

CONDITIONAL REINSTATEMENT AGREEMENT

This Conditional Reinstatement Agreement (this "Agreement") is dated for reference purposes as of June 11, 2010, and is executed by and between LONG JOHN SILVER'S, INC., a corporation with its principal place of business at 1441 Gardiner Lane, Louisville, KY 40213 ("Franchisor"), SOUTHWEST SEAFOOD SHOPPES, LLC, a limited liability company with its principal place of business at 4321 N. Bear Claw Way, Tucson, Arizona 85749 ("Franchisee"), and JOHN WILLINGHAM, an individual with an address c/o Franchisee ("Guarantor").

Recitals:

- A. Franchisor and Franchisee executed six (6) Franchise Agreements, each governing the operations of a Long John Silver's restaurant (collectively, the "Restaurants", hereinafter further defined) at the locations set forth on Exhibit A annexed to this Agreement (together with all amendments thereto, including without limitation amendment by Letter Agreement dated as of September 28, 2009, the "Franchise Agreements", hereinafter further defined).
- B. Guarantor has executed and delivered to Franchisor guaranties of the Franchisee's performance under each of the Franchise Agreements (the "Guaranties").
- C. Franchisee defaulted under the Franchise Agreements by failing to pay royalties and advertising contributions due thereunder, entitling Franchisor to a variety of remedies under the Franchise Agreements and Guaranties, and Franchisor, by the letters described on Exhibit B attached hereto (the "Default Letters") provided to the Franchisee and Guarantor due notice of default and opportunity to cure such defaults as required by the Franchise Agreements and applicable law.
- D. After expiration of the applicable cure periods as referenced in the Default Letters, Franchisor, by letter dated March 31, 2010 ("Termination Letter"), terminated the Franchise Agreements.
- E. Franchisee, as of approximately April 2010, closed and ceased operations at Restaurant #7723, located at 1297 E. Fry Boulevard, Sierra Vista, Arizona (the "Sierra Vista Restaurant", with the defined terms "Restaurants" and "Franchise Agreements" including the Sierra Vista Restaurant and the franchise agreement governing its operations unless the context clearly requires otherwise).
- F. Franchisee and Guarantor have requested that Franchisor: forbear from enforcing its remedies under the Franchise Agreements and Guaranties; reinstate the Franchise Agreements; allow Franchisee to continue operations at the Restaurants (excluding the Sierra Vista Restaurant); and accept repayment of unpaid royalties and other sums over time, and Franchisor has agreed to do so on the terms and conditions set forth in this Agreement.

ACCORDINGLY, in consideration of the promises and the representations, warranties, covenants and agreements hereinafter set forth, the parties agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions.

(a) Capitalized terms used without definition herein shall have the respective meanings ascribed to them in the Franchise Agreements and the Guaranties.

(b) An "affiliate" of any person means another person or entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first person or entity.

ARTICLE II

STATUS OF FRANCHISE AGREEMENTS AND GUARANTIES

2.1 Acknowledgement of Indebtedness to Franchisor. Franchisee and Guarantor acknowledge and agree they are indebted to Franchisor and its affiliates as of the date of this Agreement in the amounts set forth of Exhibit C attached hereto.

2.2 Acknowledgement of Default and Termination. Franchisee and Guarantor acknowledge and agree that (a) Franchisee has defaulted, and remains in default, under the Franchise Agreements as outlined in Franchisor's Default Letters (the "Defaults"); (b) Franchisor has properly and effectively terminated the Franchise Agreements in accordance with their terms and applicable law pursuant to the Termination Letter (the "Termination"); (c) Franchisor is entitled to exercise any and all rights and remedies available under the Franchise Agreements, Guaranties and/or applicable law in connection with such Defaults and Franchisor is entitled to enforce the Terminations; (d) Franchisee and Guarantor have received (or to the extent they have not received, hereby waive any right to receive) any and all notices and opportunities to cure the Defaults due under the Franchise Agreements, Guaranties, and/or applicable law and any and all notices needed to effect the Termination; (e) Franchisee and Guarantor represent they have no offsets or defenses to, against or in connection with the Defaults or Termination or under any Franchise Agreement or the Guaranty, and each of Franchisee and Guarantor hereby knowingly waives any and all such defenses and offsets; and (f) neither Franchisor nor any person or entity purporting to act on its behalf has made any representation or offer in respect of the modification, amendment or reinstatement of the Franchise Agreements, withdrawal or rescission of the Termination or cure of the Defaults.

ARTICLE III

DISCUSSIONS

3.1 No Prejudice from Discussions. Guarantor and Franchisee shall cooperate with Franchisor and discuss and provide information regarding any and all aspects of the Franchisee's business relating to the Restaurants. All such discussions, meetings, and communications in connection therewith relating to the Franchise Agreements and occurring either before or after the date of this Agreement shall be privileged and without prejudice to any party to this

Agreement, and without exception, shall constitute settlement negotiations which shall not be introduced or admissible as evidence in any administrative, judicial or other proceeding without the express written consent of all of the parties to this Agreement. No action or proceeding of any kind (whether legal or equitable, whether based in tort, contract, or otherwise) may be brought by any of the parties to this Agreement against anyone based upon or relating to any discussions undertaken with reference to this Agreement.

3.2 No Obligations to Negotiate. Franchisee and Guarantor acknowledge and agree that Franchisor does not have any obligation to modify, amend or enter into negotiations with respect to the Franchise Agreements or the Guaranties. Franchisor may terminate or withdraw from discussions at any time and for any reason if it so elects, without notice or liability to any other party.

