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06-16-1998

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Tab settings

To the Honorable Commissioner of

100738758

See attached original documents or copy thereof.

1. Name of conveying party(ies): Bojangles' International, LLC 9432 Southern Pine Boulevard Charlotte; NC 28273

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State, Other Delaware Limited Liability Company

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: March 31, 1998

2. Name and address of receiving party(ies)

Name: Franchise Mortgage Acceptance Company

Internal Address:

Street Address: Five Greenwich Office Park

City: Greenwich State: CT ZIP: 06831

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State Delaware, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s) See the attached Participation and Guaranty Agreement, Schedule 4.12 thereto

B. Trademark Registration No.(s) See the attached Participation and Guaranty Agreement, Schedule 4.12 thereto

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Franchise Mortgage Acceptance Company

Internal Address:

Street Address: Five Greenwich Office Park

City: Greenwich State: CT ZIP: 06831

6. Total number of applications and registrations involved: 44

7. Total fee (37 CFR 3.41).....\$ 1,115.

- Enclosed, Additional fees are, Authorized to be charged to deposit account

8. Deposit account number:

04-0952

(Attach duplicate copy of this page if paying by deposit account)

06/16/1998 DC04TES 00000067 1124591 40.00 OP 1075.00 OP

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

W. Glenn Gullede, President of Bojangles', Inc., Manager of

Signature of W. Glenn Gullede

March 31, 1998

Date

Name of Person Signing Bojangles' International, LLC

Signature

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**SCHEDULE A
FEDERAL TRADEMARK REGISTRATIONS**

<u>Name</u>	<u>Registration No.</u>	<u>Date</u>
BOJANGLES' FRIED CHICKEN	1,124,591	8/28/79
BOJANGLES' & Design	1,185,003	1/5/82
BOJANGLES	1,214,458	10/26/82
BOJANGLES' CAJUN PINTOS	1,218,514	11/30/82
BOJANGLES' DIRTY RICE	1,219,347	12/7/82
BOJ & Design	1,271,955	3/27/84
BOJANGLES' FAMOUS CHICKEN 'N BISCUITS	1,271,956	3/27/84
BOJANGLES' CAJUN SPICED CHICKEN	1,177,496	11/10/81
IT'S CAJUN SPICED	1,175,371	10/27/81
COME FOR SUNDAY COOKIN' ANYTIME	1,405,335	8/12/86
FAST FOOD BLUES	1,405,336	8/12/86
CINNAMON TWIST & Design	1,418,509	11/25/86
EGG BO BISCUIT	1,386,213	3/11/86
BOJANGLES' & Design	1,426,710	1/27/87
WHEN YOU'RE READY FOR FLAVOR	1,428,883	2/10/87
BO TO GO & Design	1,503,173	9/6/88
BO-TO-GO	1,488,726	5/17/88
BO-JRS.	1,509,435	10/18/88
BO-JRS & Design	1,509,436	10/18/88
BO-TATO ROUNDS	1,496,914	7/19/88
THERE'S ALWAYS SOMETHING HAPPENIN' AT THE BO	1,505,350	9/20/88
COOKIN' LIKE NEVER BEFORE	1,635,144	2/12/91
BISCUIT BO*NANZA	060,750	5/21/90
CHICKEN SUPREMES	104,982	10/10/90
CHICKEN SUPREMES	126,597	12/24/90
BO-BERRY BISCUITS	1,750,293	2/2/93
CAJUN LITE & Design	1,684,558	4/28/92
SOUTHERN LITE & Design	1,684,557	4/28/92
SOUTHERN LITE	1,735,051	11/24/92
'JUST GOTTA HAVE MORE!	1,726,558	10/20/92
CAROLINA CAJUN BAR-B-QUE	1,763,117	4/6/93
CAROLINA GRILLE	1,761,584	3/30/93
BUFFALO BITES (Supplemental Register)	1,792,235	9/7/93
BUFFALO BITES & Design	1,850,798	8/23/94
BO'S CAJUN ROAST CHICKEN & Design	1,799,527	10/19/93
BO'S CAJUN ROAST	1,827,593	3/22/94
BO'S CAJUN ROAST & Design	1,835,580	5/10/94
UN*BO*LIEVABLE!	1,924,331	10/3/95
COMBOMANIA	74/512,806	4/15/94
COMBOMANIA	1,980,984	6/18/96
BOJANGLES' EXPRESS & Design	1,948,685	1/16/96
COME TASTE THE DIFFERENCE	1,963,170	3/19/96
BISCUITS AND BAGELS	74/701,373	7/14/95
DIRTY RICE	75/188,457	10/28/96

Execution Copy

PARTICIPATION AND GUARANTY AGREEMENT

dated as of March 31, 1998

among

BOJANGLES' INTERNATIONAL, LLC,

as a Guarantor

EACH OF THE OTHER GUARANTORS AS SPECIFIED HEREIN,

and

FRANCHISE MORTGAGE ACCEPTANCE COMPANY,

as Initial Purchaser and Servicer

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TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS AND ACCOUNTING TERMS 1

 Section 1.01. Definitions 1

 Section 1.02. Accounting Terms 10

 Section 1.03. Computation of Time Periods 10

 Section 1.04. Rules of Construction 10

ARTICLE II SECURITY INTEREST 11

 Section 2.01. Grant of Security Interest 11

ARTICLE III GUARANTY 11

 Section 3.01. Guaranty 11

 Section 3.02. Guarantor's Obligations Unconditional 11

 Section 3.03. Waivers 12

 Section 3.04. Subrogation 12

 Section 3.05. Contribution 13

 Section 3.06. Limitation of Liability 13

ARTICLE IV REPRESENTATIONS AND WARRANTIES 13

 Section 4.01. Incorporation, Good Standing and Due Qualification 13

 Section 4.02. Corporate Power and Authority; No Conflicts 13

 Section 4.03. Legally Enforceable Agreements 14

 Section 4.04. Litigation 14

 Section 4.05. Financial Statements 14

 Section 4.06. Laws 15

 Section 4.07. Ownership of Stock and Membership Interests of
 Guarantor 15

 Section 4.08. Operation of Business 15

 Section 4.09. No Default on Outstanding Judgments or Orders 15

 Section 4.10. No Defaults on Other Agreements 15

 Section 4.11. Solvency 15

 Section 4.12. Intellectual Property 15

 Section 4.13. Brokerage 16

 Section 4.14. Affiliated Transactions 16

 Section 4.15. Material Agreements 16

ARTICLE V AFFIRMATIVE COVENANTS	16
Section 5.01. Maintenance of Existence	16
Section 5.02. Conduct of Business	16
Section 5.03. Maintenance of Records	16
Section 5.04. Maintenance of Insurance	17
Section 5.05. Compliance with Laws	17
Section 5.06. Right of Inspection	17
Section 5.07. Acquisition Documents	17
Section 5.08. Reporting Requirements	17
ARTICLE VI NEGATIVE COVENANTS	19
Section 6.01. Debt	19
Section 6.02. Guaranties	20
Section 6.03. Liens	20
Section 6.04. Investments	21
Section 6.05. Sale of Assets	22
Section 6.06. Transactions with Affiliates	22
Section 6.07. Mergers, Etc	22
Section 6.08. Dividends	22
Section 6.09. Changes, Amendments or Modifications	23
Section 6.10. Fiscal Year	23
Section 6.11. Material Agreements	23
Section 6.12. Limitation on Issuance of Capital Stock and Membership Interests	23
ARTICLE VII FINANCIAL COVENANTS	23
Section 7.01. Minimum Net Income	23
Section 7.02. Consolidated Fixed Charge Coverage Ratio	23
ARTICLE VIII EVENTS OF DEFAULT	24
Section 8.01. Events of Default	24
Section 8.02. Remedies	26
ARTICLE IX MISCELLANEOUS	26
Section 9.01. Amendments and Waivers	26
Section 9.02. Expenses	26
Section 9.03. Indemnification	27
Section 9.04. Assignment; Participation	28
Section 9.05. Notices	28
Section 9.06. Jurisdiction; Immunities	29
Section 9.07. Governing Law	29
Section 9.08. Counterparts	29

