participant's employment is terminated for any reason other than a Qualifying Termination, the Participant shall not receive any benefits under the Plan, except that the Company shall pay or provide the Participant the Accrued Obligations.

3.3 Conditions to Receipt of Change in Control Severance Benefits.

- (a) The Participant's entitlement to receive the payments and benefits (including, without limitation, accelerated vesting of equity awards) hereunder shall be conditioned upon:
 - (i) The Participant exercising his or her best efforts to bring about whatever result the Board determines to be in the best interests of the Company and its shareholders relative to any impending Change in Control, and agreeing to use his or her best efforts at and after the occurrence of a Change in Control to effect an orderly and beneficial transfer of control to the party or parties comprising the new control group;
 - (ii) Delivery to the Company of a resignation from, as applicable, all offices, directorships and fiduciary positions with the Company, its affiliates and employee benefit plans;
 - (iii) In the case of benefits payable under Section 3.1(b) – (e), the Participant's compliance with the restrictive covenants set forth in Section 7 of the Release Agreement (as defined below); and
 - (iv) In the case of benefits payable under Section 3.1(b) – (e), (A) delivery to the Company of an executed agreement and general release, executed by the Participant (or by an individual authorized to act on behalf of the Participant's estate if the Participant is deceased or authorized to act on the Participant's behalf by reason of the Participant's Disability) which shall be executed substantially in the

form attached hereto as Exhibit B (with such changes therein or additions thereto as needed under then applicable law to give effect to its intent and purpose) in favor of the Company and its affiliates (the “Release Agreement”) and (B) expiration of all of the Participant’s rights thereunder or under applicable law to rescind or revoke the Release Agreement no later than the date specified in the Release of Claims.

- (b) If the Participant fails to materially comply with any obligation or covenant under Section 3.3(a), the Company’s obligations to make any payments or provide any benefits or other rights or entitlements to the Participant pursuant to any provision of the Plan shall immediately cease and the Participant shall be required to immediately repay to the Company all amounts theretofore paid or otherwise provided to the Participant pursuant to any section of the Plan (other than, for the avoidance of doubt, the Accrued Obligations). The Company may recover amounts under this Section 3.3(b) by set-off from any amounts otherwise due to the Participant under any other plan, program or arrangement if the Participant fails to make any required repayment within fifteen (15) business days after written demand to the Participant to the extent permitted by applicable law and which will not result in a violation of Section 409A of the Code.

3.4 Full Settlement, Mitigation. Except as provided in Sections 3.3(a) and 3.3(b), the Company’s obligation to make the payments provided for in the Plan and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action that the Company may have against the Participant or others. In no event shall the Participant be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Participant under any of the provisions of the Plan and, except as provided in Section 3.3(b), such amounts shall not be reduced whether or not the Participant obtains other employment.

3.5 Excise Tax Payment.

- (a) Anything in this Plan to the contrary notwithstanding, in the event that any payment or distribution by the Company to or for the benefit of the Participant (whether paid or payable or distributed or distributable pursuant to the terms of this Plan or otherwise) (a “Change in Control Payment”) including, by example and not by way of limitation, acceleration (by the Company or otherwise) of the date of vesting or payment under any plan, program, arrangement or agreement of the Company, would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties with

respect to such excise tax (such excise tax, together with any such interest and penalties, shall be referred to as the “Excise Tax”), then there shall be made a calculation under which such Change in Control Payments are reduced to the extent necessary so that no portion thereof shall be subject to the Excise Tax (the “Section 4999 Limit”). A comparison shall then be made between (i) the Participant’s Net After-Tax Benefit (as defined below), assuming application of the Section 4999 Limit; and (ii) the Participant’s Net After-Tax Benefit, without application of the Section 4999 Limit. If the amount in Section 3.5(a)(ii) exceeds the amount in Section 3.5(a)(i), then no limit on the Change in Control Payments received by the Participant under this Plan shall be imposed by this Section 3.5(a). Otherwise, if the amount in Section 3.5(a)(i) exceeds the amount in Section 3.5(a)(ii), the amount payable to the Participant pursuant to this Plan shall be reduced so that no such Change in Control Payment is subject to the Excise Tax. “Net After-Tax Benefit” means the sum of (x) all payments that the Participant receives or is entitled to receive from the Company that are contingent on a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company within the meaning of Section 280G(b)(2) of the Code (either, a “Section 280G Transaction”) less (y) the amount of federal, state, local and employment taxes and Excise Tax, if any, imposed with respect to such payments.

- (b) All determinations required to be made under this Section 3.5, including whether and when a Change in Control Payment is cut back pursuant to Section 3.5(a) and the amount of such cutback, and the assumptions to be utilized in arriving at such determination, shall be made by a professional services firm designated by the Board that is experienced in performing calculations under Section 280G of the Code (the “Professional Services Firm”), which shall provide detailed supporting calculations both to the Company and to the Participant. If the Professional Services Firm is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Board shall appoint another qualified professional services firm to make the determinations required hereunder (which such professional services firm shall then be referred to as the Professional Services Firm hereunder). All fees and expenses of the Professional Services Firm shall be borne solely by the Company.
- (c) In the event that a reduction in the Change in Control Payments is required pursuant to this Section 3.5, then, except as provided below with respect to the Change in Control Payments that consist of health and welfare benefits,

the reduction in Change in Control Payments shall be implemented by determining the “Parachute Payment Ratio” (as defined below) for each Change in Control Payment and then reducing the Change in Control Payments in order beginning with the Change in Control Payment with the highest Parachute Payment Ratio. For Change in Control Payments with the same Parachute Payment Ratio, such Change in Control Payments shall be reduced based on the time of payment of such Change in Control Payments, with amounts being paid further in the future being reduced first. For Change in Control Payments with the same Parachute Payment Ratio and the same time of payment, such Change in Control Payments shall be reduced on a pro-rata basis (but not below zero) prior to reducing Change in Control Payments next in order for reduction. For purposes of this Section 3.5(c), “Parachute Payment Ratio” means a fraction, the numerator of which is the value of the applicable Change in Control Payment as determined for purposes of Section 280G of the Code, and the denominator of which is the financial present value of such Change in Control Payment, determined at the date such payment is treated as made for purposes of Section 280G of the Code. In determining the denominator for purposes of the preceding sentence, (i) present values shall be determined using the same discount rate that applies for purposes of discounting payments under Section 280G of the Code; (ii) the financial value of payments shall be determined generally under Q&A 12, 13, and 14 of Treasury Regulation Section 1.280G-1; and (iii) other reasonable valuation assumptions as determined by the Company shall be used. Notwithstanding the foregoing, Change in Control Payments that consist of health and welfare benefits shall be reduced after all other Change in Control Payments, with health and welfare Change in Control Payments being made furthest in the future being reduced first. Upon any assertion by the Internal Revenue Service that any such Change in Control Payment is subject to the Excise Tax, the Participant shall be obligated to return to the Company any portion of the Change in Control Payment determined by the Professional Services Firm to be necessary to appropriately reduce the Change in Control Payment so as to avoid any such Excise Tax.

3.6 Nonalienation. The interests of a Participant under the Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Participant or the Participant’s beneficiary.

SECTION 4

Miscellaneous

4.1 Applicable Law. The Plan 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. Each Participant 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 Plan; *provided, however*, that, the Company is not limited to seeking relief in those courts.

4.2 Severability. The invalidity or unenforceability of any provision of the Plan will not affect the validity or enforceability of any other provision of the Plan, and the Plan will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

4.3 Waiver of Breach. No waiver of a breach of any provision of the Plan, or of compliance with any condition or provision of the Plan, will operate or be construed as a waiver by the non-breaching party of any subsequent breach of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure to take any action by reason of such breach will not deprive the non-breaching party of the right to take action at any time while such breach continues.

4.4 Successors, Assumption of Plan. The Plan shall be binding upon and inure to the benefit of the Company and any successor to the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly assume and agree to perform the Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

4.5 Disputes.

(a) Except as otherwise provided herein, any controversy arising out of or relating to this Plan, 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 a Participant's participation in this Plan, 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 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 the Company or the Participant 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. Each Participant and the Company 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 Plan, and under no circumstances shall class claims be processed or participated in by a Participant. Each Participant and the Company agree that the Company shall be responsible for payment of the forum costs of any arbitration hereunder, including the Arbitrator's fee. Each Participant and the Company further agree that in any proceeding to enforce the terms of this Plan, the prevailing party shall be entitled to its or the Participant's reasonable attorneys' fees and costs incurred by it or the Participant in connection with resolution of the dispute, in addition to any other relief granted.

4.6 Notices. Any notice or document required to be given under the Plan shall be considered to be given if delivered or mailed by first class mail, postage prepaid, if (a) to the Company by (i) a Participant other than the Chief Executive Officer, to the Company's Chief Executive Officer, or (ii) the Chief Executive Officer, to the Chair of the Board, with a copy to the Company's Chief Legal Officer, in each case, at the Company's principal business address, or (b) to a Participant, at the last address of such participant filed with the Company.

4.7 Assignment. The Company may assign its rights and obligations under the Plan (in whole or in part) to any direct or indirect subsidiary of the Company; *provided, however*, that no such assignment shall relieve or limit the Company's obligations hereunder.

4.8 Company Subsidiaries. If the Participant is an employee of any Subsidiary of the Company, the Participant shall be entitled to all of the rights and benefits of this Plan as though the Participant were an employee of the Company and the term "Company" shall be deemed to include the Subsidiary by whom the Participant is employed. The Company guarantees the performance of its Subsidiary under this Plan.

4.9 Withholding. The Company may withhold from any payments made under this Plan all applicable federal, state, city or other applicable taxes.

4.10 Section 409A. Notwithstanding anything in this Plan to the contrary:

- (a) To the extent required by Section 409A of the Code, all references to "Qualifying Termination," "termination of employment," "Date of Termination" and correlative phrases for purposes of the Plan shall be construed to require a "separation from service" (as defined in Treasury

Regulations Section 1.409A-1(h) after giving effect to the presumptions contained therein).

- (b) To the extent that (i) any payments or benefits to which the Participant becomes entitled under the Plan, or under any other plan, program or agreement maintained by the Company, in connection with the Participant's termination of employment with the Company constitute deferred compensation subject to Section 409A of the Code; and (ii) the Participant is deemed at the time of such termination of employment to be a "specified employee" under Section 409A of the Code, then such payments or benefits shall not be made or commence until the earliest of (x) the expiration of the six (6) month and one (1)-day period measured from the date of the Participant's separation from service (as defined in Section 4.10(a) above) from the Company; or (y) the date of the Participant's death following such separation from service; *provided, however*, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to the Participant, including (without limitation) the additional twenty percent (20%) tax for which the Participant would otherwise be liable under Section 409A(a)(1)(B) of the Code in the absence of such deferral. Upon the expiration of the applicable deferral period, any payments which would have otherwise been made during that period (whether in a single sum or in installments) in the absence of this paragraph shall be paid to the Participant or the Participant's beneficiary in one lump sum. For purposes of this Section 4.10, the term "specified employee" means an individual determined by the Company to be a specified employee under Treasury Regulation Section 1.409A-1(i) in accordance with the policies of the Company.
- (c) It is intended that each installment of any benefits or payments provided hereunder constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2)(i). It is further intended that payments hereunder satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code (and any state law of similar effect) provided under Treasury Regulations Section 1.409A-1(b)(4) (as a "short-term deferral") and Section 1.409A-1(b)(9) (as "separation pay due to involuntary separation"). The parties intend that all the benefits and payments provided under the Plan shall be exempt from, or comply with, the requirements of Section 409A of the Code.
- (d) To the extent any expense reimbursement or the provision of any in-kind benefit under the Plan is determined to be subject to Section 409A of the

Code, the amount of any such expenses eligible for reimbursement, or the provision of any in-kind benefit, in one calendar year shall not affect the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses), in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which the Participant incurred such expenses, and in no event shall any right to reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit. In no event may a Participant designate the year of payment for any amounts payable under the Plan.