3.3 Only Written Agreements and Amendments. None of the parties shall be bound by or rely upon any agreement on any issues until (a) agreement is reached on all issues, and (b) the agreement on all issues has been reduced to a written agreement, signed and delivered by an authorized representative of each of the parties to this Agreement. Furthermore, in order to avoid any confusion or misunderstanding, each of the parties agrees that this Agreement may only be amended in writing, signed by Franchisee, Guarantor and Franchisor. Nothing in this Agreement shall be construed to impose any duty or obligation whatsoever upon any party to negotiate or enter into a settlement or agreement.

3.4 No Waivers or Estoppel. Franchisee and Guarantor agree that no failure to exercise and no delay in exercising any rights, remedies and powers under the Franchise Agreements or Guaranties or otherwise available at law or in equity shall operate as a waiver of any such rights, remedies or powers.

ARTICLE IV

FRANCHISEE REPRESENTATIONS AND WARRANTIES

4.1 Authority; Non-Contravention. Franchisee has the requisite corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby.

4.2 Use of Counsel. Franchisee acknowledges and represents that it (i) has fully and carefully read this Agreement prior to signing it, (ii) has been, or has had the opportunity to be, advised by independent legal counsel of its own choice at its own expense as to the legal effect and meaning of each of the terms and conditions of this Agreement, and (iii) is signing and entering into this Agreement as a free and voluntary act without duress.

ARTICLE V

FRANCHISEE'S OBLIGATIONS

5.1 Conditions. Franchisee and Guarantor jointly and severally agree to perform and to cause each other to perform each of the following, *TIME BEING OF THE ESSENCE* in all

respects, with each of the following constituting independent conditions precedent to Franchisor's performance under this Agreement:

(a) Franchisee and Guarantor shall execute and deliver to Franchisor the Promissory Note that is attached hereto as Exhibit D (the "Note") and shall timely and fully pay as and when due any and all amounts owing under the Franchise Agreements and the Note in strict accordance with their terms.

(b) Franchisee and Guarantor shall timely and fully comply with all of its other obligations under the Franchise Agreements, including all non-monetary and operational covenants (i.e., all obligations and undertakings to be performed under the Franchise Agreements which by their terms call for performance by means other than by the payment of money, even though nonperformance might be cured by the payment of money).

(c) Franchisee and Guarantor shall at their sole cost and expense de-identify the Sierra Vista Restaurant and perform all post-termination covenants under the Franchise Agreement applicable to the Sierra Vista Restaurant on or prior to thirty (30) days following the date of this Agreement. Franchisee and Guarantor shall on or prior to such date: (i) confirm in writing to Franchisor that they have timely and fully complied with such covenants; and (ii) provide to Franchisor photographic or other evidence acceptable to Franchisor substantiating such performance.

(d) Franchisee shall purchase and contract for the distribution within the Tucson market of at least twelve (12) (one (1) per month) Long John Silver's print advertisements per year for the duration of the term of the Franchise Agreements and any renewals thereof. Franchisor must approve all print advertisements in advance pursuant to the terms of the Franchise Agreements. Franchisee shall provide Franchisor with paid media invoices, publication affidavits, tear sheets, postal receipts and/or such other backup documentation as Franchisor shall reasonably request to establish it has complied with the foregoing requirements. Franchisee's payment for the print advertisements shall be entirely "out-of-pocket" and shall not be paid for nor reimbursed by any advertising contribution payments made by Franchisee under Section 6.02(a) of the Franchise Agreements and shall not be credited within nor accounted for per Franchisor's "Client Statement" advertising budget accounting convention.

(e) Commencing on January 1, 2012 and continuing thereafter for the duration of the term of the Franchise Agreements and any renewals thereof, Franchisee shall purchase and contract for the airing of local television advertisements for its Long John Silver's business in and for the Tucson market, and Franchisee shall spend at least three percent (3%) of its Gross Receipts per year from each Restaurant for such media purchases. Franchisee shall provide Franchisor with paid media invoices, station affidavits, scripts and/or such other backup documentation as Franchisor shall reasonably request to establish it has complied with the foregoing requirements. Franchisor must approve all television advertisements in advance pursuant to the terms of the Franchise Agreements. Franchisee's payment for the local television advertisements shall be entirely "out-of-pocket" and shall not be paid for nor reimbursed by any advertising contribution payments made by Franchisee under Section 6.02(a) of the Franchise

Agreements and shall not be credited within nor accounted for per Franchisor's "Client Statement" advertising budget accounting convention.

(f) Franchisee shall not commence any judicial proceedings against or involving Franchisor, including arbitration or mediation proceedings, or formal or informal proceedings for the dissolution or rehabilitation of Franchisee.

ARTICLE VI

ADDITIONAL AGREEMENTS

6.1 Forbearance; Royalty and Advertising Reduction. Subject to the terms of this Agreement and so long as Franchisee and Guarantor shall have complied with those terms, Franchisor agrees as follows, but only until the date upon which any of the conditions and obligations set forth in Section 5.1 above is not satisfied by the date required:

(a) Franchisor shall conditionally reinstate the Franchise Agreements excluding, however, the franchise agreement for the Sierra Vista Restaurant, under which Franchisee remains obligated to perform post-termination covenants.

(b) Franchisor shall forbear from commencing any judicial proceedings to enforce the prior Terminations of the Franchise Agreements.