Section 9.09. Exhibits and Schedules 29
Section 9.10. Table of Contents; Headings 30
Section 9.11. Severability 30
Section 9.12. Integration 30
Section 9.13. No Offset; Taxes 30
Section 9.14. WAIVER OF JURY TRIAL 31

EXHIBITS

Exhibit A Omnibus Pledge Agreement

SCHEDULES

Schedule 2.01 Schedule of Participation Interests

Schedule 4.04 Schedule of Litigation

Schedule 4.07 Schedule of Capital Stock and Membership Interests

Schedule 4.12 Schedule of Intellectual Property

PARTICIPATION AND GUARANTY AGREEMENT dated as of March 31, 1998 among BOJANGLES' INTERNATIONAL, LLC, as Guarantor, each of the Other Guarantors as specified in this Agreement, and FRANCHISE MORTGAGE ACCEPTANCE COMPANY, as Initial Purchaser and Servicer.

WHEREAS, Bojangles' International, LLC has sold certain participation interests set forth on Schedule 2.01 (the "Senior Participation Interests") to Franchise Mortgage Acceptance Company ("FMAC") as Initial Purchaser (the "Initial Purchaser") on the date hereof;

WHEREAS, the Guarantors hereunder wish to provide a guaranty of the Participation Obligations (as defined below) hereunder; and

WHEREAS, FMAC has agreed to act as servicer (the "Servicer") of the Senior Participation Interests under the Participation Agreements (as defined below);

The parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

Section 1.01. Definitions. As used in this Agreement the following terms have the following meanings (terms defined in the singular to have a correlative meaning when used in the plural and *vice versa*):

"Acquisition" means the merger of BAC, a wholly-owned subsidiary of BHI, into BI, with BI as the surviving corporation under and pursuant to the terms of the Agreement and Plan of Merger.

"Acquisition Documents" means the Agreement and Plan of Merger and all other documents to be delivered pursuant to or in connection with the Agreement and Plan of Merger or the Acquisition.

"Affiliate" means, as to any Person, any other Person which directly or indirectly controls, or is controlled by, or is under common control with, such Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, membership interests, by contract, or otherwise.

"Agreement" means this Participation and Guaranty Agreement.

"Agreement and Plan of Merger" means the Agreement and Plan of Merger dated as of January 27, 1998 among BI, BAC and BHI.

"Assignee" has the meaning specified in Section 9.04.

"Automobile Leases" means all leases of automobiles, whether such leases are Capital Leases or Operating Leases.

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"BAC" means Bojangles' Acquisition Company, a Delaware corporation.

"BHI" means Bojangles' Holdings, Inc., a Delaware corporation.

"BI" means Bojangles', Inc., a Delaware corporation.

"Bojangles' Concept" means the restaurant concept operated under the trade name "Bojangles'".

"Bojangles' International" means Bojangles' International, LLC, a Delaware limited liability company.

"BRI" mean Bojangles' Restaurants, Inc., a Delaware corporation.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized or required to close in Charlotte, North Carolina or New York City, New York.

"Capital Lease" means any lease or sublease which has been or should be capitalized on the books of the lessee in accordance with GAAP.

"Closing Date" means March 31, 1998.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" means any and all real and personal property subject to a Lien granted by any of the Security Documents.

"Consolidated Acquisition Amortization" means, for any period, all Consolidated Amortization based upon the amortization of all intangible assets related to the Acquisition.

"Consolidated Amortization" means, for any period, amortization of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Cash Flow" means, for any period, an amount equal to (1) the sum of (a) Consolidated Net Income, plus (b) Consolidated Interest Expense, plus (c) Consolidated Depreciation, plus (d) Consolidated Discretionary Expenses, plus (e) Consolidated Lease Obligations, plus (f) Consolidated Amortization, plus (g) Consolidated Non-Recurring Expenses, plus (h) Consolidated Income Taxes minus (2) Consolidated Non-Recurring Income, all for such period.

"Consolidated Depreciation" means, for any period, depreciation of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Discretionary Expenses" means, for any period, the difference (whether positive or negative) of (1) the operating expenses for salaries, wages, benefits and reimbursements and the like of Parent and its Consolidated Subsidiaries, minus (2) the reasonable and customary expenses for salaries, wages, benefits and reimbursements for Parent and its Consolidated Subsidiaries, all for such period.

"Consolidated Fixed Charge Coverage Ratio" means the ratio specified in Section 7.02. "Consolidated Income Taxes" means, for any period, income taxes of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Income Taxes" means, for any period, income taxes of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Interest Expense" means, for any period, the interest expense of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Lease Obligations" means, for any period, an amount equal to (1) all obligations of Parent and its Consolidated Subsidiaries, on a consolidated basis, under all Capital Leases and Operating Leases less (2) the sum of (a) all obligations under the Headquarters Lease, (b) all obligations under all Automobile Leases less (c) in each case where Parent or a Consolidated Subsidiary has subleased to another Person (other than Parent or a Consolidated Subsidiary) the facility and/or equipment leased by Parent or such Consolidated Subsidiary, the difference between all obligations of Parent or such Consolidated Subsidiary as a lessee under each such Lease and the obligations received from the third party sublessee under the related sublease.

"Consolidated Net Income" means, for any period, the net income of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Non-Recurring Expenses" means, for any period, expenses that are extraordinary and generally not reflected in any prior period or not reasonably anticipated to be incurred in any subsequent period of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Non-Recurring Income" means, for any period, income that is extraordinary and generally not reflected in any prior period or not reasonably anticipated to be received in any subsequent period of Parent and its Consolidated Subsidiaries, on a consolidated basis, all as determined in accordance with GAAP.

"Consolidated Operating Lease Obligations" means during any period, an amount equal to (1) all obligations of Parent and its Consolidated Subsidiaries, on a consolidated basis, under all Operating Leases less (2) to the extent each of the following is an Operating Lease of Parent or a Consolidated Subsidiary, the sum of (a) all obligations

under the Headquarters Lease, (b) all obligations under all Automobile Leases less (c) in each case where Parent or a Consolidated Subsidiary has subleased to another Person (other than Parent or a Consolidated Subsidiary) the facility and/or equipment leased by Parent or such Consolidated Subsidiary, the difference between all obligations of Parent or such Consolidated Subsidiary under each such Lease and the obligations received from the third party sublessee under the related sublease.

"Consolidated Subsidiaries" means, at any time, all Subsidiaries of Parent that should be included in Parent's consolidated financial statements, all as determined in accordance with GAAP.

"Debt" means: (1) indebtedness or liability for borrowed money (except for the Purchased Royalty Payments to the extent characterized as such), or for the deferred purchase price of property or services (excluding trade obligations incurred in the ordinary course of business which are not more than ninety (90) days past due); (2) obligations as lessee under Capital Leases; (3) current liabilities in respect of unfunded vested benefits under any Plan; (4) obligations under letters of credit issued for the account of any Person; (5) all obligations arising under bankers' or trade acceptance facilities; (6) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business), and other contingent obligations to purchase any of the items included in this definition, to provide funds for payment, to supply funds to invest in any Person, or otherwise to assure a creditor against loss; (7) all obligations secured by any Lien on property owned by such Person, whether or not the obligations have been assumed; and (8) all obligations under any agreement providing for a swap, ceiling rates, ceiling and floor rates, contingent participation or other hedging mechanisms with respect to either interest payable on any of the items described above in this definition or any currency; except that the definition does not include: (a) Debt of BRI owed to any Guarantor; Debt of any Other Guarantor owed to Bojangles' International, or Debt of any Guarantor owed to another Guarantor; (b) Guaranties permitted under Section 6.02(2).