4.11 Employment Status. Nothing herein alters the status of any Participant as an employee at will of the Company whose employment may be terminated by either party upon notice. This Plan shall not extinguish or modify any Participant's obligations under any pre-existing plan or agreement with the Company.

4.12 Non-Exclusivity of Rights. Nothing in the Plan shall prevent or limit a Participant's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its affiliates and for which a Participant may qualify, nor shall anything herein limit or otherwise affect such rights as a Participant may have under any contract or agreement with the Company or any of its affiliates, except that all payments and benefits made under the Plan are made in lieu of any other severance compensation or benefits to which a Participant may otherwise be entitled under any plan, program, policy or arrangement of the Company. Amounts that are vested benefits or that the Participant is otherwise entitled to receive under any plan, policy, practice or program of, or any contract or agreement with, the Company or any of its affiliates at or subsequent to the Termination Date shall be payable in accordance with such plan, policy, practice or program or contract or agreement except to the extent explicitly modified by the Plan.

SECTION 5

Amendment and Termination

5.1 Amendment and Termination. Subject to the provisions of Section 5.2, the Company may amend or terminate the Plan at any time.

5.2 Participant Rights. No amendment to the Plan that directly or indirectly affects a Participant's rights shall be effective until the second (2nd) anniversary of the date the Administrator adopts such amendment other than with the written consent of such Participant. For the avoidance of doubt, in the event an amendment affects multiple Participants and consent to a change is obtained for some but not all such Participants, the amendment will be immediately effective with respect to the Participants who provided their written consent but will not be effective for other affected Participants until the second (2nd) anniversary of the date such amendment is adopted.

EXHIBIT A

DEFINITIONS

The following terms as used in the Plan shall have the following meanings:

1. “**Accrued Obligations**” means (a) the sum of (i) the Participant’s Base Salary through the Termination Date to the extent not theretofore paid and (ii) reimbursement for any unreimbursed business expenses incurred through the Termination Date, which shall be paid in a lump sum in cash within ten (10) days following a Qualifying Termination (or thirty (30) days if a termination of employment other than a Qualifying Termination) or such earlier date as required by law; (b) any payments, benefits or fringe benefits to which the Participant shall be entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant or any other agreement, which shall be paid at such times and in such forms as are provided for by such plan, program, grant, or agreement or such earlier date as may be required by law; and (c) any Annual Bonus earned but unpaid with respect to the fiscal year ending on or preceding the Termination Date, which shall be paid in a lump sum in cash when such Annual Bonus payment is regularly paid to similarly situated Company employees.
2. “**Annual Bonus**” means the bonus payable under the Company’s annual cash incentive bonus plan, program, agreement or arrangement in which the Participant participates, if any, as of the Termination Date.
3. “**Base Salary**” means the Participant’s annual base salary, exclusive of any bonus or other benefits he or she may receive.
4. “**Benefits Continuation Period**” means (a) in the case of the Chief Executive Officer, the President, or any Executive Vice President of the Company, twenty-four (24) months; and (b) in the case of any Senior Vice President of the Company, twelve (12) months.
5. “**Board**” means the Board of Directors of the Company.
6. “**Cash Severance Multiplier**” means (a) for the Chief Executive officer of the Company, 3.0; for the President (only if not the Chief Executive Officer) and the Executive Vice Presidents of the Company, 2.0; and for the Senior Vice Presidents of the Company, 1.0.
7. “**Cause**” means (a) the Participant’s continual or deliberate neglect in the performance of the Participant’s material duties; (b) the Participant’s failure to devote substantially all of the Participant’s working time to the business of the Company and its Subsidiaries (other than as expressly permitted in a written employment agreement between the Company and the Participant); (c) the Participant’s willful failure to follow the lawful directives of, as applicable, the Board, the Company’s Chief Executive Officer or the Participant’s

immediate supervisor in any material respect; (d) the Participant's engaging in misconduct in connection with the performance of any of the Participant's 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; (e) the violation by the Participant, 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; (f) the Participant's breach of the material provisions of the Plan or any other non-competition, non-disclosure, confidentiality or other similar agreement executed by the Participant with the Company or any of its Subsidiaries or other active disloyalty to the Company or any of its Subsidiaries (including, without limitation, aiding a competitor or unauthorized disclosure of confidential information); or (g) the Participant's engaging in conduct which 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, or sexual harassment; provided, however, that the Participant will not be deemed to have been terminated for Cause in the case of clauses (a), (b), (c), or (e), above, unless any such failure or material breach is not fully corrected prior to the expiration of the ten (10) business day period following delivery to the Participant of the Company's written notice that specifies in detail the alleged event(s) constituting Cause hereunder and the Company's intention to terminate the Participant's employment for Cause.

8. **"Change in Control"** means the first to occur of the following:

- (a) The acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than thirty percent (30%) (or, in the case of a Passive Institutional Investor, 50%) of either (i) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this definition (x) the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company; (B) any acquisition by the Company; (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliate of the Company or a successor; or (D) any acquisition by any entity pursuant to a transaction that complies with clauses (c)(i)-(iii), below, and (y) the term "Passive Institutional Investor" means any Person (I) who or which has reported or is required to report beneficial ownership of shares of Outstanding Company Common

Stock or Outstanding Company Voting Securities on Schedule 13G under the Exchange Act (or any comparable or successor report), but only so long as (i) such Person is eligible to report such ownership on Schedule 13G under the Exchange Act (or any comparable or successor report), and (ii) such Person has not reported and is not required to report such ownership on Schedule 13D under the Exchange Act (or any comparable or successor report) and such Person does not hold shares of Outstanding Company Common Stock or Outstanding Company Voting Securities on behalf of any other Person who is required to report beneficial ownership of shares of Outstanding Company Common Stock or Outstanding Company Voting Securities on such Schedule 13D, or (II) who or which has reported or is required to report beneficial ownership of shares of Outstanding Company Common Stock or Outstanding Company Voting Securities on Schedule 13D under the Exchange Act (or any comparable or successor report) solely as a result of Rule 13d-1(f)(1) under the Exchange Act and otherwise complies with the requirements for reporting its ownership on Schedule 13G under the Exchange Act (or any comparable or successor report); provided that if a formerly Passive Institutional Investor should report or become required to report beneficial ownership of shares of Outstanding Company Common Stock or Outstanding Company Voting Securities on Schedule 13D (or is no longer able to otherwise rely on subclause (II) above to qualify as a Passive Institutional Investor), a Change in Control under this clause (a) will not be deemed to have occurred if at the time such Person reports or becomes required to report beneficial ownership of shares of Outstanding Company Common Stock or Outstanding Company Voting Securities on Schedule 13D (or is no longer able to otherwise rely on subclause (II) above to qualify as a Passive Institutional Investor), that formerly Passive Institutional Investor has beneficial ownership of no more than 30% of shares of Outstanding Company Common Stock or Outstanding Company Voting Securities;

- (b) A majority of the individuals who serve on the Board as of the date hereof (the “Incumbent Board”) ceases for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least two-thirds (2/3) of the directors then comprising the Incumbent Board (including for these purposes, the new members whose election or nomination was so approved, without counting the member and his or her predecessor twice) shall be considered as though such individual were a member of the

Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

- (c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its Subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets or stock of another entity by the Company or any of its Subsidiaries (each, a “Business Combination”), in each case, unless following such Business Combination: (i) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company’s assets directly or through one or more subsidiaries (a “Parent”)) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be; (ii) no Person (excluding any entity resulting from such Business Combination or a Parent or any employee benefit plan (or related trust) of the Company or such entity resulting from such Business Company or Parent) beneficially owns, directly or indirectly, more than thirty percent (30%) of, respectively, the then-outstanding shares of common stock of the entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such entity, except to the extent that the ownership of more than thirty percent (30%) existed prior to the Business Combination; and (iii) at least a majority of the members of the board of directors or trustees of the entity resulting from such Business Combination or of a Parent were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination;
- or

- (d) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company other than in the context of a transaction that does not constitute a Change in Control under clause (c) of the definition of “Change in Control”, above.

Notwithstanding the foregoing, in no event may there be more than one transaction or occurrence treated as a “Change in Control” for purposes of the Plan. The Administrator shall have full and final authority, which shall be exercised in its reasonable discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto.

9. “**Change in Control Date**” means the date on which a Change in Control occurs. Anything in the Plan to the contrary notwithstanding, if the Participant’s employment with the Company is terminated (a) by the Company without Cause or (b) by the Participant pursuant to clause (c) of the definition of Good Reason, in either case, within six (6) months before the date on which a Change in Control occurs, and it is reasonably demonstrated that such termination (i) was at the request of a third party who has taken steps reasonably calculated or intended to effect a Change in Control; or (ii) otherwise arose in connection with or in anticipation of a Change in Control, then for all purposes of the Plan the “Change in Control Date” shall mean the date immediately prior to the Termination Date.

10. “**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and the rules, regulations or other interpretive guidance promulgated thereunder, as well as any successor laws in replacement thereof.

11. “**Code**” means the Internal Revenue Code of 1986, as amended, and the rules, regulations or other interpretive guidance promulgated thereunder, as well as any successor laws in replacement thereof.

12. “**Employment Period**” means the period beginning on the Change in Control Date and ending on the last day of the twenty-four (24)-month period following the Change in Control Date.

13. “**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and the rules, regulations or other interpretive guidance promulgated thereunder, as well as any successor laws in replacement thereof.

14. “**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time.

15. “**Good Reason**” means (a) a reduction in the Participant’s compensation; (b) a relocation of the Company’s headquarters to a location more than twenty (20) miles from the

location of the Company's headquarters immediately prior to the Change in Control Date; (c) a significant reduction in the then-effective responsibilities of the Participant without the Participant's prior written consent; (d) a willful breach by the Company of any material provision of the Plan or the Participant's employment agreement; or (e) any failure by the Company to obtain the assumption of the obligations contained in the Plan by any successor as contemplated in Section 4.4 of the Plan; provided, that, in any case, the Participant gives written notice to the Company of the existence of such a condition within ninety (90) days of the initial existence of the condition and the Company has thirty (30) days from the date when such notice is provided to cure the condition without being required to make payments under the Plan.

16. **"Person"** means any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act).

17. **"Qualifying Termination"** means the Participant's termination of employment with the Company (a) by the Company without Cause or (b) by the Participant for Good Reason, in either case, during the Employment Period.

18. **"Restricted Period"** means (a) in the case of the Chief Executive Officer of the Company, the thirty-six (36)-month period; (b) in the case of any Executive Vice President of the Company, the twenty-four (24) month period; or (c) in the case of any Senior Vice President of the Company, the twelve (12) month-period; in each case, immediately following a Qualifying Termination of their employment.

19. **"Subsidiary"** means a company, fifty percent (50%) or more of the voting securities of which are owned, directly or indirectly, by the Company.

20. **"Target Bonus"** means the Participant's target Annual Bonus.

21. **"Termination Date"** means the date on which the Participant's termination of employment with the Company occurs for any reason.