(c) The parties agree that:

(i) the Franchise Agreements shall be deemed amended so that commencing with the royalty payment due under Section 6.01(a) of the Franchise Agreements on July 20, 2009, and continuing through the payment due on July 20, 2010, inclusive ("Royalty Reduction Period"), the royalty rate shall be reduced from five percent (5%) to four percent (4%) of Franchisee's Gross Receipts as defined in Section 6.03 of the Franchise Agreements. Franchisor shall, upon Franchisee's request, consider extending the Royalty Reduction Period in six (6)-month increments. Franchisee and Guarantor acknowledge and agree that any extension of the royalty Reduction Period shall be in Franchisor's sole discretion. Franchisor's agreement to reduce the royalty rate for the Royalty Reduction Period and to consider extending that Period is conditioned upon the Franchisee having complied with all of its monetary and nonmonetary covenants under the Franchise Agreements and this Agreement.

(ii) The parties acknowledge and agree that the foregoing amendment gives retroactive effect to the amendatory language in Paragraph 1 of the Letter Agreement dated September 28, 2009 and ratifies Franchisee's payment of a reduced royalty commencing on July 20, 2009, rather than October 20, 2009 as per the Letter Agreement, and it extends the royalty Reduction Period through July 20, 2010 rather than having it expire on March 20, 2010 as per the Letter Agreement.

(d) The parties further agree that:

(i) the Franchise Agreements shall be deemed amended so that Commencing with the advertising contribution payment due under Section 6.02(a) of the

Franchise Agreements on July 20, 2009, and continuing for a period of ten (10) years thereafter, or on the date that term of each Franchise Agreement expires, whichever shall first occur ("Advertising Contribution Reduction Period"), the advertising contribution rate shall be reduced from five percent (5%) to four percent (4%) of Franchisee's Gross Receipts as defined in Section 6.03 of the Franchise Agreements. Franchisor's agreement to reduce the advertising contribution rate for the Advertising Contribution Reduction Period is conditioned upon the Franchisee having complied with all of its monetary and nonmonetary covenants under the Franchise Agreements and this Agreement.

(ii) The parties acknowledge and agree that the foregoing amendment gives retroactive effect to the amendatory language in Paragraph 2 of the Letter Agreement dated September 28, 2009 and ratifies Franchisee's payment of a reduced advertising contribution commencing on July 20, 2009, rather than October 20, 2009, as per the Letter Agreement.

(e) The parties intend and agree that each of the Franchise Agreements, the Note and this Agreement shall be cross-defaulted with one another. In the event that Franchisee fails to timely or fully perform any of the conditions or obligations under this Agreement, the Note or any of the Franchise Agreements, then this agreement and the Franchise Agreements shall thereupon terminate upon notice, but without the necessity of any further act, by Franchisor and Franchisor shall have available to it all additional remedies under this Agreement, the Franchise Agreements and such other legal and equitable remedies available under applicable law. Further, Franchisee and Guarantor agree that in the event of a default, Franchisor shall be entitled to recover from Franchisee and Guarantor as damages, and without limitation, (whether awarded as unpaid amounts, liquidated damages or lost royalty or other income or profits) the full amount of royalties and advertising contributions calculated at the rate set forth in the Franchise Agreements without giving effect to the reductions contemplated by this Agreement. A breach of or default under this Agreement or the Franchise Agreements shall constitute an event of default under the Note.

6.2 Consideration to Franchisor. Franchisee and Guarantor agree that, in consideration of the forbearance of Franchisor from currently exercising its rights and remedies to terminate or to commence judicial proceedings to enforce the provisions of the Franchise Agreements and the Guaranties and other benefits and consideration that Franchisee is receiving under this Agreement, the value and sufficiency of which are expressly acknowledged by Franchisee, in the event Franchisee or either Guarantor shall (i) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the U.S. Code, as amended (the "Bankruptcy Code"), (ii) be the subject of any order or relief issued under the Bankruptcy Code, (iii) file or be the subject of any petition seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, rehabilitation or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief for debtors, (iv) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, rehabilitator, or liquidator, or (v) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, rehabilitation, or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief for debtors, then, subject to court approval, Franchisor shall thereupon be entitled and Franchisee and Guarantor irrevocably consent to relief from any

automatic stay imposed by Section 362 (or and successor provision) of the Bankruptcy Code, or otherwise, on or against the exercise of the rights and remedies otherwise available to Franchisor and Franchisee and Guarantor hereby irrevocably waive their rights to object to such relief and agrees that the recitals and representations contained in this Agreement shall operate as judicial admissions binding on Franchisee and Guarantor in connection with any request by Franchisor for relief from any such automatic stay.