"Default" means any event which with the giving of notice or lapse of time, or both, would become an Event of Default.

"Determination Date" means the date of determination, which in the case of a prepayment shall mean the date of the prepayment.

"Dollars" and the sign "\$" means lawful money of the United States of America.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any corporation or trade or business which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as any Guarantor or is under common control (within the meaning of Section 414(c) of the Code) with any Guarantor.

"Event of Default" has the meaning specified in Section 8.01.

"First Virginia Credit Services Obligations" means all obligations under promissory notes and the purchase order dated as of March 27, 1997 as assigned to and held by First Virginia Credit Services with respect to the purchase of one (1) vehicle.

"Fiscal Quarter" means each fiscal quarter in each Fiscal Year of Parent.

"Fiscal Year" means for each year the period starting on the Monday after the Sunday closest to December 31 for the prior year and ending on the Sunday closest to December 31 for such year.

"FMAC" means Franchise Mortgage Acceptance Company, a Delaware corporation.

"Ford Motor Credit Obligations" means all obligations under the promissory notes dated as of March 12, 1997 and April 19, 1997, and held by Ford Motor Credit Company with respect to the purchase of three (3) vehicles.

"Franchise Agreement" means each of the franchise agreements relating to Senior Participation Interests between Bojangles' International and the Franchisee relating to the Bojangles' Concept.

"Franchisee" means a Person to whom the Bojangles' Concept has been franchised pursuant to a Franchise Agreement, who is an obligor thereunder.

"GAAP" means generally accepted accounting principles in the United States of America as in effect from time to time.

"Good Faith Contest" means the contest of an item if: (1) the item is diligently contested in good faith by appropriate proceedings timely instituted; (2) adequate reserves are established with respect to the contested item; (3) during the period of such contest, the enforcement of any contested item is effectively stayed; and (4) the failure to pay or comply with the contested item is not reasonably likely to result in a Material Adverse Change.

"Governmental Approvals" means any authorization, consent, approval, license, permit, certification, or exemption of, registration or filing with or report or notice to, any Governmental Authority.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in each case with jurisdiction over such Person.

"Guarantors" means, each of BHI, BI and Bojangles' International or any or all of the foregoing, all as the context may require.

"Guaranty" has the meaning specified in Section 3.01.

"Headquarters Lease" means the lease by BRI of its facility located at 9432 Southern Pine Boulevard, Charlotte, NC 28273.

"Indemnity Claim" has the meaning set forth in Section 9.03 hereof.

"Initial Purchaser" has the meaning set forth in the preamble to this Agreement.

"Intellectual Property" has the meaning set forth in Section 4.12

"Law" means any federal, state or local statute, law, rule, regulation, ordinance, order, code, policy or rule of common law, now or hereafter in effect, and in each case as amended, and any judicial or administrative interpretation thereof by a Governmental Authority or otherwise, including any judicial or administrative order, consent decree or judgment.

"Lien" means any mortgage, deed of trust, pledge, security interest, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), or preference, priority, or other security agreement or preferential arrangement, charge, or encumbrance of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction to evidence any of the foregoing.

"LLC Act" means the Delaware Limited Liability Company Act.

"Lockbox Account" means the account in the name of the Servicer governed by the terms of the Lockbox Agreement.

"Lockbox Agreement" means the Lockbox Agreement dated as of March 31, 1998 among Bojangles' International, FMAC and First Union National Bank.

"Major Vendor Agreement" means the agreement dated as of February 5, 1998 between BAC and a major vendor of goods and/or services, a copy of which has been delivered to Servicer.

"Management Agreement" means the Management Agreement, dated March 31, 1998 between BRI and Bojangles' International.

"Material Adverse Change" means either (1) a material adverse change in the status of the business, assets, liabilities, results of operations, financial condition, property or prospects of any Guarantor, or (2) any event or occurrence of whatever nature which does or is reasonably likely to have a material adverse effect on any Guarantor's ability to perform its obligations under the Participation Documents.

"Material Agreements" means the Management Agreement, the Major Vendor Agreement, the Bojangles' Concept Transfer Agreement and the Multi-Unit Franchise Agreement.

"Multiemployer Plan" means a Plan defined as such in Section 3(37) of ERISA to which contributions have been made by any Guarantor or any ERISA Affiliate and which is covered by Title IV of ERISA.

"Multi-Unit Franchise Agreement" means the Bojangles' International, LLC Multi-Unit Franchise Agreement dated as of March 31, 1998 between Bojangles' International and BRI.

"Omnibus Pledge Agreement" means the Omnibus Pledge Agreement in substantially the form of Exhibit A hereto, to be delivered by BHI and BI under the terms of this Agreement.

"Operating Agreement" means the Limited Liability Company Agreement of Bojangles' International, LLC dated as of March 31, 1998, among Bojangles', Inc., Bojangles' Restaurants, Inc. and Bojangles' International, LLC.

"Operating Lease" means any lease or sublease other than a Capital Lease.

"Other Guarantors" means each Guarantor specified in this Agreement except for Bojangles' International.

"Parent" means BHI.

"Participant" has the meaning specified in Section 9.04.

"Participation Agreement" means each of the Franchise Royalty Participation Agreements, dated as of March 31, 1998 between Bojangles' International, as Seller, and FMAC, as Initial Purchaser and Servicer.

"Participation Documents" means, collectively, this Agreement, each Participation Agreement, each Security Document, each Franchise Agreement and all other agreements, instruments, and documents delivered to any Purchaser pursuant to or in connection with any of the foregoing.

"Participation Obligations" means all indebtedness, obligations and liabilities to each Purchaser, now existing or hereafter incurred, under or arising out of or in connection with the Participation Agreements, this Agreement or any of the other Participation Documents, whether for Purchased Royalty Payments, fees, expenses, indemnities or otherwise, including the obligation to guarantee the Purchasers' receipt of all of the Purchased Royalty Payments due to the Purchasers.

"PBGC" means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

"Person" means an individual, partnership (including limited liability partnerships), corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan" means any employee benefit or other plan established or maintained, or to which contributions have been made, by any Guarantor or any ERISA Affiliate and which is covered by Title IV of ERISA or to which Section 412 of the Code applies.

"Pro Forma Consolidated Fixed Charge Coverage Ratio" means, for the twelve (12) month period prior to making such calculation, the calculation of the Consolidated Fixed Charge Coverage Ratio on a pro forma basis where it is assumed that (1) in the case of paying a dividend, the Consolidated Net Income for such period is reduced by an amount equal to all dividends paid by BHI during such period plus the proposed dividend, to be paid by BHI (2) in the case of incurring Debt, the Debt to be incurred was incurred on the first day of such period and the Debt (if any) to be repaid, repurchased, defeased or otherwise discharged with the proceeds of such new Debt was repaid, repurchased, defeased or otherwise discharged on the first day of such period and (3) in the case of the sale of a Restaurant, the sale of the Restaurant occurred on the first day of such period.