EXHIBIT B

**FORM OF RELEASE OF CLAIMS
AND RESTRICTIVE COVENANT AGREEMENT**

This Release of Claims and Restrictive Covenant Agreement (this “ Agreement ”) is entered into by [_____] (“You”) and Red Robin Gourmet Burgers, Inc., a Delaware corporation (the “Company”) in connection with your separation from employment with the Company and in accordance with the Red Robin Gourmet Burgers, Inc. Executive Change In Control Severance Plan (the “Plan”). Capitalized terms used and not defined herein shall have the meanings provided in the Plan. You and the Company agree to the following:

1. **Date of Termination.** Your final day as an employee of the Company is _____, 20__ (the “Date of Termination”). You agree that, by your signature below, you hereby resign from all positions, including any board memberships, related to the Company and its subsidiaries contemporaneously with the execution of this General Release.

2. **Severance Amount.** Provided that you execute this Agreement, do not later revoke your acceptance, and that this Agreement becomes effective on or before _____, 20__, you will receive a lump sum cash payment in the amount of \$ _____, less legally required withholdings, payable on _____.

3. **Release Deadline.** You will receive the benefits described in paragraph 2 above only if you sign this Agreement on or before _____, 20__. In exchange for and in consideration of the benefits offered to you by the Company in Section 2 above, you agree to the terms of this Agreement.

4. **General Release of Claims; Indemnification.**

(a) Except as provided in Section 4(b) below, you knowingly and voluntarily release and forever discharge the Company and the other Released Parties from any and all claims, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, damages (however styled, including compensatory, liquidated, punitive or exemplary damages), claims for costs and attorneys’ fees, or liabilities of any nature whatsoever in law and in equity, both past and present (from the beginning of the world through the date of this Agreement and whether known or unknown, suspected or unsuspected, claimed or which could have been claimed against the Company or any of the Released Parties which you, your spouse, or any of your heirs, executors, administrators, representatives or assigns, have or may have, which arise out of or are connected with your employment or association with, or your separation or termination from, the Company

(including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991, as amended; the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; the Family and Medical Leave Act of 1993, as amended; the Civil Rights Act of 1866, as amended; the Age Discrimination in Employment Act (29 U.S.C. § 621 et seq.), as amended (“*ADEA*”); the Worker Adjustment Retraining and Notification Act, as amended; the Employee Retirement Income Security Act of 1974, as amended; any applicable Executive Order Programs; the Fair Labor Standards Act, as amended; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys’ fees incurred in these matters) (all of the foregoing collectively referred to herein as the “Claims”). As part of the release set forth in this Section 4, you fully and forever covenant not to sue, or cause to be sued, the Company or any other Released Party with respect to any Claims released herein.

(b) This Agreement shall not relinquish, diminish, or in any way affect (i) any accrued benefits under the terms of the Plan or any other plans or benefit programs of the Company which are due to you, so long as any such benefit(s) under other plans or benefits programs have been earned and are vested, (ii) rights for indemnification as a director, officer or employee of the Company under the Company’s certificate of incorporation or bylaws for duly approved acts taken prior to the date of this Agreement, subject to the provisions thereof, or (iii) rights under any director & officer insurance or similar insurance policies in effect prior to the date of this Agreement.

(c) You represent that you have made no assignment or transfer of any Claims, or any other matter covered by Section 4(a) above. You agree that You will indemnify, defend and hold harmless the Company and the other Released Parties from any and all Claims so assigned and transferred. You have not been involved in any personal bankruptcy or other insolvency proceedings at any time since You began your employment with the Company. No child support orders, garnishment orders, or other orders requiring that money owed to me by the Company be paid to any other person are now in effect.

(d) By signing this Agreement, you acknowledge and intend that it shall be effective as a bar to each and every one of the Claims released herein. You agree that this Agreement shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. You acknowledge and agree that this waiver is an essential and material term of this Agreement. You therefore agree that in the event a Claim is brought seeking damages against me in violation

of the terms of this Agreement, or in the event a party should seek to recover against the other in any Claim brought by a governmental agency on such party's behalf, this Agreement shall serve as a complete defense to such Claim. You further agree that you are not aware of any pending or threatened charge or complaint of the type described above as of the execution of this Agreement.

5. **Representations.** By signing this Agreement, you further represent and agree that:

(a) You have read this Agreement carefully;

(b) You understand all of its terms and know that you are giving up important rights, including but not limited to, rights under Title VII of the Civil Rights Act of 1964, as amended; the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990, as amended; and the Employee Retirement Income Security Act of 1974, as amended;

(c) You knowingly and voluntarily consent and agree to everything in this Agreement; and

(d) You have been advised to consult with an attorney before executing this Agreement and you have done so or, after careful reading and consideration you have chosen not to do so of your own volition.

6. **Miscellaneous.**

(a) You understand that this Agreement embodies the complete agreement and understanding among the parties with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

(b) Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held by any court of competent jurisdiction to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal, or unenforceable provision had never been contained herein.

(c) This Agreement shall be binding in all respects upon, and shall inure to the benefit of, the heirs, successors, and assigns of the parties hereto; provided that you acknowledge that you may not assign your rights under this Agreement without the prior written consent of the Company. You agree, upon reasonable request of the Company, to execute, acknowledge, and deliver any additional instrument or documents that may be reasonably required to carry out the

intentions of this Agreement. This Agreement may be executed in counterparts and facsimile signatures shall be originals for all purposes.

(d) This Agreement shall be interpreted and construed in accordance with the laws of the State of Colorado and that any disputes arising under this Agreement or by any asserted breach of it, or from the employment relationship between you and the Company, shall be litigated in the state or federal courts in Colorado and you consent to such jurisdiction.

(e) The provisions of this Agreement may not be amended, waived, changed or modified except by an instrument in writing signed by an authorized representative of the Company and by you.

[NOTE TO FORM: Include clauses (f) – (m) only if applicable (when executive is over age 40).]

(a) You represent that you are over the age of forty (40). As part of the release set forth in Section 4, you knowingly and voluntarily agree to waive any rights or claims arising out of or relating to the ADEA (the “*ADEA Waiver*”) and acknowledge that you have been informed of the following:

(b) You represent and acknowledge that you are waiving any and all rights or claims that you may have arising under the ADEA;

(c) You represent and acknowledge that you have been informed of your right to consult with an attorney regarding these ADEA rights, before executing this Agreement;

(d) You know and understand that you are not waiving any rights or claims that may arise after the date this waiver of ADEA rights is executed;

(e) You know and understand that in exchange for the waiver of your rights under the ADEA, you are receiving consideration in addition to any consideration to which you are already entitled;

(f) YOU REPRESENT AND ACKNOWLEDGE THAT YOU HAVE BEEN ADVISED TO CONSULT AN ATTORNEY BEFORE SIGNING THIS DOCUMENT.

(g) You acknowledge and understand that you have been given a period of at least twenty-one (21) days in which to consider the terms of the ADEA Waiver provided to me and if you elect to execute this Agreement prior to the expiration of the 21-day review period afforded you do so voluntarily and of your own accord and election; and

(h) You acknowledge and understand that you have the right to revoke this ADEA Waiver contained in this Agreement at any time within seven (7) days after signing this Agreement,

by providing written notice to the following address: Red Robin Gourmet Burgers, Inc., 6312 South Fiddlers Green Circle, Suite 200N, Greenwood Village, CO 80111, Attention: Chief Legal Officer, and that, upon such revocation, this Agreement will not have any further legal force and effect. You further understand and agree that this Agreement shall not become effective or enforceable until this seven (7) day revocation period has expired.

7. Restrictive Covenants.

(a) Confidential Information. You agree not to disclose to any person or entity or use any information not in the public domain, in any form, acquired while you were employed or associated with the Company or any Subsidiary or affiliate or, if acquired following the termination of such association, such information which, to your knowledge, has been acquired, directly or indirectly, from any person or entity owing a duty of confidentiality to the Company or any Subsidiary or affiliate, relating to the Company or its business. You agree and acknowledge 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 you will, upon request, return to the Company the originals and all copies of any such information provided to or acquired by you in connection with your association with the Company or any Subsidiary or affiliate and shall return to the Company all files, correspondence, and/or other communications received, maintained, and/or originated by you during the course of such association.

(b) Non-Competition. You agree that during the Restricted Period, you shall not, directly or indirectly, either for yourself 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 your name to be used by, any business that, in the reasonable judgment of the Board, competes with the Company and its Subsidiaries in the restaurant business (a "Competitive Activity"). 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 you with a reasonable opportunity to present such information as you 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, or 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).

(c) Non-Solicitation. You agree that during the Restricted Period, you shall not, without the prior written approval of the Company, directly or indirectly through any person (a) induce or attempt to induce any employee of the Company or any Subsidiary or affiliate at the level of Director or higher to leave the employ of the Company or any Subsidiary or affiliate, or in any way interfere with the relationship between the Company or any Subsidiary or affiliate and any employee thereof; (b) hire any person who was an employee at the level of Director or higher of the Company or any Subsidiary or affiliate within twelve (12) months after such person's employment or engagement with the Company or any Subsidiary or affiliate was terminated for any reason; or (c) induce or attempt to induce any supplier of the Company or any Subsidiary or affiliate to cease doing business

with the Company or any Subsidiary or affiliate, or in any way interfere with the relationship between any such supplier and the Company or any Subsidiary or affiliate.

(d) Reformation. If it shall be finally determined that any restriction in this Section 7 is excessive in duration or scope or is unreasonable or unenforceable under the laws of any state or jurisdiction, it is the intention of the parties that such restriction may be modified or amended to render it enforceable to the maximum extent permitted by the law of that state or jurisdiction.

(e) Remedies; Equitable Relief. In the event you violate the non-competition or non-solicitation provisions of this Section 7, you will be obligated to repay to the Company all payments received pursuant to this Agreement (other than, for the avoidance of doubt, the Accrued Obligations), and you shall have no further obligation to pay you any payments that may be remaining under this Agreement. In the event you breach or threaten to breach any of the provisions of this Section 7, in addition to and without limiting or waiving any other remedies available to the Company under this Agreement, in law or in equity, the Company shall be entitled to immediate injunctive relief in any court, domestic, or foreign, having the capacity to grant such relief, to restrain such breach or threatened breach and to enforce the provisions of this Section 7. Notwithstanding anything to contrary in this Agreement or in the Plan, in no event shall the mere assertion of a violation of the provisions of this Section 7 constitute a basis for deferring or withholding any amount otherwise payable to you under this Agreement.

ACKNOWLEDGED AND AGREED TO BY:

DATED: _____, 20_____

Name

Red Robin Gourmet Burgers, Inc.

a Delaware corporation

By: _____

Name: _____

Title: _____

Dated: _____

SECOND AMENDED & RESTATED EMPLOYMENT AGREEMENT
(Denny Marie Post)

This SECOND AMENDED & RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made as of this 20th day of August, 2018, by and between RED ROBIN GOURMET BURGERS, INC., a Delaware corporation (the "Company"), and Denny Marie Post ("Executive").

RECITAL

WHEREAS, the Company and Executive are parties to that certain Amended & Restated Employment Agreement, effective as of August 8, 2016, as amended by the Amendment to Amended & Restated Employment Agreement, effective as of July 25, 2017 (the "Original Employment Agreement"); and

WHEREAS, The Company sponsors and maintains The Red Robin Gourmet Burgers, Inc. Change In Control Severance Plan (the "Plan"); and

WHEREAS, the Executive desires to participate in the Plan and understands that the Executive must agree to the terms of this Agreement in order to become a participant in the Plan; and

WHEREAS, the Company and Executive mutually desire to amend and restate the Original Employment Agreement in accordance with the terms and conditions hereof.