6.3 Confidentiality. Franchisee and Guarantor and their present and prospective affiliates, and their respective directors, officers, employees, agents or advisors (including, without limitation, attorneys, accountants, consultants, financial advisors and equity holders) (collectively, "Representatives"), agree to treat, with the utmost strictest confidence, and not to disclose in any manner whatsoever, in whole or in part, the terms of this Agreement, the fact that this Agreement exists, the negotiations and discussions leading up to this Agreement, and any other information relating to this Agreement (collectively, the "Confidential Information"). The Confidential Information shall not, without the prior written consent of Franchisor, be disclosed to any person or entity other than Franchisee's Representatives who need to know such information for the purpose of providing legal or financial advice to the Franchisee (and in those instances only to the extent justifiable by that need), who are informed by Franchisee of the confidential nature of the Confidential Information and who are provided with a copy of this Section 6.3 and agree to be bound by the terms hereof. Notwithstanding the foregoing, Franchisee and its representatives shall not, under any circumstances, disclose the Confidential Information to any other franchisee of Franchisor or franchisees of any affiliates of Franchisor. In any event, Franchisee shall be responsible for any breach of this Agreement by any of Franchisee's Representatives for prohibited or unauthorized disclosure or use of the Confidential Information, and Franchisee agrees, at its sole expense, to take all reasonable measures to restrain its Representatives from prohibited or unauthorized disclosure or use of the Confidential Information. In the event that Franchisee or its Representatives are requested pursuant to, or required by, applicable law or regulation or by legal process to disclose any Confidential Information, Franchisee agrees that it will provide Franchisor with prompt written notice (and copies, if applicable) of such request or requirement in order to enable Franchisor to seek an appropriate protective order or other remedy, to consult with Franchisee with respect to Franchisor taking steps to resist or narrow the scope of such request or legal process, or to waive compliance, in whole or in part, with the terms of this Section 6.3 of the Agreement. In any such event, Franchisee and its Representatives agree to (i) furnish only that portion of the Confidential Information for which Franchisor has waived compliance or for which Franchisee is advised by counsel is legally required to be furnished and (ii) use their reasonable best efforts to ensure that all Confidential Information and other information that is so disclosed will be accorded confidential treatment. Immediately upon termination of this Agreement, or at any time upon the request of Franchisor, Franchisee and its Representatives shall promptly deliver to Franchisor all written material containing or reflecting any Confidential Information (including all copies, extracts or other reproductions in whole or in part) and agree to destroy all documents, memoranda, notes and other writings whatsoever (including all copies, extracts or other reproductions in whole or in part) prepared by Franchisee or its Representatives based on the Confidential Information. Upon the written request of Franchisor, Franchisee shall certify in writing to Franchisor Franchisee's destruction of such documents, memoranda, notes and other writings. Notwithstanding the return or destruction of the Confidential Information, Franchisee and its Representatives will continue to be bound by the obligations imposed by this Section 6.3.

It is further understood and agreed that money damages would not be a sufficient remedy for any breach of this Agreement by Franchisee or its Representatives, and that Franchisor would be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach. Such remedy shall not be deemed to be the exclusive remedy for Franchisee's or its Representatives' breach of this Agreement, but shall be in addition to all other remedies available at law or equity to Franchisor. Franchisee shall be responsible to pay or reimburse Franchisor for any costs and expenses (including reasonable attorney's fees and costs) incurred by Franchisor in connection with the enforcement of this Section 6.3 if it is determined that Franchisee or its Representatives has breached this Section 6.3.

ARTICLE VII

RELEASE

7.1 Release. Franchisee and Guarantor, each on behalf of itself and each of their Affiliates, hereby releases and forever discharges Franchisor and each of its past, present and future Representatives, affiliates, parent companies, employees controlling persons, subsidiaries, successors and assigns (individually, a "Releasee" and collectively, "Releasees") from any and all claims, demands, proceedings, causes of action, suits, liens, losses, costs, expenses, orders, obligations, contracts, debts and liabilities of any kind, character or nature whatsoever, whether known or unknown, suspected or unsuspected, asserted or unasserted, fixed or contingent, both at law and in equity, that Franchisee, Guarantor or any of their Affiliates now has, has ever had, or may hereafter have arising contemporaneously with or prior to the date of this Agreement or on account of or arising out of any matter, cause or event occurring contemporaneously with or prior to the date of this Agreement; *provided, however*, that nothing contained herein shall operate to release any obligations of the Franchisee arising under the Franchise Agreements or Guarantor arising under the Guaranty after the date of this Agreement. Franchisee and Guarantor hereby irrevocably covenant to refrain from, directly or indirectly, asserting any claim or demand, or commencing, instituting or causing to be commenced, any proceeding of any kind against any Releasee, based upon any matter purported to be released hereby.

7.2 Indemnification. Without in any way limiting any of the rights and remedies otherwise available to any Releasee, Franchisee and Guarantor jointly and severally shall indemnify, defend and hold harmless each Releasee from and against all loss, liability, claim, damage (including incidental and consequential damages) or expense (including costs of investigation and defense and reasonable attorney's fees) whether or not involving third party claims, arising directly or indirectly from or in connection with the operation of the Restaurants, the Franchise Agreement, the Guaranties, or any matter embraced by or contemplated by this Agreement or the parties' franchise relationship.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Binding Effect, Etc. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all

or substantially all of the business and/or assets of either party), spouses, heirs, executors and personal and legal representatives.

8.2 Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired and shall remain enforceable to the fullest extent permitted by law.

8.3 Survival. The provisions of Sections 6.2, 6.3 and Article VII shall remain in full force and effect and shall survive any termination of this Agreement.

8.4 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by telecopier (with written confirmation of receipt) or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses and telecopier numbers set forth below (or to such other addresses and telecopier numbers as a party may designate by notice to the other parties):

Franchisor:

Long John Silver's, Inc.
1441 Gardiner Lane
Louisville, KY 40213
Attention: General Counsel

Franchisee and Guarantor:

Southwest Seafood Shoppes, LLC
Attn: John Willingham
4321 N. Bear Claw Way
Tucson, AZ 85749

8.5 Section Headings. The headings of sections in this Agreement are provided for convenience only and will not affect its construction or interpretation.

8.6 Certain Interpretive Matters. No provision of this Agreement shall be interpreted in favor of, or against, either of the parties hereto by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof.

8.7 Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Kentucky without regard to conflicts of laws principles.

8.8 Consent to Personal Jurisdiction in Kentucky. As further consideration for Franchisor's agreement to enter into this Agreement, Franchisee and Guarantor agree that any

action arising from or out of this Agreement must be brought exclusively in the Commonwealth of Kentucky and Franchisee and Guarantor consent to personal jurisdiction in Kentucky for all purposes.


8.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. Delivery of a signed counterpart by facsimile transmission will constitute a party's due execution and delivery of this Agreement.