"Pro Forma Fixed Charge Coverage Ratio" means, for the twelve (12) month period prior to making such calculation, the calculation of the Fixed Charge Coverage Ratio on a pro forma basis where it is assumed that (1) in the case of paying a dividend, the net income for such period is reduced by an amount equal to all dividends paid by BRI during such period plus the proposed dividend to be paid by BRI, (2) in the case of incurring Debt, the Debt to be incurred was incurred on the first day of such period and the Debt (if any) to be repaid, repurchased, defeased or otherwise discharged with the proceeds of such new Debt was repaid, repurchased, defeased or otherwise discharged on the first day of such period and (3) in the case of the sale of a Restaurant, the sale of the Restaurant occurred on the first day of such period.

"Prohibited Transaction" means any transaction set forth in Section 406 of ERISA or Section 4975 of the Code, other than those transactions which the prohibitions of ERISA or the Code do not apply pursuant to Section 408 of ERISA or Section 4975(d) of the Code or pursuant to which an exemption has been established by the Department of Labor.

"Purchased Royalty Payments" has the meaning specified in the related Participation Agreement.

"Purchasers" means FMAC as the Initial Purchaser and each Assignee.

"Remaining Purchased Royalty Payments" has the meaning set forth in the relevant Participation Agreement.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than those events in which the thirty (30) day notice period has been waived pursuant to 29 CFR Section 2615.

"Required Purchasers" means at any time Purchasers holding at least fifty-one percent (51%) of the total of the aggregate outstanding principal amount of the Senior Participation Interests.

"Restaurant" means each quick service restaurant facility specializing in the Bojangles' Concept.

"Royalty Payments" means, during any period, all of (1) the royalty payments required to be made by Franchisees under their respective franchise agreements, and (2) the royalty payments required to be made by BRI to Bojangles' International pursuant to the terms of the Multi-Unit Franchise Agreement.

"Security Documents" means the Omnibus Pledge Agreement.

"Senior Participation Interest" means, on any date, an ownership interest in all of the Purchased Royalty Payments in connection with a related Participation Agreement.

"Settlement Date" means the 22nd day of each month (or the first Business Day thereafter if such day is not a Business Day) commencing on May 22, 1998.

"Servicer" means FMAC and its permitted successors and assigns.

"Solvent" means, when used with respect to any Person, that (1) the fair value of the property of such Person, on a going concern basis, is greater than the total amount of liabilities (including, without limitation, contingent liabilities) of such Person, (2) the present fair salable value of the assets of such Person, on a going concern basis, is not less than the amount that will be required to pay the probable liabilities of such Person on its debts as they become absolute and matured, (3) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature, and (4) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged. Contingent liabilities will be computed at the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Subsidiary" means, as to any Person, any other Person who is controlled, directly, or indirectly through one or more intermediaries, or both, by such Person.

"Taxes" has the meaning specified in Section 9.13.

"Treasury Rate" means the yield to maturity implied by the monthly equivalent of (1) the yield reported as of 10:00 A.M. (New York City time) on the Business

Day next preceding the Settlement Date on the display designated at "Page 678" on the Telerate Service (or such other display as may replace Page 678 on the Telerate Service) for actively traded U.S. Treasury Securities having a constant maturity equal to the Amortization Month of the applicable Senior Participation Interest, or if such yields have not been reported as of such time or yields reported at such time shall not be ascertainable, (2) the Treasury Constant Maturity Series yield reported for the latest day for which such yields have been so reported as of the business day next preceding the Settlement Date in the Federal Reserve Statistical Release H.15 (519) (or any comparable successor publication) for actively traded U.S. Treasury Securities having a constant maturity equal to the Amortization Month of the applicable Senior Participation Interest.

"UFOC" means the Uniform Franchise Offering Circular relating to the Bojangles' Concept.

"Webster Debt Escrow Amount" means, for any period, amounts taken from the Webster Escrow Account and applied to the Debt owed to the Webster Entities.

"Webster Entities" means Carabo Capital and Webster Asset Management, Inc.

"Webster Escrow Account" means the account established pursuant to the Webster Escrow Agreement.

"Webster Escrow Agreement" means the Escrow Agreement relating to the Webster Entities to be executed by BRI under the terms of the Term Loan Agreement.

Section 1.02. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with GAAP, and, except as otherwise specified in this Agreement, all financial data required to be delivered hereunder shall be prepared in accordance with GAAP.

Section 1.03. Computation of Time Periods. Except as otherwise provided herein, in this Agreement, in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and words "to" and "until" each means "to but excluding".

Section 1.04. Rules of Construction. When used in this Agreement: (1) a reference to a Law includes any amendment or modification to such Law; (2) a reference to a Person includes its permitted successors and permitted assigns; and (3) a reference to an agreement, instrument or document shall include such agreement, instrument or document as the same may be amended, modified or supplemented from time to time in accordance with its terms and as permitted by the Participation Documents.

ARTICLE II

SECURITY INTEREST

Section 2.01. Grant of Security Interest. Bojangles' International hereby grants to each Purchaser a security interest in all of the right, title and interest of Bojangles' International in and to the Royalty Payments, the Intellectual Property, all payments of principal of or interest on such Royalty Payments, all other rights relating to the Royalty Payments and the Intellectual Property and all proceeds of any of the foregoing. This security interest shall secure payment of the obligations of Bojangles' International hereunder.

ARTICLE III

GUARANTY

Section 3.01. Guaranty. Each Guarantor hereby jointly and severally irrevocably, absolutely and unconditionally guarantees to each Purchaser and their successors, endorsees, transferees and assigns the prompt and complete payment, as and when due and payable (whether at stated maturity or by required prepayment, acceleration, demand or otherwise), of all Participation Obligations; and agrees to pay on demand any and all expenses (including reasonable counsel fees and expenses) which may be paid or incurred by any Purchaser in collecting any or all of the Participation Obligations and/or enforcing any rights under any of the Participation Documents or under this Article (the "Guaranty"). Each Guaranty is a guaranty of payment and not of collection.

Section 3.02. Guarantor's Obligations Unconditional. Each Guarantor hereby guarantees that the Participation Obligations will be paid strictly in accordance with the terms of the Participation Documents, regardless of any Law now or hereafter in effect in any jurisdiction affecting any such terms or the rights of any Purchaser with respect thereto. The obligations and liabilities of each Guarantor under this Guaranty shall be absolute and unconditional irrespective of: (1) any lack of validity or enforceability of any of the Participation Obligations, any Participation Documents, or any agreement or instrument relating thereto; (2) any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the Participation Obligations, or any other amendment or waiver of or consent to any departure from any Participation Documents or any other documents or instruments executed in connection with or related to the Participation Obligations; (3) any exchange or release of, or non-perfection of any Lien on or in, any Collateral, or any release or amendment or waiver of or consent to any departure from any other guaranty, for all or any of the Participation Obligations; or (4) any other circumstances which might otherwise constitute a defense available to, or a discharge of any other guarantor in respect of the Participation Obligations or any Guarantor in respect of this Guaranty.

This Guaranty is a continuing guaranty and shall remain in full force and effect until: (1) the payment in full of all of the Participation Obligations, and (2) the payment of the other expenses to be paid by the Guarantors pursuant hereto. This Guaranty shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment, or any part thereof, of any of the Participation Obligations is rescinded or must otherwise be returned by any Purchaser upon the insolvency, bankruptcy, dissolution,

liquidation or reorganization of any Guarantor or otherwise, all as though such payment had not been made.

The obligations and liabilities of each Guarantor under this Guaranty shall not be conditioned or contingent upon the pursuit by any Purchaser or any other Person at any time of any right or remedy against any Guarantor or any other Person which may be or become liable in respect of all or any part of the Participation Obligations or against any Collateral or security or guarantee therefor or right of setoff with respect thereto.

Each Guarantor hereby consents that, without the necessity of any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Participation Obligations made by any Purchaser may be rescinded by such Purchaser and any of the Participation Obligations continued after such rescission.