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. 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 be deemed to have commenced on August 8, 2016 (the "Effective Date"), and shall continue indefinitely, subject to termination as provided herein (such term being referred to herein as the "Employment Period"). 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. 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 her 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 report to Executive or her designee. For the avoidance of doubt, the company may appoint another individual to serve as President of the Company and upon such appointment Executive shall (automatically and without further action) no longer serve as President of the Company and Executive acknowledges and agrees that she shall not have Good Reason with respect thereto.

(b) During the Employment Period, Executive shall devote substantially all of her 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, and (iii) managing Executive's passive personal investments, so long as such activities do not materially and adversely 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 her services at the Company's headquarters, presently located in Greenwood Village, Colorado, subject to reasonably required travel in connection with the performance of her services hereunder or as reasonably requested by the Board. Executive shall use her best efforts to carry out her responsibilities under this Agreement faithfully and efficiently.

(c) In her position as Chief Executive Officer of the Company, Executive shall, subject to the oversight of the Board and the "Authorization Limits" established from time to time by 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”) at the rate of \$700,000.00, with such salary to be adjusted at such times, if any, and in such amounts as determined by the Board and approved by the Compensation Committee of the Board of Directors of the Company (the “Compensation Committee”), provided, however, that Executive’s Annual Base Salary shall not be decreased without Executive’s prior written consent unless the annual salaries of all other Executive Officers are proportionately decreased, but in no event shall the Annual Base Salary be decreased by more than ten percent (10%) of Executive’s Annual Base Salary then in effect. Executive’s Annual Base Salary shall be subject to annual review by the Board during the Employment Term. The Company shall pay the Annual Base Salary to Executive in accordance with the Company’s and RRI’s normal payroll policy.

(b) Annual Incentive Compensation. In addition to the Annual Base Salary, 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 and as approved by the Compensation Committee (the “Annual Bonus”). For fiscal year 2016, Executive’s target bonus shall be one hundred and twenty percent (120%) of Executive’s annual base salary (with such target applicable for the full fiscal year regardless of the Effective Date of this Agreement). Thus, for the avoidance of doubt, for the period commencing December 28, 2015 until the Effective Date, the Executive’s target bonus shall be one hundred and twenty percent (120%) of Executive’s annual base salary prior to the Effective Date prorated by the number of days from December 28, 2015 until the Effective Date, and, for the period commencing on the Effective Date through December 25, 2016, the Executive’s target bonus shall be one hundred and twenty percent (120%) of Executive’s Annual Base Salary on and following the Effective Date prorated by the number of days from the Effective Date through December 25, 2016. Through the 2017 fiscal year, the Annual Bonus shall be targeted at one hundred and twenty percent (120%) of Executive’s Annual Base Salary. Such target will be subject to adjustment by the Compensation Committee in fiscal year 2018 and later. 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.

(c) Long-Term Incentive Awards.

(i) Sign-On Equity Awards. Executive will receive equity awards pursuant to the Company’s Second Amended and Restated 2007 Performance Incentive Plan (the “2007 Plan”) or the Company’s new equity incentive award plan (subject to approval of such plan at the shareholder meeting in fiscal year 2017), as applicable, as follows (the “Sign-On Equity Awards”): (x) on October 3, 2016, a non-qualified stock option having a Black-Scholes grant date fair value of \$160,400, of which twenty-five percent (25%) shall vest on each of the first, second, third and fourth anniversaries of the date of grant, subject to continued employment through each such vesting date; (y) on October 3, 2016, time-vested restricted stock units having a grant date fair value of \$80,200, of which twenty-five percent (25%) shall vest on each of the first, second, third and fourth anniversaries of the date of grant, subject to continued employment through each such vesting date; and (z) during the first quarter of fiscal 2017, performance share units with a grant date fair value (at target) of \$1,050,000 (such PSU grant shall be subject to approval of the Company’s new equity incentive award plan at

the shareholder meeting in fiscal year 2017). The PSU award will cliff-vest at the end of a three-year performance cycle, generally subject to Executive's continued employment through the applicable vesting date, with the number of PSUs earned and issued to be determined based on achievement of three-year cumulative EBITDA and three-year average ROIC threshold, target or maximum performance objectives (with linear interpolation for performance achieved between these objectives). Specific EBITDA and ROIC targets will be approved by the Compensation Committee in the first quarter of fiscal year 2017, with the threshold, target, and maximum number of shares eligible for issuance under the PSU award to be consistent with past practice. The Sign-On Equity Awards shall be subject to the terms and conditions set forth in the Company's standard award agreement for the applicable type of award and shall be subject to the terms of the 2007 or the new equity incentive award plan, as applicable.

(ii) Generally. Beginning in fiscal year 2017, Executive shall have the opportunity to participate in the Company's long term incentive plan ("LTIP"), which will have a target value equal to two hundred and fifty percent (250%) of Base Salary. It is expected that the annual LTIP grant will be comprised of the following types of awards: (i) service-based vesting stock options (40%), (ii) service-based vesting RSUs (twenty percent (20%)), and (iii) PSUs (forty percent (40%)). Notwithstanding anything to the contrary herein, for fiscal year 2017, the PSU award shall represent sixty percent (60%) of the target value of the fiscal year 2017 LTIP award (target value of \$1,050,000) as contemplated in Section 3(c)(i)(z) of this Agreement which represents the award of PSUs for fiscal year 2017 and an additional amount of PSUs for the fiscal year 2016 stub period. During the Employment Period, Executive shall be entitled to participate in such annual long term incentive awards as may be approved by the Board or the Compensation Committee from time to time in accordance with the Company's compensation plans.

(iii) For the avoidance of doubt, Executive's cash-based long-term incentive awards granted and outstanding as of the Effective Date will remain outstanding and will be paid in accordance with their existing terms.

(d) 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 four (4) 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 \$1,250.00.

(v) Payment of Legal and Financial Advisory Services Fees. Commencing as of the Effective Date through the one (1) year anniversary of the Effective Date, the Company shall pay or Executive shall be reimbursed for her reasonable legal and financial advisory services fees incurred during such period up to a maximum of \$30,000.

(e) Reservation of Rights. 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(d)(i), (ii) and (iii) above at any time without recourse by Executive so long as such action is taken with respect to senior executives generally and does not single out 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 her 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 her employment at any time for Good Reason subject to the notice and cure provisions set forth in the definition thereof.

(e) Reserved.

(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 her 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(b) 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 her 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). 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 her 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 her 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 twenty-four (24) months of 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; and

(C) upon Executive’s timely election of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, 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 her 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 a form that is satisfactory to the Company and RRI, 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), Executive shall have no right to receive the payments and benefits under this Section 4(f)(iii).

(iv) Reserved.

(v) Exclusive Remedy. Executive agrees that the payments contemplated by this Section 4(f) shall constitute the exclusive and sole remedy for any termination of her 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)(v) 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.

(vi) Termination of Payments. Anything in this Agreement to the contrary notwithstanding, the Company shall have the right to 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 her obligations under the general release or Sections 5, 6, 7 and 8 of this Agreement.

(vii) 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

20 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. Except in the good-faith performance of her 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 she 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 her 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 herself 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 her 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): Chili's, Applebee's, Ruby Tuesday, TGIFridays, Texas Roadhouse, BJ's, Yardhouse, Millers Ale House and Brickhouse ("Competitive Activity"). In making its judgment as to whether any business is engaged in a burger focused 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 (a "Public Company")).

7. No Interference. During the Restrictive Period, Executive shall not, without the prior written approval of the Company, directly or indirectly through any other Person (a) 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, (b) 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 (c) 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.

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, and she shall not take with her 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 the Company would suffer irreparable harm from a breach by Executive 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 Executive of any of the provisions of this Agreement, the Company, or 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, the Company shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive 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 shall 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.

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 her 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

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.

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 or deliberate neglect in the performance of her material duties;
- (ii) Executive’s failure to devote substantially all of her working time to the business of the Company and its subsidiaries (other than as expressly permitted in this Agreement);
- (iii) Executive’s failure to follow the lawful directives of the Board in any material respect;
- (iv) Executive’s engaging in misconduct in connection with the performance of any of her 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 which 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 ten (10) days advance written notification, providing Executive the opportunity to cure, if reasonably capable of cure within said ten (10)-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 requires it to effect a termination of Executive for Cause immediately. Notwithstanding the preceding sentence, the Board may suspend 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 her 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 her medical personnel, as well as information from medical personnel (or others) selected by the Company or its insurers.

“Good Reason” shall mean the occurrence, without Executive’s express written consent, of: (i) a 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 willful 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 the Executive actually terminates her employment for Good Reason within thirty (30) days after the expiration of the Cure Period. For the avoidance of doubt, 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).

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 her reasonable attorneys' fees and costs incurred by it or her 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) Except to the extent specifically provided in Section 17, 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.

(b) Each payment or benefit made pursuant to Section 4(f) of this Agreement shall be deemed to be a separate payment for purposes of Section 409A of the Code. 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) For purposes of this Agreement, phrases such as "termination of employment" shall be deemed to mean "separation from service," as defined in Section 409A of the Code and the Treasury Regulations thereunder.

(d) If Executive is a specified employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and would receive any payment sooner than six (6) months after Executive's "separation from service" that, absent the application of this Section 17(d), would be subject to additional tax imposed pursuant to Section 409A of the Code as a result of such status as a specified employee, then such payment shall instead be payable on the date that is the earliest of (i) six (6) months after Executive's "separation from service," or (ii) Executive's death.

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.

21. 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 her rights or delegate her 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:

Bryan Cave Leighton Paisner LLP
One Metropolitan Square
211 N. Broadway, Suite 3600
St. Louis, MO 63012
Attention: Robert J. Endicott
Facsimile No.: 314-259-2447

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:

Dennis D. Murrell, Esq.
Middleton Reutlinger, PSC
401 South Fourth Street, Suite 2600
Louisville, KY 40202
Facsimile No.: 502-588-1918

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/ Denny Marie

Post

Denny Marie Post

[Signature Page to Second Amended and Restated Employment Agreement (Post)]

AMENDED & RESTATED EMPLOYMENT AGREEMENT
(Guy J. Constant)

This AMENDED & RESTATED EMPLOYMENT AGREEMENT (this “Agreement”) is made as of this 20th day of August, 2018, by and between RED ROBIN GOURMET BURGERS, INC., a Delaware corporation (the “Company”), and Guy J. Constant (“Executive”).

RECITAL

WHEREAS, the Company and Executive are parties to that certain Employment Agreement, effective as of December 14, 2016, as amended by the Amendment to Employment Agreement, effective as of July 25, 2017 (the “Original Employment Agreement”);

WHEREAS, The Company sponsors and maintains The Red Robin Gourmet Burgers, Inc. Change In Control Severance Plan (the “Plan”); and

WHEREAS, the Executive desires to participate in the Plan and understands that the Executive must agree to the terms of this Agreement in order to become a participant in the Plan; and

WHEREAS, the Company and Executive mutually desire to amend and restate the Original Employment Agreement in accordance with the terms and conditions hereof.

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. 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 be deemed to have commenced on December 14, 2016 (the “Effective Date”), and shall continue indefinitely, subject to termination as provided herein (such term being referred to herein as the “Employment Period”). 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. 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 title of Executive Vice President and Chief Financial Officer (“Chief Financial Officer”) of the Company, with such duties and responsibilities that are customary for public company chief financial officer positions. Executive shall report to the Chief Executive Officer and President and shall interface

with the Company's Board of Directors, the Audit Committee and the Finance Committee, and certain other committees of the Board of Directors and their respective chairpersons from time to time (collectively, the "Board"). In addition, the Chief Executive Officer and President may assign Executive such duties and responsibilities that are not substantially inconsistent with his position as Chief Financial Officer of the Company.