8.10 Franchise Agreement Provisions. The parties agree that all provisions of the Franchise Agreements that are not inconsistent with or contemplated to be amended by the provisions hereof shall apply to this agreement, including without limitation the notices (Section 15.10), governing law and jurisdiction (Section 15.02) and similar provisions.

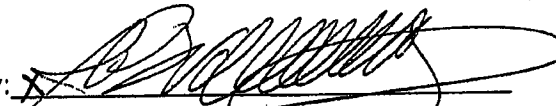
8.11 No Assignment. Franchisee and Guarantor agree that the benefits contemplated to be provided of this Agreement are personal to them and shall become null and void and of no further force and effect in the event of a transfer (as defined in Section 13.02(a) of the Franchise Agreements) of any Franchise Agreement, including any transfer to which Franchisor may consent.

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

**FRANCHISOR:
LONG JOHN SILVER'S INC.**

By: 
Title: Vice President

**FRANCHISEE:
SOUTHWEST SEAFOOD
SHOPPES, LLC**

By: 
Title: Managing Member

GUARANTOR:



JOHN WILLINGHAM

EXHIBIT A

[The Restaurant Locations – Recital A]

Store ID #	Store Address	City	State
07459	4105 N Oracle Road	Tucson	AZ
07555	7120 E Broadway	Tucson	AZ
07606	4030 E 22 nd Street	Tucson	AZ
07705	3700 S 6 th Avenue	Tucson	AZ
07723	1297 E Fry Boulevard	Sierra Vista	AZ
07919	4640 W Ina Road	Tucson	AZ

EXHIBIT B

Default Letter dated October 29, 2009

Default Letter dated December 16, 2009

Default Letter dated January 14, 2010

Default Letter dated February 22, 2010

EXHIBIT C

[Indebtedness to Franchisor – Section 2.1]

Month Owed	Sales Reported	Royalty Owed	Advertising Owed	Total Owed (Royalties plus Advertising)
August 2009	\$224,917	\$8,996.68	\$8,996.68	\$17,993.36
September 2009	\$175,948	\$7,037.92	\$7,037.92	\$14,075.84
October 2009	\$182,922	\$7,316.88	\$7,316.88	\$14,633.76
November 2009	\$175,855	\$7,034.20	\$7,034.20	\$14,068.40
December 2009	\$194,364	\$7,774.56	\$7,774.56	\$15,549.12
January 2010	\$211,158	\$8,446.32	\$8,446.32	\$16,892.64
February 2010	\$329,093	\$13,163.72	\$13,163.72	\$26,327.44
March 2010	\$343,147	\$13,725.88	\$13,725.88	\$27,451.76
TOTAL	\$1,837,404	\$73,496.16	\$73,496.16	\$146,992.32

EXHIBIT D

[The Note – Section 5.1(a) – see following page]

PROMISSORY NOTE

\$146,992.32

LOUISVILLE, KENTUCKY

June 2, 2010

For value received, the undersigned ("Maker(s)") promise to pay Long John Silver's, Inc. ("Payee"), a Delaware corporation having its principal place of business at 1441 Gardiner Lane, Louisville, Jefferson County, Kentucky 40213, the principal sum of \$146,992.32 (One Hundred Forty-Six Thousand Nine Hundred Ninety-Two Dollars and Thirty-Two Cents). The payments due hereunder shall be payable at the Payee's principal place of business address as set forth herein.

This Promissory Note (this "Note") is issued pursuant to a certain Conditional Reinstatement Agreement dated June 11, 2010 by and among Makers and Payee (the "Reinstatement Agreement"), and shall be payable in sixty (60) uneven consecutive monthly installments of principal in the amounts set forth on Schedule D-1, on the first day of each month, beginning July 1, 2010, and with a final installment of \$1,192.32 due on June 1, 2015 ("Maturity Date").

All principal installments that are not paid in full on the due date shall thereupon and thereafter bear interest from the due date (or date of prior acceleration upon sale or transfer) at the rate of 10% (ten percent) per annum. Principal and interest shall be payable in lawful money of the United States.

This Note is issued pursuant to, and is subject to all the terms and conditions of the Reinstatement Agreement, with capitalized terms used in this Note without definition having the meanings assigned to those terms in the Reinstatement Agreement.

The occurrence of any of the following shall constitute an "Event of Default."

- (a) Default in the payment of any amount owed on this Note when due, or in the performance of any other obligation of Makers hereunder pursuant to the terms hereof.
- (b) Default occurring in the performance of any obligation contained in the Reinstatement Agreement, any Franchise Agreement, any Guaranty or any other agreement, or any amendment thereof or addendum thereto, by or between any Maker or any Maker's affiliate and Payee, or any affiliate of Payee, including, without limitation, Yum Brands, Inc. or any of its direct or indirect subsidiaries.

Upon the occurrence of any such Event of Default, and the Makers' failure to cure such Event of Default within (i) five (5) days thereafter if the default is in the payment of any installment when due hereunder; or (ii) ten (10) days after receipt by Makers of written notice if the default is the failure to perform or the breach of covenants, representations, warranties, agreements or other such non-monetary defaults, then at the option of Payee, the entire unpaid balance of principal on this Note, together with all accrued interest thereon, shall be immediately due and payable. Any Event of Default under this Note that is not cured within the foregoing

grace periods shall, without further notice, be deemed a default and a cause for immediate termination under the Reinstatement Agreement, any Franchise Agreement, any Guaranty or any other agreement, or any amendment thereof or addendum thereto, by or between any Maker or any Maker's affiliate and Payee, or any affiliate of Payee.