Section 3.03. Waivers. Each Guarantor hereby waives: (1) promptness and diligence; (2) notice of or proof of reliance by any Purchaser upon this Guaranty or acceptance of this Guaranty; (3) notice of the incurrence of any Participation Obligation or the renewal, extension or accrual of any Participation Obligation; (4) notice of any actions taken by any Purchaser or any Guarantor or any other party under any Participation Document, or any other agreement or instrument relating to the Participation Obligations; (5) all other notices, demands and protests, and all other formalities of every kind in connection with the enforcement of the Participation Obligations or of the obligations of any Guarantor hereunder, the omission of or delay in which, but for the provisions of this Section 3.03, might constitute grounds for relieving any Guarantor of its obligations hereunder; and (6) any requirement that any Purchaser protect, secure, perfect or insure any Lien on any property subject thereto or exhaust any right or take any action against any other Person or any Collateral.

Section 3.04. Subrogation. Each Guarantor will not exercise any rights which it may acquire by way of subrogation under this Guaranty, whether acquired by any payment made hereunder, by any setoff or application of funds of any Guarantor by any Purchaser or otherwise, until (1) the payment in full of the Participation Obligations, and (2) the payment of all other expenses to be paid by any Guarantor pursuant hereto. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Participation Obligations and all such other expenses shall not have been paid in full, such amount shall be held in trust for the benefit of the Purchaser, shall be segregated from the other funds of such Guarantor and shall forthwith be paid over to the Initial Purchaser to be credited and applied in whole or in part by the Purchaser against the Participation Obligations, whether matured or unmatured, and all such other expenses in accordance with the terms of this Guaranty.

Section 3.05. Contribution. Each Guarantor agrees that it will contribute its proportionate share to any other Guarantor that makes payment of a Participation Obligation guaranteed by such Guarantor.

Section 3.06. Limitation of Liability. The obligations of each Guarantor hereunder shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the United State Bankruptcy Code or any comparable provision of any applicable state law.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Each Guarantor hereby represents and warrants that:

Section 4.01. Incorporation, Good Standing and Due Qualification. (a) Each Other Guarantor is duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own its assets and to transact the business in which it is now engaged or proposed to be engaged, and is duly qualified as a foreign corporation and in good standing under the Laws of each other jurisdiction in which such qualification is required, except to the extent that its failure to be so qualified has not resulted in and is not reasonably likely to result in a Material Adverse Change.

(b) Bojangles' International is a limited liability company duly formed, validly existing, and in good standing under the laws of the State of Delaware and is duly authorized to do business in each jurisdiction where the character of its properties or the nature of its activities make such qualification necessary and has all requisite limited liability company power and authority under the LLC Act and the Operating Agreement to carry on its business as now being conducted and as proposed to be conducted.

Section 4.02. Corporate Power and Authority; No Conflicts. (a) The execution, delivery and performance by each Other Guarantor of the Participation Documents have been duly authorized by all necessary corporate action and do not and will not: (1) require any consent or approval of its stockholders; (2) contravene its certificate of incorporation or by-laws (3) violate any provision of, or require any filing, registration, consent or approval under any Law (including, without limitation, Regulations G, T, U and X of the Board of Governors of the Federal Reserve System), order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to such Other Guarantor; (4) result in a breach of or constitute a default under or require any consent under any indenture or loan or credit agreement or any other agreement, lease or instrument to which any Other Guarantor is a party or by which it or its properties may be bound or affected; or (5) result in, or require, the creation or imposition of any Lien (other than as created under the Security Documents), upon or with respect to any of the properties now owned or hereafter acquired by any Other Guarantor.

(b) the execution, delivery and performance by Bojangles' International of the Participation Documents have taken all necessary action under the LLC Act and the Operating Agreement to authorize the transactions contemplated by the Participation Documents and will not: (1) contravene its Operating Agreement (2) violate any provision

of, or require any filing, registration, consent or approval under any Law (including, without limitation, Regulations G, T, U and X of the Board of Governors of the Federal Reserve System), order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to Bojangles' International (3) result in a breach of or constitute a default under or require any consent under any indenture or loan or credit agreement or any other agreement, lease or instrument to which Bojangles' International is a party or by which it or its properties may be bound or affected; or (4) result in, or require, the creation or imposition of any Lien (other than as created under the Security Documents), upon or with respect to any of the properties now owned or hereafter acquired by Bojangles' International.

Section 4.03. Legally Enforceable Agreements. This Agreement is a legal, valid and binding obligation of each Guarantor, enforceable against each Guarantor, in accordance with its terms, except to the extent that such enforcement may be limited by (1) applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally or (2) general equitable principles regardless of whether the issue of enforceability is considered in a proceeding in equity or in law.

Section 4.04. Litigation. Except as set forth on Schedule 4.04 hereto, there are no actions, suits or proceedings (private or governmental) pending or, to the knowledge of any Guarantor, threatened, against or affecting any Guarantor before any Governmental Authority or arbitrator, which could, in any one case or in the aggregate, result in a Material Adverse Change.

Section 4.05. Financial Statements. The consolidated balance sheet of BI and its consolidated subsidiary as of December 28, 1997, the related consolidated statements of income and cash flow for the Fiscal Year then ended, and the accompanying footnotes, together with the opinions thereon dated March 31, 1998 of Cooper's & Lybrand LLC, independent certified public accountants, copies of which have been furnished to the Purchasers, fairly present the financial condition of BI and its consolidated subsidiary as at such dates and the results of the operations of BI and its consolidated subsidiaries for the periods covered by such statements, all in accordance with GAAP consistently applied.

Since December 28, 1997 no Material Adverse Change has occurred.

There are no liabilities of BI or its consolidated subsidiary, fixed or contingent, which are material but are not reflected in the financial statements or in the notes thereto, other than liabilities arising in the ordinary course of business since December 28, 1997.

No written information, exhibit, or report furnished by any Guarantor to any Purchaser in connection with the negotiation of this Agreement and the other Participation Documents or in connection with written information furnished by any Guarantor after the Closing Date under and pursuant to the terms of any of the Participation Documents, contains any material misstatement of fact or omits to state a material fact or any fact necessary to make the statements contained therein not misleading.

Section 4.06. Laws. Each Guarantor is in compliance in all respects with all applicable Laws, including the filing of all tax returns (federal, state and local) required to be filed and paying all taxes, assessments and governmental charges and levies thereon when due, including interest and penalties, except to the extent they are the subject of a Good Faith Contest.

Section 4.07. Ownership of Stock and Membership Interests of Guarantors. All of the outstanding capital stock or other equity interest owned by any Other Guarantor is set forth on Schedule 4.07 and has been validly issued, is fully paid and nonassessable and is owned free and clear of all Liens except for the Liens granted to the Initial Purchaser. All of the outstanding membership interests owned by Bojangles' International are set forth on Schedule 4.07 and have been validly issued, are fully paid and non-assessable and are owned free and clear of all Liens except for the Liens granted to the Initial Purchaser.

Section 4.08. Operation of Business. Each Guarantor possesses all licenses, permits, franchises, patents, copyrights, trademarks and trade names, or rights thereto, to conduct its business substantially as now conducted and as presently proposed to be conducted, and each Guarantor is not in violation of any valid rights of others with respect to any of the foregoing.

Section 4.09. No Default on Outstanding Judgments or Orders. Each Guarantor has satisfied all judgments and no Guarantor is in default with respect to any judgment, writ, injunction, decree, rule or regulation of any court, arbitrator or federal, state, municipal or other Governmental Authority, commission, board, bureau, agency or instrumentality, domestic or foreign.