(b) 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 performing personal and charitable activities and any other activities approved in advance by the Board, so long as such activities do not materially and adversely interfere with Executive's duties for the Company and are in compliance with the Company's policies. Executive shall perform his services at the Company's headquarters, presently located in Greenwood Village, Colorado. Executive shall use his best efforts to carry out his responsibilities under this Agreement faithfully and efficiently.

3. Compensation.

(a) Base Salary. During the Employment Period, Executive shall receive from the Company an annual base salary ("Annual Base Salary") at the rate of \$500,000.00, with such salary to be adjusted at such times, if any, and in such amounts as recommended by the Chief Executive Officer and President and approved by the Compensation Committee of the Board (the "Compensation Committee"). Executive's Annual Base Salary shall be subject to annual review by the Chief Executive Officer and President and the Compensation Committee during the Employment Term. The Company shall pay the Annual Base Salary to Executive in accordance with the Company's and RRI's normal payroll policy.

(b) Sign-On Bonus. The Company agrees to pay Executive a one-time sign-on bonus of \$200,000 (the "Sign-On Bonus"), subject to all required taxes and withholdings, to be paid within twenty-one (21) days following the Effective Date. If Executive's employment with the Company terminates less than twenty-four (24) full months after the Effective Date, Executive agrees to repay the full amount of the Sign-On Bonus, less one twenty-fourth (1/24th) of the Sign-On Bonus (i.e., \$8,333.33) for each full month of employment completed after the Effective Date. Executive further agrees that Executive will repay the Sign-On Bonus by no later than 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, 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 and as approved by the Compensation Committee (the "Annual Bonus"). For the 2017 fiscal year, the Annual Bonus shall be targeted at up to seventy percent (70%) of Executive's Annual Base Salary. Such target will be subject to adjustment by the Compensation Committee in fiscal year 2018 and later. 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. There shall be no Annual Bonus in respect of fiscal year 2016.

(d) Long-Term Incentive Awards.

(i) Sign-On Equity Awards. Executive will receive equity awards pursuant to the Company's Second Amended and Restated 2007 Performance Incentive Plan (the "2007 Plan") or the Company's new equity incentive award plan (subject to approval of such plan at the shareholder meeting in fiscal year 2017), as applicable, as follows (the "Sign-On Equity Awards"): (x) on January 3, 2017, a non-qualified stock option having a Black-Scholes grant date fair value of \$400,000, of which twenty-five percent (25%) shall vest on each of the first, second, third and fourth anniversaries of the date of grant, subject to continued employment through each such vesting date; (y) on January 3, 2017, time-vested restricted stock units having a grant date fair value of \$200,000, of which twenty-five percent (25%) shall vest on each of the first, second, third and fourth anniversaries of the date of grant, subject to continued employment through each such vesting date; and (z) during the first quarter of fiscal year 2017, performance share units (PSUs) representing that number of shares of the Company's common stock (at target) equal to \$400,000 divided by the closing price of the Company's common stock on January 3, 2017 (such PSU grant shall be subject to approval of the Company's new equity incentive award plan at the shareholder meeting in fiscal year 2017). The PSU award will cliff-vest at the end of a three-year performance cycle, generally subject to Executive's continued employment through the applicable vesting date, with the number of PSUs earned and issued to be determined based on achievement of EBITDA and ROIC threshold, target or maximum performance objectives. Specific EBITDA and ROIC targets (and associated periods for such targets) will be approved by the Compensation Committee in the first quarter of fiscal year 2017, with the threshold, target, and maximum number of shares eligible for issuance under the PSU award to be consistent with past practice. The Sign-On Equity Awards shall be subject to the terms and conditions set forth in the Company's standard award agreement for the applicable type of award and shall be subject to the terms of the 2007 Plan or the new equity incentive award plan, as applicable.

(ii) Beginning in fiscal year 2018, Executive shall have the opportunity to participate in the Company's long term incentive plan ("LTIP"), which will have a target value equal to one hundred and fifty percent (150%) of Annual Base Salary. During the Employment Period, Executive shall be entitled to participate in such annual long term incentive awards as may be approved by the Board or the Compensation Committee from time to time in accordance with the Company's compensation plans.

(e) 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 paid time off 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 \$850.00.

(f) Reservation of Rights. 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 (e)(i), (ii) and (iii) above at any time without recourse by Executive so long as such action is taken with respect to senior executives generally and does not single out 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) Obligations of the Company Upon Termination.

(i) Death; Disability; For Cause; Resignation without Good Reason. If Executive's employment is terminated by reason of Executive's Death or Disability or by the Company for Cause or Executive resigns without Good Reason, this Agreement shall terminate without further obligations to Executive or his legal representatives under this Agreement, other than: (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; and (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").

(ii) 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 as described in Section 4(e)(i);
and
- (B) payment of the equivalent of twelve (12) months of Executive's Annual Base Salary as in effect immediately prior to the date of termination which shall be paid in a lump sum in cash within sixty (60) days of the effective date of termination, subject to standard withholdings and other authorized deductions;

provided, however, that as a condition precedent to receiving the payments and benefits provided for in this Section 4(e)(ii) (other than payment of the Accrued Obligations), Executive shall first execute and deliver to the Company and RRI a general release agreement in a form that is satisfactory to the Company and RRI, 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. If Executive fails to timely execute the release, all payments and benefits set forth in this Section 4(e)(ii) (other than the

payment of the Accrued Obligations) shall be forfeited; provided, further, that notwithstanding anything in this Agreement to the contrary, 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), Executive shall have no right to receive the payments and benefits under this Section 4(e)(ii).

(iii) Exclusive Remedy. Executive agrees that the payments contemplated by this Section 4(e) 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(e)(iii) 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.

(iv) Termination of Payments. Anything in this Agreement to the contrary notwithstanding, the Company shall have the right to terminate all payments and benefits owing to Executive pursuant to this Section 4(e) upon the Company's discovery of any breach by Executive of his obligations under the general release or Sections 5, 6, 7 and 8 of this Agreement

(f) Survival of Certain Obligations Following Termination. Notwithstanding any other provision contained in this Agreement, the provisions in Sections 5 through 11 and 14 through 20 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. 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 twelve (12) 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): Chili's, Applebee's, Ruby Tuesday, TGI Fridays, Texas Roadhouse, BJ's, Yardhouse, Millers Ale House and Brickhouse (" Competitive Activity"). In making its judgment as to whether any business is engaged in a burger-focused 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 (a "Public Company")).

7. No Interference. During the Restrictive Period, Executive shall not, without the prior written approval of the Company, directly or indirectly through any other Person (a) induce or attempt to induce any employee of the Company or RRI at the level of General 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, (b) hire any individual who was an employee of the Company or RRI at the level of General Manager or higher in restaurant operations or the level of Director or higher at the Company's home office within twelve (12) months after such individual's employment with the Company or RRI was terminated for any reason or (c) 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.

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, and he shall not take with him 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 the Company would suffer irreparable harm from a breach by Executive 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 Executive of any of the provisions of this Agreement, the Company, or 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) 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, the Company shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive 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 shall 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.

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 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.

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 or deliberate 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);
- (iii) Executive's failure to follow the lawful directives of the Board or the Chief Executive Officer and President 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 which 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, however, Executive will not be deemed to have been terminated for Cause in the case of clauses (i), (ii), (iv) and (v) above, unless any such failure or material breach is not fully corrected prior to the expiration of the ten (10) business day period following delivery to Executive of the Company's written notice that specifies in detail of the alleged Cause event(s) and the Company's intention to terminate his employment for Cause.

"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.

"Good Reason" shall mean the occurrence, without Executive's express written consent, of: (i) a material 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 willful breach by the Company of any material provision of this Agreement; or (iv) a significant reduction in the then-effective responsibilities of the Chief Financial Officer; 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 Executive for Good Reason, and Executive actually terminates his employment for Good Reason within six (6) months of the initial occurrence of any of the conditions in (i)-(iv), above.

“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.

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 him 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) Except to the extent specifically provided in Section 17, 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 409A of the Code, 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.

(b) Each payment or benefit made pursuant to Section 4(e) of this Agreement shall be deemed to be a separate payment for purposes of Section 409A of the Code. In addition, payments or benefits pursuant to Section 4(e) 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) For purposes of this Agreement, phrases such as “termination of employment” shall be deemed to mean “separation from service,” as defined in Section 409A of the Code and the Treasury Regulations thereunder.

(d) If Executive is a specified employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and would receive any payment sooner than six (6) months after Executive’s “separation from service” that, absent the application of this Section 17(d), would be subject to additional tax imposed pursuant to Section 409A of the Code as a result of such status as a specified employee, then such payment shall instead be payable on the date that is the earliest of (i) six (6) months after Executive’s “separation from service” or (ii) Executive’s death.

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.

21. 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 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 other, 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: Chief Executive Officer
Facsimile No.: 303-846-6048

with a copy to:

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

Bryan Cave Leighton Paisner LLP
One Metropolitan Square
211 N. Broadway, Suite 3600
St. Louis, MO 63102
Attention: Robert J. Endicott
Facsimile No.: 314-259-2447

If to Executive:

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.

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/ Denny Marie Post_____

Name: Denny Marie Post

Title: President and Chief Executive
Officer

EXECUTIVE:

/s/ Guy J.
Constant_____

Guy J. Constant

[Signature Page to Amended and Restated Employment Agreement (Constant)]

AMENDED & RESTATED EMPLOYMENT AGREEMENT
(Jonathan A. Muhtar)

This AMENDED & RESTATED EMPLOYMENT AGREEMENT (this “Agreement”) is made as of this 20th day of August, 2018, by and between RED ROBIN GOURMET BURGERS, INC., a Delaware corporation (the “Company”), and Jonathan A. Muhtar (“Executive”).

RECITAL

WHEREAS, the Company and Executive are parties to that certain Employment Agreement, effective as of December 14, 2015, as amended by the Amendment to Employment Agreement, effective as of March 31, 2016 and the Second Amendment to Amended Employment Agreement, effective as of July 25, 2017 (the “Original Employment Agreement”); and

WHEREAS, The Company sponsors and maintains The Red Robin Gourmet Burgers, Inc. Change In Control Severance Plan (the “Plan”); and

WHEREAS, the Executive desires to participate in the Plan and understands that the Executive must agree to the terms of this Agreement in order to become a participant in the Plan; and

WHEREAS, the Company and Executive mutually desire to amend and restate the Original Employment Agreement in accordance with the terms and conditions hereof.

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. 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 be deemed to have commenced on December 14, 2015 (the “Effective Date”), and shall continue indefinitely, subject to termination as provided herein (such term being referred to herein as the “Employment Period”). 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. 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 title of Executive Vice President and Chief Concept Officer (“Chief Concept Officer”) of the Company, with such duties and responsibilities that are customary for public company chief marketing officer

positions. In addition, the Chief Executive Officer may assign Executive such duties and responsibilities that are not substantially inconsistent with his position as Chief Concept Officer of the Company.

(b) 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 performing personal and charitable activities and any other activities approved by the Board, so long as such activities do not materially and adversely interfere with Executive's duties for the Company and are in compliance with the Company's policies. Executive shall perform his services at the Company's headquarters, presently located in Greenwood Village, Colorado. Executive shall use his best efforts to carry out his responsibilities under this Agreement faithfully and efficiently.