In the event that any installment payable hereunder is not paid when due, then in addition to all other rights set forth herein, Payee shall have the right, commencing fifteen (15) days after the due date for such payment, to collect a late charge equal to not more than four percent (4%) of the delinquent payment. The right to collect such late charge shall be in addition to all other rights granted to Payee hereunder.

If any installment herein provided for, either of principal or interest, is not paid at maturity, then such owner or holder may, at its or his option, without notice or demand, declare the unpaid balance of principal and interest on this Note at once due or payable.

Each Maker hereof and any and all endorsers, guarantors and sureties severally waive demand, presentment for payment, notice of dishonor or default, protest and notice of protest, diligence in collecting and bringing suit against any party hereto and agree to all renewals, extensions or partial payments and to any release or substitution of security herefor in whole or in part, with or without notice, before or after maturity.

The holder of this Note shall have the right at any time to set off the same amount that either the Makers, endorser or guarantor shall have on deposit with it, whether such deposit be special or general, whether the said Note is then due or not.

All agreements by the Makers hereof are hereby expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed to be paid, to the holder hereof for the use, forbearance, or detention of the money to be loaned hereunder exceed the maximum amount permissible under applicable law or be deemed usurious. If, from any circumstances whatsoever, fulfillment of any provision hereof at the time performance of such provision shall be due shall involve transcending the limit of validity prescribed by law or be deemed usurious, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any circumstances the holder hereof should ever receive as interest an amount that would exceed the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing hereunder and not to the payment of interest.

If this Note is not paid when due or if an Event of Default occurs, Makers promise to pay all costs of collection, including, but not limited to, reasonable attorneys' fees incurred by Payee on account of such collection whether or not suit is filed hereon.

Makers consent to any extension of time for the payment hereof, release of all or any part of the security for the payment hereof or release of any party liable for this obligation. Any such extension or release may be made without notice to Makers and without discharging their liability.

Reference in this Note to "Payee" shall mean the original Payee hereunder so long as such Payee shall be the holder of this Note and thereafter shall mean any subsequent holder of this Note.

Time is of the essence of each obligation of Makers hereunder.

Neither delay or omission on the part of Payee in exercising any rights hereunder or under the terms of any instrument given to secure this Note nor the acceptance by the Payee of any late or non-conforming payments hereunder, shall operate as a waiver of such right or of any other right hereunder or under said instruments.

This Promissory Note and all obligations hereunder are payable and performable in Louisville, Jefferson County, Kentucky and this Promissory Note shall be construed and governed by the laws of the Commonwealth of Kentucky. This Promissory Note is given in consideration of the forbearance of Payee from instituting legal action for collection of the debt evidenced hereby.

This Note is executed in and shall be governed in accordance with the laws of the Commonwealth of Kentucky as to interpretation, validity, performance and enforcement. Should any action at law or in equity be brought by Payee to secure or protect its rights under this Note, such action shall be brought in the United States District Court for the Western District of Kentucky, or, if said court does not have subject matter jurisdiction, then such action shall be brought in the appropriate state court in the City of Louisville and County of Jefferson, Kentucky.

If the Makers or any of them shall sell, assign, convey, transfer, encumber or alienate any interest under any Franchise Agreement and/or the restaurant property and/or related assets described in any Franchise Agreement, or any part thereof, or any interest therein, or if the Makers or any of them shall be divested of title or any interest therein in any manner of way, whether voluntarily or involuntarily, without Payee's prior written consent or in contravention of the Reinstatement Agreement or any Franchise Agreement, the same shall be an Event of Default and Payee shall have the right, at its option and without notice or demand, to declare any indebtedness or obligations evidenced hereby, irrespective of the Maturity Date specified in this Note, immediately due and payable.

In the event that Makers shall fully and timely pay the installments due hereunder for a period of twelve (12) consecutive months (on a non-cumulative basis with no double counting), then upon Makers' prior written request, Payee shall credit the sum of \$10,000.00 against the principal amount then due hereunder for each such twelve (12) consecutive month period of such full and timely performance by Makers, not to exceed a credit of \$40,000.00. Provided, however, that such credit shall be revoked without notice and of no further force or effect in the event that Maker defaults at any time after receiving such credit and Payee accelerates the indebtedness due hereunder.

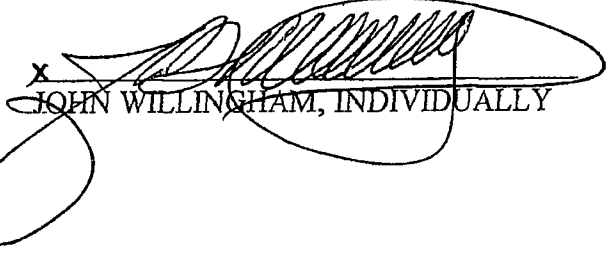
The Makers executed this Note as of the date set forth above.