Section 4.10. No Defaults on Other Agreements. No Guarantor is a party to any indenture, loan or credit agreement or any lease or other agreement or instrument or subject to any certificate of incorporation or corporate restriction or Operating Agreement or limited liability company restrictions, as the case may be, which has resulted in or is reasonably likely to result in a Material Adverse Change. No Guarantor is in default in any respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument where such default individually or in the aggregate has resulted in or is reasonably likely to result in a Material Adverse Change.

Section 4.11. Solvency. Each Guarantor is, and upon consummation of the transactions contemplated by this Agreement and the other Participation Documents, and any other documents, instruments or agreements relating thereto, including, without limitation, the Acquisition, will be Solvent.

Section 4.12. Intellectual Property. Bojangles' International owns all of the trademarks, licenses, patents or copyrights necessary for it to operate the Bojangles' Concept. All of the trademarks, patents or copyrights in which Bojangles' International has any right, title or interest, or any applications pending for any such trademarks, patents or copyrights are set forth in Schedule 4.12 (the "Intellectual Property").

Section 4.13. Brokerage. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement binding upon any Guarantor. Guarantor shall pay, and hold each Purchaser harmless against, any liability, loss or expense (including, without limitation, reasonable attorney's fees and out of pocket expenses) arising in connection with any such claim.

Section 4.14. Affiliated Transactions. Except as arising under or in connection with the Management Agreement or any contract of employment, no officer, director, stockholder or Affiliate of any Guarantor or any individual related by blood, marriage or adoption to any such individual or any entity in which any such Person or individual owns any beneficial interest, will be a party to any agreement, contract, commitment or transaction with any Guarantor or have any material interest in any material property used by any Guarantor.

Section 4.15. Material Agreements. All Material Agreements are in full force and effect and each party to each such Agreement is in compliance with all material terms of such Agreement.

ARTICLE V

AFFIRMATIVE COVENANTS

So long as any of the Purchased Royalty Payments shall remain unpaid, or any other amount is owing to any Purchaser hereunder or under any other Participation Document, each Guarantor shall, unless it obtains the prior written consent of the Servicer:

Section 5.01. Maintenance of Existence. (a) In the case of the Other Guarantors, preserve and maintain its corporate existence and good standing in the jurisdiction of its incorporation, and qualify and remain qualified as a foreign corporation in each jurisdiction in which such qualification is required, except to the extent that its failure to so qualify is not reasonably likely to result in a Material Adverse Change.

(b) In the case of Bojangles' International, preserve and maintain its legal existence and form and all of its rights, privileges and franchises necessary for the operation of its business and qualify and remain qualified as a foreign limited liability company in each jurisdiction in which such qualification is required, except to the extent that its failure to so qualify is not reasonably likely to result in a Material Adverse Change.

Section 5.02. Conduct of Business. Continue to engage in a business of the same general type as conducted by it on the Closing Date.

Section 5.03. Maintenance of Records. Keep adequate records and books of account, in which complete entries will be made in accordance with GAAP, reflecting all of its financial transactions.

Section 5.04. Maintenance of Insurance. Maintain insurance with financially sound and reputable insurance companies or associations in such amounts and covering such risks

as are usually carried by companies engaged in the same or a similar business and similarly situated and such other insurance as required by the Purchasers.

Section 5.05. Compliance with Laws. Comply in all respects with all applicable Laws, such compliance to include, without limitation, paying before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property, except where such failure to comply is not reasonably likely to result in a Material Adverse Change.

Section 5.06. Right of Inspection. Upon five (5) Business Days' notice, permit any Purchaser or any agent or representative thereof, to examine and make copies and abstracts, at such Purchaser's cost, from the records and books of account of, and visit the properties of, any Guarantor and to discuss the affairs, finances and accounts of such Guarantor with any of its officers and directors and such Guarantor's independent accountants; *provided, however*, no such prior notice shall be required if there is a Default or Event of Default.

Section 5.07. Acquisition Documents. Enforce each of its rights and remedies contained in each of the Acquisition Documents.

Section 5.08. Reporting Requirements. Furnish directly to the Initial Purchaser (with a copy for each other Purchaser):

(1) Annual Financial Statements. As soon as available and in any event within ninety (90) days after the end of each Fiscal Year, the consolidated and consolidating balance sheet of Parent and its Consolidated Subsidiaries as of the end of such Fiscal Year, the consolidated and consolidating statements of operations and retained earnings, and statements of cash flows of Parent and each of its Consolidated Subsidiaries for such Fiscal Year, and the accompanying footnotes, and stating in comparative form the respective figures for the corresponding date and period in the previous Fiscal Year, and all prepared in accordance with GAAP (without accompanying footnotes), accompanied by an opinion thereon with respect to the consolidated statements acceptable to each of the Purchasers by independent accountants of national standing selected by Parent.

(2) Quarterly Financial Statements. As soon as available and in any event within forty-five (45) days after each of the first three quarters of each Fiscal Year, the consolidated and consolidating balance sheets of Parent and each of its Consolidated Subsidiaries as of the end of such quarter and consolidated and consolidating statements of operations and retained earnings, and statements of cash flows of Parent and its Consolidated Subsidiaries for such quarter and for the period commencing at the end of the previous Fiscal Year and ending with the end of such quarter, all in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the previous Fiscal Year, and all prepared in accordance with GAAP consistently applied (subject to normal year-end adjustments) and certified by the chief financial officer of Guarantor.

(3) Management Letters. Promptly upon receipt thereof, copies of any reports submitted to Parent by independent certified public accountants in connection with

the examination of the financial statements of Parent and its Consolidated Subsidiaries made by such accountants.

(4) Certificate of No Default. Simultaneously with the delivery of the financial statements referred to in Section 5.08(1) and (2), a certificate of the chief financial officer of Guarantor (a) certifying that to the best of his knowledge no Default or Event of Default has occurred and is continuing or, if a Default or Event of Default has occurred and is continuing, a statement as to the nature thereof and the action which is proposed to be taken with respect thereto, and (b) with computations demonstrating compliance with the covenants contained in Article VII "Financial Covenants."

(5) Notice of Litigation. Promptly after the commencement thereof, notice of all actions, suits, and proceedings before any Governmental Authority, affecting any Guarantor which, if determined adversely to any such Guarantor, is reasonably likely to result in a Material Adverse Change.

(6) Notices of Defaults and Events of Default. As soon as any Guarantor has knowledge thereof and in any event within five (5) Business Days after the occurrence of each Default or Event of Default, a written notice setting forth the details of such Default or Event of Default and the action which is proposed to be taken by the Guarantors with respect thereto.

(7) Shareholder Reports. As soon as possible and in any event within ten (10) days after transmission thereof, copies of all financial statements, proxy statements and reports and copies of all registration statements and all regular, special or periodic reports which it files, or any of its officers or directors file with respect to Parent, with the Securities and Exchange Commission or with any securities exchange on which any of its securities are then listed, and copies of all press releases and other statements made available generally by any Guarantor to the public concerning material developments in Guarantor's and its Subsidiaries' businesses.

(8) Reports to Other Creditors. Promptly after the furnishing thereof, copies of any statement, report or budget or information furnished to any other party pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Initial Purchaser pursuant to any other clause of this Section 5.08.

(9) Insurance. Upon the occurrence of any casualty, damage or loss, whether or not giving rise to a claim under any insurance policy, in an amount greater than Fifty Thousand Dollars (\$50,000), notice thereof, together with copies of any document relating thereto (including copies of any such claim) in possession or control of any Guarantor, or their respective agent; and immediately after the occurrence thereof, written notice of any cancellation of any insurance policy required to be maintained by any Guarantor pursuant to Section 5.04.