3. Compensation.

(a) Base Salary. During the Employment Period, Executive shall receive from the Company an annual base salary ("Annual Base Salary") at the rate of \$425,000.00, with such salary to be adjusted at such times, if any, and in such amounts as recommended by the Chief Executive Officer and approved by the Compensation Committee of the Board of Directors (the "Compensation Committee"); provided, however, Executive's annual base salary, even after any increases, shall not be decreased without Executive's prior written consent unless the annual salaries of all other executive officers are proportionately decreased, but in no event shall the Annual Base Salary be decreased (i) by more than ten percent (10%) from Executive's highest annual base salary; (ii) on or following a Change in Control Event (as defined below); or (iii) during the one (1) year period commencing with the Effective Date. Executive's Annual Base Salary shall be subject to annual review by the Chief Executive Officer and the Compensation Committee during the Employment Term. The Company shall pay the Annual Base Salary to Executive in accordance with the Company's and RRI's normal payroll policy.

(b) Annual Incentive Compensation. In addition to the Annual Base Salary, 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 and as approved by the Compensation Committee (the "Annual Bonus"). For the 2016 fiscal year, the Annual Bonus shall be targeted at up to seventy percent (70%) of Executive's Annual Base Salary. 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. Notwithstanding the foregoing, Executive shall be entitled to a guaranteed Annual Bonus for the 2015 fiscal year in the amount of \$262,500, which amount shall be paid to Executive in the first quarter of fiscal 2016.

(c) Signing Bonus. No later than the thirtieth (30th) day following the Effective Date, the Company shall pay to Executive a cash bonus of \$200,000 (the "Signing Bonus").

(d) Long-Term Incentive Awards. On the first business day of the calendar quarter following the Effective Date or as soon thereafter as is administratively practicable (the "Grant Date"), Executive will receive equity awards pursuant to the Company's Second Amended and

Restated 2007 Performance Incentive Plan (the “Plan”) as follows (the “Sign-On Equity Awards”): time-vested restricted stock units having a grant date target value of \$250,000, and time-vested non-qualified stock options having a grant date target value of \$250,000. Each equity award shall vest in equal one-third (1/3rd) increments on the first, second, and third anniversaries of the Grant Date, and shall be subject to such other terms and conditions as are set forth in the Company’s standard award agreement for the applicable type of award. For 2016, Executive’s long-term incentive grant will be guaranteed at one hundred and forty percent (140%) of Annual Base Salary, and will consist of the same types of awards (currently restricted stock units, non-qualified stock options, and long-term cash awards) and in the same proportions as 2016 grants to all other members of the Company’s senior executive team. For subsequent fiscal years, Executive shall be entitled to participate in such annual long-term incentive awards as may be approved by the Board or the Compensation Committee from time to time in accordance with the Company’s compensation plans.

(e) 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 paid time off 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 \$850.00.

(v) Moving and Relocation Expenses. It is expected that Executive shall reside permanently in the Denver, Colorado metropolitan area during the Employment Period. Employer will pay on Executive’s behalf relocation expenses as set forth below (“Relocation Expenses”), subject to Employer’s customary payroll practices and legal requirements regarding withholding, provided that Relocation Expenses are incurred during Executive’s employment with the Company and within one year of the Effective Date. The Company shall also provide Executive with a tax gross-up for applicable federal, state and local taxes paid by Executive in connection with the

reimbursement provided under this Section 3(e)(v) and the tax gross-up payment itself (the “Relocation Gross-Up”). The Relocation Gross-Up shall be paid no later than March 15th of the year following the year in which the related Relocation Expense was incurred. The Relocation Expenses shall include (A) new loan financing fees, (B) up to one “point” on a new mortgage loan, and (C) other costs associated with buying or selling a home. In addition, Relocation Expenses shall be provided for (A) reasonable expenses actually incurred by Executive to move personal effects from Nashville, Tennessee to the Denver, Colorado metropolitan area, (B) reasonable costs incurred for round trips by Executive or Executive’s spouse or both Executive and his spouse between Denver, Colorado and Nashville, Tennessee to search for a home and effectuate the relocation and (C) reimbursement for rent, electricity, gas and water expenses actually incurred by Executive for interim housing in the Denver, Colorado metropolitan area for a period of up to six months commencing on the Effective Date (or until such earlier date as Executive is no longer incurring such interim housing expenses). Notwithstanding the foregoing, Relocation Expenses shall not include “loss on sale” protection for Executive’s current home. The Company’s total reimbursement obligation in respect of the Relocation Expenses and Relocation Gross-Up shall not exceed \$175,000. Executive shall submit to the Company receipts and other applicable documentation evidencing the Relocation Expenses promptly and in all events no later than March 1st of the year following the year in which the Relocation Expenses were incurred, and the Company shall remit payment for such Relocation Expenses in accordance with its standard accounts payable practices, but in any event no later than March 15th of the calendar year following the calendar year in which the expense was incurred. Notwithstanding the foregoing, in the event that (i) Executive remains employed through the first anniversary of the Effective Date, (ii) Executive utilizes “Relocation Today” services for Executive’s relocation needs, and (iii) the total Relocation Expenses and Relocation Gross-Up are less than the \$175,000, than Executive may request a “Relocation Cash-Out” payment equal to one-half of the difference between (x) \$175,000 and (y) the actual amount of Relocation Expenses incurred and Relocation Gross-Up. The Relocation Cash-Out shall be paid as soon as reasonably practicable, but in all events prior to March 15, 2017. Executive shall not be entitled to any Relocation Gross-Up on the Relocation Cash Out.

(f) Clawback of Compensation upon Certain Terminations of Employment. If Executive terminates his employment without Good Reason or is terminated by the Company for Cause prior to the first anniversary of the Effective Date, Executive shall be required to repay the Company the gross amount of (i) the Signing Bonus, (ii) the guaranteed Annual Bonus for the 2015 fiscal year, and (iii) Relocation Expenses, Relocation Gross-Up, and Relocation Cash-Out paid or reimbursed by the Company pursuant to Section 3(e)(v). If Executive terminates his employment without Good Reason or is terminated by the Company for Cause after the first anniversary of the Effective Date but prior to the second anniversary of the Effective Date, Executive shall be required to repay the Company the gross amount of the (i) the guaranteed Annual Bonus for the 2015 fiscal year, and (ii) the grant-date value of all Sign-On Equity Awards that vested during such period. In addition, any unvested portion of the Sign-On Equity Awards shall be forfeited immediately as of the termination date. The clawback required by this Section shall be paid and effectuated by Executive to the Company within forty-five (45) days of the termination date.

(g) Reservation of Rights. 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 (e)(i), (ii) and (iii) above at any time without recourse by Executive so long as such action is taken with respect to senior executives generally and does not single out 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) Reserved.

(f) Obligations of the Company Upon Termination.

(i) Death; Disability; For Cause; Resignation without Good Reason. If Executive's employment is terminated by reason of Executive's Death or Disability or by the Company for Cause or Executive resigns without Good Reason, 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; and (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").

(ii) 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 as described in Section 4(f)(i); and

(B) payment of the equivalent of twelve (12) months of Executive's Annual Base Salary as in effect immediately prior to the date of termination which shall be paid in a lump sum in cash within sixty (60) days of the effective date of termination, subject to standard withholdings and other authorized deductions;

provided, however, that as a condition precedent to receiving the payments and benefits provided for in this Section 4(f)(ii) (other than payment of the Accrued Obligations), Executive shall first execute and deliver to the Company and RRI a general release agreement in a form that is satisfactory to the Company and RRI, 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. If Executive fails to timely execute the release, all payments and benefits set forth in this Section 4(f)(ii) (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), Executive shall have no right to receive the payments and benefits under this Section 4(f)(iii).

(iii) 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)(iii) 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.

(iv) Termination of Payments. Anything in this Agreement to the contrary notwithstanding, the Company shall have the right to terminate all payments and benefits owing to Executive pursuant to this Section 4(f) upon the Company's discovery of any breach by Executive of his obligations under the general release or Sections 5, 6, 7 and 8 of this Agreement.

(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 20 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. 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 twelve months after the date of termination of Executive's employment as Chief Marketing Officer (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, any business that, in the reasonable judgment of the Board, competes with the Company and its subsidiaries in the burger focused restaurant business in the State of Colorado or the following casual dining and brew-centric restaurant concepts (and their successors) in any location: Chili's, Applebee's, Ruby Tuesday, TGIFridays, Texas Roadhouse, BJ's, Yardhouse, Millers Ale House and Brickhouse (a "Competitive Activity"). In making its judgment as to whether any business is engaged in a burger focused 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 (5%) percent of the stock of a publicly-held corporation whose stock is traded on a national securities exchange (a "Public Company").

7. No Interference. During the Restrictive Period, Executive shall not, without the prior written approval of the Company, directly or indirectly through any other Person (a) induce or attempt to induce any employee of the Company or RRI at the level of Director or higher 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, (b) hire any Person who was an employee of the Company or RRI at the level of Director or higher within twelve months after such Person's employment with the Company or RRI was terminated for any reason or (c) 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.

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, and he shall not take with him 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 the Company would suffer irreparable harm from a breach by Executive 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 Executive of any of the provisions of this Agreement, the Company, or 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 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, the Company shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive 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 shall 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.

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 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.

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

"Board" means the Board of Directors of the Company.

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

- (i) Executive's continual or deliberate 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);
- (iii) Executive's failure to follow the lawful directives of the Board or the Chief Executive Officer 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 which 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, however, Executive will not be deemed to have been terminated for Cause in the case of clauses (i), (ii), (iv) and (v) above, unless any such failure or material breach is not fully corrected prior to the expiration of the ten (10) business day period following delivery to Executive of the Company's written notice that specifies in detail of the alleged Cause event(s) and the Company's intention to terminate his employment for Cause.

"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.

"Good Reason" shall mean the occurrence, without Executive's express written consent, of: (i) a reduction in Executive's compensation other than as permitted pursuant to Section **Error! Reference source not found.** 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 willful breach by the Company of any material provision of this Agreement; or (iv) a significant reduction in the then-effective responsibilities of the Chief Marketing Officer; 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 Executive for Good Reason, and the Executive actually terminates his employment for Good Reason within six (6) months of the initial occurrence of any of the conditions in (i) - (iv), above.

“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.

14. Arbitration. 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) Except as otherwise provided in Section 3(e)(v), and to the extent specifically provided in Section 17, 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.

(b) Each payment or benefit made pursuant to Section 4(f) of this Agreement shall be deemed to be a separate payment for purposes of Section 409A of the Code. 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) For purposes of this Agreement, phrases such as "termination of employment" shall be deemed to mean "separation from service," as defined in Section 409A of the Code and the Treasury Regulations thereunder.

(d) If Executive is a specified employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and would receive any payment sooner than six (6) months after Executive's "separation from service" that, absent the application of this Section 17(d), would be subject to additional tax imposed pursuant to Section 409A of the Code as a result of such status as a specified employee, then such payment shall instead be payable on the date that is the earliest of (i) six (6) months after Executive's "separation from service," or (ii) Executive's death.

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. 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: Chief Executive Officer
Facsimile No.: 303-846-6048

with a copy to:

Bryan Cave Leighton Paisner LLP
One Metropolitan Square
211 N. Broadway, Suite 3600
St. Louis, MO 63102
Attention: Robert J. Endicott
Facsimile No.: 314-259-2447

If to Executive, to:

Jonathan A. Muhtar
6312 South Fiddler's Green Circle, Suite 200N
Greenwood Village, CO 80111
Facsimile No.: 303-846-6048

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.