[Signatures Next Page]

**SOUTHWEST SEAFOOD SHOPPES,
LLC**

BY: 

TITLE: Managing Member


JOHN WILLINGHAM, INDIVIDUALLY

SCHEDULE D-1

Loan Amount	\$146,992
Annual Interest	0%
Term (Years)	5
Start Date	7/1/2010

Month	Date	Beg Balance	Flat Payment	End Balance
1	7/1/2010	\$ 146,992.32	\$ 1,000.00	\$ 145,992.32
2	8/1/2010	\$ 145,992.32	\$ 1,000.00	\$ 144,992.32
3	9/1/2010	\$ 144,992.32	\$ 1,000.00	\$ 143,992.32
4	10/1/2010	\$ 143,992.32	\$ 1,000.00	\$ 142,992.32
5	11/1/2010	\$ 142,992.32	\$ 2,000.00	\$ 140,992.32
6	12/1/2010	\$ 140,992.32	\$ 2,000.00	\$ 138,992.32
7	1/1/2011	\$ 138,992.32	\$ 2,000.00	\$ 136,992.32
8	2/1/2011	\$ 136,992.32	\$ 3,000.00	\$ 133,992.32
9	3/1/2011	\$ 133,992.32	\$ 10,000.00	\$ 123,992.32
10	4/1/2011	\$ 123,992.32	\$ 5,000.00	\$ 118,992.32
11	5/1/2011	\$ 118,992.32	\$ 1,000.00	\$ 117,992.32
12	6/1/2011	\$ 117,992.32	\$ 1,000.00	\$ 116,992.32
13	7/1/2011	\$ 116,992.32	\$ 1,000.00	\$ 115,992.32
14	8/1/2011	\$ 115,992.32	\$ 1,000.00	\$ 114,992.32
15	9/1/2011	\$ 114,992.32	\$ 1,000.00	\$ 113,992.32
16	10/1/2011	\$ 113,992.32	\$ 1,000.00	\$ 112,992.32
17	11/1/2011	\$ 112,992.32	\$ 2,000.00	\$ 110,992.32
18	12/1/2011	\$ 110,992.32	\$ 2,000.00	\$ 108,992.32
19	1/1/2012	\$ 108,992.32	\$ 2,000.00	\$ 106,992.32
20	2/1/2012	\$ 106,992.32	\$ 3,000.00	\$ 103,992.32
21	3/1/2012	\$ 103,992.32	\$ 10,000.00	\$ 93,992.32
22	4/1/2012	\$ 93,992.32	\$ 5,000.00	\$ 88,992.32
23	5/1/2012	\$ 88,992.32	\$ 1,000.00	\$ 87,992.32
24	6/1/2012	\$ 87,992.32	\$ 1,000.00	\$ 86,992.32
25	7/1/2012	\$ 86,992.32	\$ 1,000.00	\$ 85,992.32
26	8/1/2012	\$ 85,992.32	\$ 1,000.00	\$ 84,992.32
27	9/1/2012	\$ 84,992.32	\$ 1,000.00	\$ 83,992.32
28	10/1/2012	\$ 83,992.32	\$ 1,000.00	\$ 82,992.32
29	11/1/2012	\$ 82,992.32	\$ 2,000.00	\$ 80,992.32
30	12/1/2012	\$ 80,992.32	\$ 2,000.00	\$ 78,992.32

SCHEDULE D-1 (cont.)

Month	Date	Beg Balance	Flat Payment	End Balance
31	1/1/2013	\$ 78,992.32	\$ 2,000.00	\$ 76,992.32
32	2/1/2013	\$ 76,992.32	\$ 3,000.00	\$ 73,992.32
33	3/1/2013	\$ 73,992.32	\$ 10,000.00	\$ 63,992.32
34	4/1/2013	\$ 63,992.32	\$ 5,000.00	\$ 58,992.32
35	5/1/2013	\$ 58,992.32	\$ 1,000.00	\$ 57,992.32
36	6/1/2013	\$ 57,992.32	\$ 1,000.00	\$ 56,992.32
37	7/1/2013	\$ 56,992.32	\$ 1,000.00	\$ 55,992.32
38	8/1/2013	\$ 55,992.32	\$ 1,000.00	\$ 54,992.32
39	9/1/2013	\$ 54,992.32	\$ 1,000.00	\$ 53,992.32
40	10/1/2013	\$ 53,992.32	\$ 1,000.00	\$ 52,992.32
41	11/1/2013	\$ 52,992.32	\$ 2,000.00	\$ 50,992.32
42	12/1/2013	\$ 50,992.32	\$ 2,000.00	\$ 48,992.32
43	1/1/2014	\$ 48,992.32	\$ 2,000.00	\$ 46,992.32
44	2/1/2014	\$ 46,992.32	\$ 3,000.00	\$ 43,992.32
45	3/1/2014	\$ 43,992.32	\$ 10,000.00	\$ 33,992.32
46	4/1/2014	\$ 33,992.32	\$ 5,000.00	\$ 28,992.32
47	5/1/2014	\$ 28,992.32	\$ 1,000.00	\$ 27,992.32
48	6/1/2014	\$ 27,992.32	\$ 1,000.00	\$ 26,992.32
49	7/1/2014	\$ 26,992.32	\$ 1,000.00	\$ 25,992.32
50	8/1/2014	\$ 25,992.32	\$ 1,000.00	\$ 24,992.32
51	9/1/2014	\$ 24,992.32	\$ 1,000.00	\$ 23,992.32
52	10/1/2014	\$ 23,992.32	\$ 1,000.00	\$ 22,992.32
53	11/1/2014	\$ 22,992.32	\$ 2,000.00	\$ 20,992.32
54	12/1/2014	\$ 20,992.32	\$ 2,000.00	\$ 18,992.32
55	1/1/2015	\$ 18,992.32	\$ 2,000.00	\$ 16,992.32
56	2/1/2015	\$ 16,992.32	\$ 3,000.00	\$ 13,992.32
57	3/1/2015	\$ 13,992.32	\$ 10,000.00	\$ 3,992.32
58	4/1/2015	\$ 3,992.32	\$ 1,000.00	\$ 2,992.32
59	5/1/2015	\$ 2,992.32	\$ 1,000.00	\$ 1,992.32
60	6/1/2015	\$ 1,992.32	\$ 1,992.32	\$ 0.00
		\$ 146,992.32		

AMENDMENT TO CONDITIONAL REINSTATEMENT AGREEMENT

This Amendment to Conditional Reinstatement Agreement (this "Amendment") is dated for reference purposes as of **AUG 29 2010**, 2010, and is executed by and between LONG JOHN SILVER'S, INC., a corporation with its principal place of business at 1441 Gardiner Lane, Louisville, KY 40213 ("Franchisor"), SOUTHWEST SEAFOOD SHOPPES, LLC, a limited liability company with its principal place of business at 4321 N. Bear Claw Way, Tucson, Arizona 85749 ("Franchisee"), and JOHN WILLINGHAM, an individual with an address c/o Franchisee ("Guarantor").