(10) Material Adverse Change. As soon as possible and in any event within five (5) Business Days after the occurrence of any event or circumstance which is

reasonably likely to result in or has resulted in a Material Adverse Change, written notice thereof.

(11) Liens. As soon as possible and in any event within five (5) Business Days after any Guarantor obtains knowledge of any assertion of any Lien (other than Permitted Liens) against the Collateral or the occurrence of any event that could have a material adverse effect on the value of the Collateral or the security interest created under the Security Documents, written notice thereof.

(12) Certain Documents. As soon as possible and in any event within ten (10) Business Days prior to any change, amendment, modification, or supplement to any Guarantor's (1) Material Agreements or (2) UFOC, written notice thereof.

(13) Acquisition Documents. Within one (1) Business Day of any Guarantor's knowledge of a breach or violation or a default or event of default as defined in and under any Acquisition Document and within one (1) Business Day of any Guarantor's knowledge of any inaccuracy in any representation and warranty made by BI under any Acquisition Document.

(14) General Information. Such other information respecting the condition or operations, financial or otherwise, of any Guarantor as any Purchaser may from time to time reasonably request.

(15) Separate Communications. Conduct all business correspondence and other communications in its own name, on its own stationary and through a separately listed telephone number.

(16) Independent Directors. At all times, maintain at least one of the directors as an independent director who shall at no time be, and shall not have been at any time during the preceding five (5) years, a shareholder, director, officer, employee, member, Affiliate or associate of any Affiliate of Borrower, except that the independent director may also serve as an independent director of an Affiliate that has similar limitations of purpose as Guarantor.

(17) Substantive Consolidation. It will operate its business at all times separately from any Affiliate and so as not to commingle its business with any of its Affiliates.

ARTICLE VI

NEGATIVE COVENANTS

So long as any of the Purchased Royalty Payments shall remain unpaid or any other amount is owing to any Purchaser hereunder or under any other Participation Document, no Guarantor shall, without the prior written consent of the Servicer:

Section 6.01. Debt. Create, incur, assume or suffer to exist any Debt except:

- (1) Debt of each Guarantor under this Agreement, the Term Loan Documents or any other Participation Documents;
- (2) Debt of any Other Guarantor secured by purchase money Liens permitted by Section 6.03(8);
- (3) Guaranties permitted under Section 6.02;
- (4) Debt of Other Guarantors to the Webster Entities;
- (5) Debt of Other Guarantors to First Virginia Credit Services;
- (6) Debt of Other Guarantors to Ford Motor Credit; and
- (7) Debt of any Other Guarantor, if on the date of incurring such debt, and after giving effect to the application of proceeds therefrom, the Pro Forma Consolidated Fixed Charge Coverage Ratio would be equal to or greater than 1.20 to 1.

Section 6.02. Guaranties. Assume, guarantee, endorse or otherwise be or become directly or contingently responsible or liable (including, but not limited to, an agreement to purchase any obligation, stock, membership interests, assets, goods or services or to supply or advance any funds, assets, goods or services, or an agreement to maintain or cause such Person to maintain a minimum working capital or net worth or otherwise to assure the creditors of any Person against loss) for the obligations of any Person, except the guarantees provided by the Guarantors under the Participation Documents and the Term Loan Documents provided, that the Other Guarantors only may provide: (1) guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business or (2) the guaranties required to be provided under applicable law to enable such Guarantor to operate its business.

Section 6.03. Liens. (a) Create, incur, assume or suffer to exist any Lien, upon or with respect to any of its real or personal properties (including, without limitation, leasehold interests, leasehold improvements and any other interest in real property or fixtures), now owned or hereafter acquired, except Liens granted hereunder or to the Purchasers under and pursuant to the Participation Documents and with respect to the Other Guarantors only, the following liens ("Permitted Liens"):

- (1) Liens for taxes or assessments or other government charges or levies if not yet due and payable or if due and payable if they are the subject of a Good Faith Contest;
- (2) Liens imposed by Law, such as mechanic's, materialmen's landlord's warehousemen's and carrier's Liens, and other similar Liens, securing obligations incurred in the ordinary course of business which are not past due for more than thirty (30) days, or which are the subject of a Good Faith Contest;

(3) Liens under workmen's compensation, unemployment insurance, social security or similar legislation (other than ERISA);

(4) Liens, deposits or pledges to secure the performance of bids, tenders, contracts (other than contracts for the payment of money), leases (permitted under the terms of this Agreement), public or statutory obligations, surety, stay, appeal, indemnity, performance or other similar bonds or other similar obligations arising in the ordinary course of business;

(5) judgment and other similar Liens arising in connection with court proceedings, provided that the execution or other enforcement of such Liens is effectively stayed and the claims secured thereby are the subject of a Good Faith Contest;

(6) easements, rights of way, restrictions, servitude's zoning and other similar encumbrances which, in the aggregate, do not materially interfere with the occupation, use and enjoyment by Borrower or any Other Guarantor of its respective property or assets encumbered thereby in the normal course of its business or materially impair the value of the property subject thereto;

(7) purchase money Liens on any real property, fixtures or equipment hereafter acquired or the assumption of any Lien on real property, fixtures or equipment existing a the time of such acquisition, or a Lien incurred in connection with any conditional sale or other title retention agreement or a Capital Lease; provided that: (a) any property subject to any of the foregoing is acquired by the applicable Other Guarantor in the ordinary course of business and the Lien on any such property is created contemporaneously with such acquisition; (b) the Debt secured by any Lien so created, assumed or existing shall not exceed one hundred percent (100%) of the lesser of cost or fair market value as of the time of acquisition of the property covered thereby and (c) each such Lien shall attach only to the property so acquired and fixed improvements thereon; and

(8) Liens granted under or pursuant to the Term Loan Documents.

Section 6.04. Investments. Make any loan or advance to any Person or purchase or otherwise acquire any capital stock, assets, obligations or other securities of, make any capital contribution to, or otherwise invest in, or acquire any interest in, any Person, except (1) direct obligations of the United States of America or any agency thereof backed by the full faith and credit of the United States of America with maturities of one (1) year or less from the date of acquisition; (2) commercial paper with maturities of two hundred seventy (270) days or less of (a) a Lender or any Parent of a Lender, or (b) a domestic issuer rated at least "A-1" by Standard & Poor's Rating Group or "P-1" by Moody's Investors Service, Inc.; (3) certificates of deposit with maturities of one (1) year or less from the date of acquisition issued by (a) any Lender, or (b) any commercial bank operating within the United States of America whose outstanding long-term debt is rated at least "A" by Standard & Poor's Rating Group or Moody's Investors Services, Inc.; and (4) loans or advances by Borrower to a Guarantor, by a Guarantor to Borrower, or by one Guarantor to another Guaranto.

Section 6.05. Sale of Assets. Sell, lease, assign, transfer or otherwise dispose of any of its now owned or hereafter acquired assets except the sale or other disposition of assets no longer used or useful in the conduct of its business except: (1) inventory disposed of in the ordinary course of business and (2) the sale or other disposition of assets no longer used or useful to the conduct of the business.

Section 6.06. Transactions with Affiliates. Enter into any transaction, including, without limitation, the purchase, sale or exchange of property or the rendering of any service, with any Affiliate, other than the Management Agreement, except in the ordinary course of and pursuant to the reasonable requirements of such Guarantors' business and upon fair and reasonable terms no less favorable to such Guarantor than it would obtain in a comparable arm's length transaction with a Person not an Affiliate.

Section 6.07. Mergers, Etc. Merge or consolidate with, or change its form of organization or business, or sell, assign, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person, or acquire all or a material part of the assets or the business of any Person (or enter into any agreement to do any of the foregoing).