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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/ Denny Marie Post

Name: Denny Marie Post

Title: President and Chief Executive
Officer

EXECUTIVE:

/s/ Jonathan A.
Muhtar

Jonathan A. Muhtar

[Signature Page to Amended and Restated Employment Agreement (Muhtar)]

**AMENDED & RESTATED EMPLOYMENT AGREEMENT
(Carin Stutz)**

This AMENDED & RESTATED EMPLOYMENT AGREEMENT (this “Agreement”) is made as of this 20th day of August, 2018, by and between RED ROBIN GOURMET BURGERS, INC., a Delaware corporation (the “Company”), and Carin Stutz (“Executive”).

RECITAL

WHEREAS, the Company and Executive are parties to that certain Employment Agreement, effective as of May 16, 2016, as amended by the Amendment to Employment Agreement, effective as of July 25, 2017 (the “Original Employment Agreement”); and

WHEREAS, The Company sponsors and maintains The Red Robin Gourmet Burgers, Inc. Change In Control Severance Plan (the “Plan”); and

WHEREAS, the Executive desires to participate in the Plan and understands that the Executive must agree to the terms of this Agreement in order to become a participant in the Plan; and

WHEREAS, the Company and Executive mutually desire to amend and restate the Original Employment Agreement in accordance with the terms and conditions hereof.

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. 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 be deemed to have commenced on May 16, 2016 (the “Effective Date”), and shall continue indefinitely, subject to termination as provided herein (such term being referred to herein as the “Employment Period”). 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. 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 title of Executive Vice President and Chief Operating Officer (“Chief Operating Officer”) of the Company, with such duties and responsibilities that are customary for public company chief operating officer positions. In addition, the Chief Executive Officer or President may assign

Executive such duties and responsibilities that are not substantially inconsistent with her position as Chief Operating Officer of the Company.

(b) During the Employment Period, Executive shall devote substantially all of her 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 performing personal and charitable activities and any other activities approved by the Board, so long as such activities do not materially and adversely interfere with Executive's duties for the Company and are in compliance with the Company's policies. Executive shall perform her services at the Company's headquarters, presently located in Greenwood Village, Colorado. Executive shall use her best efforts to carry out her responsibilities under this Agreement faithfully and efficiently.

3. Compensation.

(a) Base Salary. During the Employment Period, Executive shall receive from the Company an annual base salary ("Annual Base Salary") at the rate of \$400,000.00, with such salary to be adjusted at such times, if any, and in such amounts as recommended by the President and approved by the Compensation Committee of the Board of Directors (the "Compensation Committee"). Executive's Annual Base Salary shall be subject to annual review by the President and the Compensation Committee during the Employment Term. The Company shall pay the Annual Base Salary to Executive in accordance with the Company's and RRI's normal payroll policy.

(b) Annual Incentive Compensation. In addition to the Annual Base Salary, 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 and as approved by the Compensation Committee (the "Annual Bonus"). Through the 2017 fiscal year, the Annual Bonus shall be targeted at up to seventy (70%) of Executive's Annual Base Salary. Such target will be subject to adjustment by the Compensation Committee in fiscal year 2018 and later. 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. Notwithstanding the foregoing, Executive shall be entitled to a guaranteed Annual Bonus for the 2016 fiscal year in the amount of \$172,308, which is calculated by prorating Executive's 2016 target Annual Bonus for the number of days of service during the fiscal year, and such amount shall be paid to Executive in the first quarter of fiscal 2017.

(c) Long-Term Incentive Awards. On the Effective Date, or as soon thereafter as is administratively practicable (the "Grant Date"), Executive will receive equity awards pursuant to the Company's Second Amended and Restated 2007 Performance Incentive Plan (the "Plan") as follows (the "Sign-On Equity Awards"): time-vested restricted stock units having a grant date target value of \$137,500, and time-vested non-qualified stock options having a grant date target value of \$137,500. Each equity award shall vest in equal one-third (1/3rd) increments on the first, second, and third anniversaries of the Grant Date, and shall be subject to such other terms and conditions as are set forth in the Company's standard award agreement for the applicable type of award. For the 2017 fiscal year, Executive's long-term incentive grant shall be intended to have a grant date value equal to one hundred percent (100%) of Annual Base Salary, and will consist of the same types of awards (currently restricted stock units (twenty percent (20%)), non-qualified stock options

(forty percent (40%)), and long-term cash awards (forty percent (40%))) and in the same proportions as 2016 grants to all other members of the Company's senior executive team. For subsequent fiscal years, Executive shall be entitled to participate in such annual long-term incentive awards as may be approved by the Board or the Compensation Committee from time to time in accordance with the Company's compensation plans.

(d) 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 paid time off 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 \$850.00.

(v) Moving and Relocation Expenses. It is expected that Executive shall reside permanently in the Denver, Colorado metropolitan area during the Employment Period. Employer will pay on Executive's behalf up to \$95,000 of relocation expenses in accordance with the applicable Company relocation benefits policy in effect as of the Effective Date (which maximum amount includes all direct relocation costs as well as all ancillary payments, benefits and tax assistance) ("Relocation Expenses"). If Executive terminates her employment without Good Reason or is terminated by the Company for Cause within twenty-four (24) months of the Effective Date, Executive shall have an obligation to repay to the Company all or a portion of the Relocation Expenses pursuant to the terms of the "Relocation and Repayment Agreement" that Executive will be required to sign under the applicable Company relocation benefits policy.

(e) Reservation of Rights. 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 (d)(i), (ii) and (iii) above at any time without recourse by Executive so long as such action is taken with respect to senior executives generally and does not single out 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 her 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 her employment at any time for Good Reason subject to the notice and cure provisions set forth in the definition thereof.

(e) Reserved.

(f) Obligations of the Company Upon Termination.

(i) Death; Disability; For Cause; Resignation without Good Reason. If Executive's employment is terminated by reason of Executive's Death or Disability or by the Company for Cause or Executive resigns without Good Reason, this Agreement shall terminate without further obligations to Executive or her 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; and (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").

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

(A) payment of the Accrued Obligations as described in Section 4(f)(i); and

(B) payment of the equivalent of twelve (12) months of Executive's Annual Base Salary as in effect immediately prior to the date of termination which shall be paid in a lump sum in cash within sixty (60) days of the effective date of termination, subject to standard withholdings and other authorized deductions;

provided, however, that as a condition precedent to receiving the payments and benefits provided for in this Section 4(f)(ii) (other than payment of the Accrued Obligations), Executive shall first execute and deliver to the Company and RRI a general release agreement in a form that is satisfactory to the Company and RRI, 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. If Executive fails to timely execute the release, all payments and benefits set forth in this Section 4(f)(ii) (other than the payment of the Accrued Obligations) shall be forfeited; provided, further, that notwithstanding anything in this Agreement to the contrary, 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), Executive shall have no right to receive the payments and benefits under this Section 4(f)(ii).

(iii) Exclusive Remedy. Executive agrees that the payments contemplated by this Section 4(f) shall constitute the exclusive and sole remedy for any termination of her 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)(iii) 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.

(iv) Termination of Payments. Anything in this Agreement to the contrary notwithstanding, the Company shall have the right to terminate all payments and benefits owing to Executive pursuant to this Section 4(f) upon the Company's discovery of any breach by Executive of her obligations under the general release or Sections 5, 6, 7 and 8 of this Agreement.

(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 20 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. Except in the good-faith performance of her 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 she 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 her 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 twelve months after the date of termination of Executive's employment as Chief Operating Officer (the "Restrictive Period"), Executive shall not, directly or indirectly, either for herself 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 her 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 the United States or (ii) the following casual dining and brew-centric restaurant concepts (and their successors): Chili's, Applebee's, Ruby Tuesday, TGIFridays, Texas Roadhouse, BJ's, Yardhouse, Millers Ale House and Brickhouse ("Competitive Activity"). In making its judgment as to whether any business is engaged in a burger focused 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 (5%) percent of the stock of a publicly-held corporation whose stock is traded on a national securities exchange (a "Public Company").

7. No Interference. During the Restrictive Period, Executive shall not, without the prior written approval of the Company, directly or indirectly through any other Person (a) induce or attempt to induce any employee of the Company or RRI at the level of General 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, (b) hire any Person who was an employee of the Company or RRI at the level of General 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 (c) 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.

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, and she shall not take with her 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 the Company would suffer irreparable harm from a breach by Executive 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 Executive of any of the provisions of this Agreement, the Company, or 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 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, the Company shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive 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 shall 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.

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 her 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 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.

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

"Board" means the Board of Directors of the Company.

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

(i) Executive's continual or deliberate neglect in the performance of her material duties;

(ii) Executive's failure to devote substantially all of her working time to the business of the Company and its subsidiaries (other than as expressly permitted in this Agreement);

(iii) Executive's failure to follow the lawful directives of the Board or the Chief Executive Officer or the President in any material respect;

(iv) Executive's engaging in misconduct in connection with the performance of any of her 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, nondisclosure, 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 which 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, however, Executive will not be deemed to have been terminated for Cause in the case of clauses (i), (ii), (iv) and (v) above, unless any such failure or material breach is not fully corrected prior to the expiration of the ten (10) business day period following delivery to Executive of the Company's written notice that specifies in detail of the alleged Cause event(s) and the Company's intention to terminate her employment for Cause.

"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 her 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 her medical personnel, as well as information from medical personnel (or others) selected by the Company or its insurers.

"Good Reason" shall mean the occurrence, without Executive's express written consent, of: (i) a 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 willful breach by the

Company of any material provision of this Agreement; or (iv) a significant reduction in the then-effective responsibilities of the Chief Operating Officer; 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 Executive for Good Reason, and the Executive actually terminates her employment for Good Reason within six (6) months of the initial occurrence of any of the conditions in (i) - (iv), above.

“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.

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 her reasonable attorneys’ fees and costs incurred by it or her 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) Except as otherwise provided in Section 3(d)(v), and to the extent specifically provided in Section 17, 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.

(b) Each payment or benefit made pursuant to Section 4(f) of this Agreement shall be deemed to be a separate payment for purposes of Section 409A of the Code. 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) For purposes of this Agreement, phrases such as "termination of employment" shall be deemed to mean "separation from service," as defined in Section 409A of the Code and the Treasury Regulations thereunder.

(d) If Executive is a specified employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and would receive any payment sooner than six (6) months after Executive's "separation from service" that, absent the application of this Section 17(d), would be subject to additional tax imposed pursuant to Section 409A of the Code as a result of such status as a specified employee, then such payment shall instead be payable on the date that is the earliest of (i) six (6) months after Executive's "separation from service," or (ii) Executive's death.

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. 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 her rights or delegate her 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: Chief Executive Officer
Facsimile No.: 303-846-6048

with a copy to:

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

Bryan Cave Leighton Paisner LLP
One Metropolitan Square
211 N. Broadway, Suite 3600
St. Louis, MO 63012
Attention: Robert J. Endicott
Facsimile No.: 314-259-2447

If to Executive, to:

Carin Stutz

6312 South Fiddler's Green Circle, Suite 200N
Greenwood Village, CO 80111
Facsimile No.: 303-846-6048

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.

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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/ Denny Marie Post

Name: Denny Marie Post

Title: President and Chief Executive
Officer

EXECUTIVE:

/s/ Carin Stutz

Carin Stutz

[Signature Page to Amended and Restated Employment Agreement (Stutz)]

AMENDED & RESTATED EMPLOYMENT AGREEMENT
(Michael L. Kaplan)

This AMENDED & RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made as of this 20th day of August, 2018, by and between RED ROBIN GOURMET BURGERS, INC., a Delaware corporation (the "Company"), and Michael L. Kaplan ("Executive").