Recitals:

- A. Franchisor and Franchisee executed six (6) Franchise Agreements, each governing the operations a Long John Silver's restaurant (collectively, the "Restaurants", hereinafter further defined) at the locations set forth therein (together with all amendments thereto, including without limitation amendment by Letter Agreement dated as of September 28, 2009, the "Franchise Agreements").
- B. Guarantor has executed and delivered to Franchisor guaranties of the Franchisee's performance under each of the Franchise Agreements (the "Guaranties").
- C. Franchisee defaulted under the Franchise Agreements and Franchisor, after giving due notice and an opportunity to cure the defaults, terminated the Franchise Agreements by letter dated March 31, 2010 ("Termination Letter").
- D. By Conditional Reinstatement Agreement dated as of June 11, 2010 ("Reinstatement Agreement") Franchisor agreed to conditionally reinstate the Franchise Agreements on the terms set forth therein.
- E. Section 6.1(c)(i) of the Reinstatement Agreement provided for a temporary reduction in royalty payments otherwise due under Section 6.01(a) of the Franchise Agreements, and the parties have agreed, also pursuant to Section 6.1(c)(i) of the Reinstatement Agreement, that the royalty reduction shall be further temporarily extended on the terms and conditions set forth in this Amendment

ACCORDINGLY, in consideration of the promises and the representations, warranties, covenants and agreements hereinafter set forth, the parties agree and amend the Reinstatement Agreement as follows:

1. Construction. Capitalized terms used without definition herein shall have the respective meanings ascribed to them in the Reinstatement Agreement, the Franchise Agreements and the Guaranties. In the event that the terms of this Amendment conflict with any terms in the Reinstatement Agreement, the terms of this Amendment shall control.
2. Extension of Royalty Reduction Period; Cross Default. (a) The parties agree that, as contemplated by Section 6.1(c)(i) of the Reinstatement Agreement, the Franchise Agreement amendment effecting a reduction in royalty rate from five percent

(5%) to four percent (4%) of Franchisee's Gross Receipts shall continue for and during an extended Royalty Reduction Period, which shall commence with the royalty payment due August 20, 2010 and continue through the payment due January 20, 2011. Franchisee acknowledges and agrees that the foregoing extension of the Royalty Reduction Period was effected per Franchisor's sole discretion and accordingly, Franchisor may discontinue the royalty reduction at any time in its sole discretion upon notice to Franchisee. Without limiting the generality of the foregoing, the royalty reduction: (i) is conditioned upon Franchisee having complied with all of its monetary and nonmonetary covenants under the Franchise Agreements and the Reinstatement Agreement; and (ii) is conditioned upon the continuing truth and accuracy of Franchisee's representations to Franchisor that it has so complied with such covenants.

(b) The parties acknowledge that the Reinstatement Agreement, as amended hereby, is cross-defaulted with the Promissory Note and the Franchise Agreements. Accordingly, in the event that Franchisee fails to timely or fully perform any of the conditions or obligations under the Reinstatement Agreement, the Promissory Note or any of the Franchise Agreements, then the Reinstatement Agreement and the Franchise Agreements shall thereupon terminate upon notice, but without the necessity of any further act by Franchisor, and Franchisor shall have available to it all additional remedies under the Reinstatement Agreement, the Franchise Agreements and such other legal and equitable remedies available under applicable law. Further, Franchisee and Guarantor agree that in the event of a default, Franchisor shall be entitled to recover from Franchisee and Guarantor as damages, and without limitation, (whether awarded as unpaid amounts, liquidated damages or lost royalty or other income or profits) the full amount of royalties and advertising contributions calculated at the rate set forth in the Franchise Agreements without giving effect to the reductions contemplated by the Reinstatement Agreement. A breach of or default under the Reinstatement Agreement or the Franchise Agreements shall constitute an event of default under the Promissory Note.

3. No Extension of Time for Performance. Franchisee and Guarantor acknowledge and agree that TIME IS OF THE ESSENCE in Franchisee's performance of each and every obligation under the Reinstatement Agreement, Promissory Note and Franchise Agreements and that the time for such performance shall not be extended nor tolled by reason of this Amendment.

4. Ratification. Franchisee and Guarantor ratify and reaffirm the Reinstatement Agreement and each and every provision thereof, the same having been amended only as specifically set forth herein. For avoidance of doubt, Franchisee and Guarantor hereby remake all of the agreements and all of the representations made in the Reinstatement Agreement as if the provisions containing such agreements and representations were fully set forth herein. None of Franchisee's or Guarantor's agreements or representations shall be diminished by the execution of this Amendment.

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

[Signatures Next Page]

**FRANCHISOR:
LONG JOHN SILVER'S INC.**

By:
Title: Vice President

**FRANCHISEE:
SOUTHWEST SEAFOOD
SHOPPES, LLC**

By:
John Willingham
Title: Managing Member

GUARANTOR:

JOHN WILLINGHAM