RECITAL

WHEREAS, the Company and Executive are parties to that certain Employment Agreement, effective as of October 1, 2013, as amended by the Amendment to Employment Agreement, effective as of July 25, 2017 (the "Original Employment Agreement"); and

WHEREAS, The Company sponsors and maintains The Red Robin Gourmet Burgers, Inc. Change In Control Severance Plan (the "Plan"); and

WHEREAS, the Executive desires to participate in the Plan and understands that the Executive must agree to the terms of this Agreement in order to become a participant in the Plan; and

WHEREAS, the Company and Executive mutually desire to amend and restate the Original Employment Agreement in accordance with the terms and conditions hereof.

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. 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 be deemed to have commenced on October 1, 2013 (the "Effective Date"), and shall continue indefinitely, subject to termination as provided herein (such term being referred to herein as the "Employment Period"). 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. 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 title of Chief Legal Officer of the Company, with such duties and responsibilities that are customary for public company chief legal officer positions. In addition, the Chief Executive Officer may assign Executive such duties and responsibilities that are not substantially inconsistent with his position as Chief Legal Officer of the Company.

(b) 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 performing personal and charitable activities and any other activities approved by the Board, so long as such activities do not materially and adversely interfere with Executive's duties for the Company and are in compliance with the Company's policies. Executive shall perform his services at the Company's headquarters, presently located in Greenwood Village, Colorado. Executive shall use his best efforts to carry out his responsibilities under this Agreement faithfully and efficiently.

3. Compensation.

(a) Base Salary. During the Employment Period, Executive shall receive from the Company an annual base salary ("Annual Base Salary") at the rate of \$335,000.00, with such salary to be adjusted at such times, if any, and in such amounts as recommended by the Chief Executive Officer and approved by the Board or a committee thereof. Executive's Annual Base Salary shall be subject to annual review by the Chief Executive Officer and the Board during the Employment Term. The Company shall pay the Annual Base Salary to Executive in accordance with the Company's and RRI's normal payroll policy.

(b) Annual Incentive Compensation. In addition to the Annual Base Salary, 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 and as approved by the Compensation Committee (the "Annual Bonus"). For the 2013 fiscal year, the Annual Bonus shall be targeted at seventy percent (70%) of Executive's Annual Base Salary (pro-rated for 2013 and other partial years of employment). 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.

(c) Equity Awards. On the Effective Date, Executive will receive an equity award pursuant to the Company's Second Amended and Restated 2007 Performance Incentive Plan (the "Plan") as follows: time-vested restricted stock units having a grant date target value of \$20,000, of which twenty five percent (25%) shall vest on each of the first, second, third and fourth anniversaries of the Effective Date. For 2014, Executive's long-term incentive grant will be guaranteed at eighty percent (80%) of his Annual Base Salary. All future annual equity awards granted to Executive shall be contingent on the attainment of certain performance criteria established with respect to such award by the Board and the Compensation Committee in their sole discretion.

(d) 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) Vacation. Executive shall be entitled to no less than three (3) weeks of paid vacation and/or paid time off per calendar year (as prorated for partial years) in accordance with the Company's policies on accrual and use 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 \$833.33.

(v) Moving and Relocation Expenses. It is expected that Executive shall reside permanently in the Denver, Colorado metropolitan area during the Employment Period. Employer will pay on Executive's behalf relocation expenses as set forth below (inclusive of the Relocation Gross-Up (as defined below)) ("Relocation Expenses"), subject to Employer's customary payroll practices and legal requirements regarding withholding. The Company shall also provide Executive with a tax gross-up for applicable federal, state and local taxes paid by Executive in connection with the reimbursement provided under this Section 3(d)(v) and the tax gross-up payment itself (the "Relocation Gross-Up"). The Relocation Gross-Up shall be paid no later than April 15th of the year following the year to which such taxable income relates. The Relocation Expenses shall include (A) any brokerage commissions incurred in the sale of Executive's current home (up to 6% of the sales price of Executive's current home), (B) new loan financing fees, (C) up to one "point" on a new mortgage loan, and (D) other costs associated with buying or selling a home in an amount not to exceed \$30,000. In addition, Relocation Expenses shall be provided for (A) reasonable expenses actually incurred by Executive to move personal effects from Scottsdale, Arizona to the Denver, Colorado metropolitan area, (B) reasonable costs incurred for round trips between Denver, Colorado and Scottsdale, Arizona to search for a home and (C) reimbursement for rent, electricity, gas and water expenses actually incurred by Executive for interim housing in the Denver, Colorado metropolitan area for a period of up to nine months commencing on the Effective Date (or such earlier date as Executive is no longer incurring such interim housing expenses). Notwithstanding the foregoing, Relocation Expenses shall not include "loss on sale" protection for Executive's current home. The

Company's total reimbursement obligation in respect of the Relocation Expenses shall not exceed \$400,000. If Executive terminates his employment without Good Reason or is terminated by the Company for Cause prior to the first anniversary of the Effective Date, Executive shall be required to repay the Company the gross amount of the Relocation Expenses incurred pursuant to this Section 3(d)(v) within forty-five (45) days of the termination date. Executive shall submit to the Company receipts and other applicable documentation evidencing the Relocation Expenses, and the Company shall remit payment for such Relocation Expenses in accordance with its standard accounts payable practices, but in any event no later than the last day of the calendar year following the calendar year in which the expense was incurred. In no event shall Reimbursement Expenses incurred in one year affect reimbursements or payments or benefits due or payable in any other calendar year.

(e) Reservation of Rights. 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 (d)(i) (d)(ii) and (d)(iii) above at any time without recourse by Executive so long as such action is taken with respect to senior executives generally and does not single out 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 30th day after receipt of such notice by Executive, provided that, within the 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 by delivery of not less than fourteen (14) days' advance written notice to the Company of the effective date of termination.

(e) Reserved.

(f) Obligations of the Company Upon Termination.

(i) Death; Disability; For Cause; Resignation without Good Reason. If Executive's employment is terminated by reason of Executive's Death or Disability or by the Company for Cause or Executive resigns without Good Reason, 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; and (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").

(ii) 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 as described in Section 4(f)(i);

(B) payment of the equivalent of twelve (12) months of Executive's Annual Base Salary as in effect immediately prior to the date of termination which shall be paid in a lump sum in cash within sixty (60) days of the effective date of termination, subject to standard withholdings and other authorized deductions; and

(C) payment of Executive's target Annual Bonus for 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;

provided, however, that as a condition precedent to receiving the payments and benefits provided for in this Section 4(f)(ii) (other than payment of the Accrued Obligations), Executive shall first execute and deliver to the Company and RRI a general release agreement in a form that is satisfactory to the Company and RRI, 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. If Executive fails to timely execute the release, all payments and benefits set forth in this Section 4(f)(ii) (other than the payment of the Accrued Obligations) shall be forfeited; provided, further, that notwithstanding anything in this Agreement to the contrary, 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), Executive shall have no right to receive the payments and benefits under this Section 4(f)(ii).

(iii) 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)(iii) 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.

(iv) Termination of Payments. Anything in this Agreement to the contrary notwithstanding, the Company shall have the right to 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.

(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 20 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. 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 twelve months after the date of termination of Executive's employment as Chief Legal Officer (the "Restrictive Period"), Executive shall not, in the state of Colorado 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, any business that, in the reasonable judgment of the Board, competes with the Company and its subsidiaries in the burger focused restaurant business (a "Competitive Activity"). 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 of the stock of a publicly-held corporation whose stock is traded on a national securities exchange (a “Public Company”).

7. No Interference. During the Restrictive Period, Executive shall not, without the prior written approval of the Company, directly or indirectly through any other Person (a) induce or attempt to induce any employee of the Company or RRI at the level of Director or higher 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, (b) hire any Person who was an employee of the Company or RRI at the level of Director or higher within twelve months after such Person’s employment with the Company or RRI was terminated for any reason or (c) 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.

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, and he shall not take with him 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 the Company would suffer irreparable harm from a breach by Executive 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 Executive of any of the provisions of this Agreement, the Company, or 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 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, the Company shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive 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 shall 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.

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 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.

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

"Board" means the Board of Directors of the Company.

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

(i) Executive's continual or deliberate neglect in the performance of his material duties; provided that Company gives written notice to the Executive of the existence of such a condition within 90 days of the initial existence of the condition and the Executive has at least 30 days from the date when such notice is provided to cure the condition, if curable.

(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);

(iii) Executive's failure to follow the lawful directives of the Board 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 which 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.

"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.

"Good Reason" shall mean the occurrence, without Executive's express written consent, of: (i) a 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 willful breach by the Company of any material provision of this Agreement; or (iv) a significant reduction in the then-effective responsibilities of the Chief Legal Officer; 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 and 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 Executive for Good Reason.

"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).

14. Arbitration. 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) Except as otherwise provided in Section 3(d)(v), and to the extent specifically provided in Section 17, 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.

(b) Each payment or benefit made pursuant to Section 4(f) of this Agreement shall be deemed to be a separate payment for purposes of Section 409A of the Code. 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) For purposes of this Agreement, phrases such as “termination of employment” shall be deemed to mean “separation from service,” as defined in Section 409A of the Code and the Treasury Regulations thereunder.

(d) If Executive is a specified employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and would receive any payment sooner than six (6) months after Executive’s “separation from service” that, absent the application of this Section 17(d), would be subject to additional tax imposed pursuant to Section 409A of the Code as a result of such status as a specified employee, then such payment shall instead be payable on the date that is the earliest of (i) six (6) months after Executive’s “separation from service,” or (ii) Executive’s death.

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. 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: Chief Executive Officer
Facsimile No.: 303-846-6048

with a copy to:

Bryan Cave Leighton Paisner LLP
One Metropolitan Square
211 N. Broadway, Suite 3600
St. Louis, MO 63012
Attention: Robert J. Endicott
Facsimile No.: 314-259-2447

If to Executive, to:

Michael Kaplan
6312 South Fiddler's Green Circle, Suite 200N
Greenwood Village, CO 80111
Facsimile No.: 303-846-6048

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.

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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/ Denny Marie

Post

Name: Denny Marie Post

Title: President and Chief Executive
Officer

EXECUTIVE:

/s/ Michael L.

Kaplan

Michael L. Kaplan

[Signature Page to Amended and Restated Employment Agreement (Kaplan)]

CEO CERTIFICATION

I, Denny Marie Post, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red Robin Gourmet Burgers, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 22, 2018

(Date)

/s/ Denny Marie Post

Denny Marie Post
Chief Executive Officer

CFO CERTIFICATION

I, Guy J. Constant, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red Robin Gourmet Burgers, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 22, 2018

(Date)

/s/ Guy J. Constant

Guy J. Constant
Chief Financial Officer

**Written Statement
Pursuant To
18 U.S.C. Section 1350**

In connection with the Quarterly Report of Red Robin Gourmet Burgers, Inc. (the "Company") on Form 10-Q for the period ended July 15, 2018, as filed with the Securities and Exchange Commission on August 22, 2018 (the "Report"), the undersigned, Denny Marie Post, Chief Executive Officer, and Guy J. Constant, Chief Financial Officer, of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (a) the Quarterly Report on Form 10-Q for the period ended July 15, 2018 of the Company (the "Periodic Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- (b) the information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 22, 2018

/s/ Denny Marie Post

Denny Marie Post
Chief Executive Officer

Dated: August 22, 2018

/s/ Guy J. Constant

Guy J. Constant
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Red Robin Gourmet Burgers, Inc. and will be retained by Red Robin Gourmet Burgers, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.