Section 6.08. Dividends. In the case of the Other Guarantors, declare or pay any dividends or distributions; or purchase, redeem, retire, or otherwise acquire for value any of its capital stock or securities convertible into capital stock now or hereafter outstanding or membership interests; or make any distribution of assets to its stockholders as such whether in cash, assets, or in obligations of any Guarantor, or allocate or otherwise set apart any sum for the payment of any dividend or distribution on, or for the purchase, redemption, or retirement of any shares of its capital stock or membership interests; or make any other distribution by reduction of capital or otherwise in respect of any shares of its capital stock or membership interests; or purchase or otherwise acquire for value any stock or membership interests of any Guarantor or Other Guarantor, except dividends or distributions of any Other Guarantor may be paid if on the date thereof, both the Pro Forma Consolidated Fixed Charge Coverage Ratio and the Pro Forma Fixed Charge Coverage Ratio would be equal to or greater than 1.20 to 1.

Section 6.09. Changes, Amendments or Modifications. Change, amend, modify or supplement (1) (a) in the case of any Other Guarantor, its certificate of incorporation or by-laws and (b) in the case of Bojangles' International, its certificate of formation or Operating Agreement, if such change, amendment, modification or supplement is or reasonably likely to have an adverse effect on the Purchasers; or (2) the Acquisition Documents.

Section 6.10. Fiscal Year. Change its Fiscal Year.

Section 6.11. Material Agreements. Amend or modify any term or provision of any Material Agreement or permit the termination of any Material Agreement (except in accordance with its terms).

Section 6.12. Limitation on Issuance of Capital Stock and Membership Interests. (a) In the case of the Other Guarantors, will not, and will not permit any of its Subsidiaries

to, issue (1) any preferred stock or (2) any common stock; *provided, however*, capital stock may be issued (i) by Guarantor to Parent or (ii) by the applicable Other Guarantor to the Purchasers in satisfaction of Bojangles' Inc.'s obligations under the Warrants or (iii) by BI to its employees or employees of its Affiliates as part of its employee compensation plans.

(b) In the case of Bojangles' International, will not, and will not permit its Subsidiaries to issue any membership interests other than to BI or BRI; .

ARTICLE VII

FINANCIAL COVENANTS

So long as any of the Purchased Royalty Payments shall remain unpaid, unless it obtains the prior written consent of the Servicer:

Section 7.01. Minimum Net Income. Parent and its Consolidated Subsidiaries will have for each twelve (12) month period ended on the last day of each Fiscal Quarter, beginning on the second full quarter after March 31, 1998 Consolidated Net Income plus Consolidated Acquisition Amortization of not less than One Dollar (\$1.00).

Section 7.02. Consolidated Fixed Charge Coverage Ratio. Parent and its Consolidated Subsidiaries will have for each twelve (12) month period ended on the last day of each Fiscal Quarter, a ratio of (1) Consolidated Cash Flow for such period to (2) the sum of (a) Debt of Parent and each of its Consolidated Subsidiaries scheduled to be paid during such period, plus (b) Consolidated Operating Lease Obligations scheduled to be paid during such period, minus (c) the Webster Debt Escrow Amount, of not less than 1.20 to 1.

ARTICLE VIII

EVENTS OF DEFAULT

Section 8.01. Events of Default. Any of the following events shall be an "Event of Default":

- (1) Guarantor fails to pay hereunder;
- (2) any representation or warranty made by any Guarantor in this Agreement or in any other Participation Document or which is contained in any certificate, document, opinion, financial or other statement furnished at any time under or in connection with any Participation Document shall prove to have been incorrect in any material respect on or as of the date made;
- (3) Guarantor shall fail to perform or observe any term, covenant or agreement contained in "Insurance" (Section 5.04), "Reporting Requirements" (Section 5.08), "Negative Covenants" (Article VI) or "Financial Covenants" (Article VII) on its part to be performed or observed, or any Guarantor shall fail to perform or observe any term,

covenant or agreement contained in "Affirmative Covenants" (Article V) (other than those specified above) or otherwise contained in this Agreement or any Participation Document (other than obligations specifically covered by other Events of Default) to which it is a party on its part to be performed or observed and such failure shall remain unremedied for thirty (30) calendar days after such occurrence;

(4) Any Guarantor shall (a) fail to pay all or any portion of its Debt (other than the Debt of such Guarantor under the Participation Documents) or any interest or premium on such Debt when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise), or (b) fail to perform or observe any term, covenant, or condition on its part to be performed or observed under any agreement or instrument relating to any such Debt when required to be performed or observed, if the effect of such failure to perform or observe is to accelerate, or to permit the acceleration with or without the giving of notice (or further notice) or passage of time, or both, of the maturity of such Debt, unless such failure to timely perform or observe shall be waived by the holder of such Debt, or any such Debt shall be declared to be due and payable, or be required to be prepaid (other than by a regularly scheduled required prepayment) prior to the stated maturity of such Debt;

(5) Any Guarantor: (a) shall admit in writing its inability to, pay its debts as such debts become due; or (b) shall make an assignment for the benefit of creditors, petition or apply to any tribunal for the appointment of a custodian, receiver or trustee for it or a substantial part of its assets; or (c) shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (d) shall have had any such petition or application filed or any such proceeding shall have been commenced, against it, in which an adjudication or appointment is made or order for relief is entered, or which petition, application or proceeding remains undismissed or unstayed for a period of thirty (30) days or more; or shall be the subject of any proceeding under which its assets may be subject to seizure, forfeiture or divestiture; or (e) by any act or omission shall indicate its consent to, approval of or acquiescence in any such petition, application or proceeding or order for relief or the appointment of a custodian, receiver or trustee for all or any substantial part of its property; or (f) shall suffer any such custodianship, receivership or trusteeship to continue undischarged for a period of thirty (30) days or more;

(6) one or more judgments, decrees or orders for the payment of money shall be rendered against any Guarantor in an amount in excess of One Hundred Thousand Dollars (\$100,000), and such judgments, decrees or orders shall continue unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated, discharged, satisfied or stayed or bonded pending appeal;

(7) any of the following events shall occur or exist with respect to any Guarantor or any ERISA Affiliate: (a) any Prohibited Transaction involving any Plan; (b) any Reportable Event shall occur with respect to any Plan; (c) the filing under Section 4041 of ERISA of a notice of intent to terminate any Plan or the termination of any Plan; (d) any event or circumstance exists which might constitute grounds entitling the PBGC to institute proceedings under Section 4042 of ERISA for the termination of, or for the appointment of

a trustee to administer, any Plan, or the institution by the PBGC of any such proceedings; (e) complete or partial withdrawal under Section 4201 or 4204 of ERISA from a Multiemployer Plan or the reorganization, insolvency, or termination of any Multiemployer Plan; and in each case above, such event or condition, together with all other events or conditions, if any, could in the opinion of any Purchaser subject any Guarantor or any ERISA Affiliate to any tax, penalty, or other liability to a Plan, Multiemployer Plan, the PBGC, or otherwise (or any combination thereof) which in the aggregate exceeds or may exceed One Hundred Thousand Dollars (\$100,000);

(8) Any term or provision of "Guaranty" (Article III) shall, at any time after the execution and delivery of this Agreement and for any reason, cease to be in full force and effect or shall be declared null and void, or the validity or enforceability thereof shall be contested by any Guarantor, or any Guarantor shall deny it has any further liability or obligation under or shall fail to perform its obligations under "Guaranty" (Article III);

(9) Any of the following events shall occur: (a) the occurrence, after the Closing Date, of the acquisition, by any Person or Persons acting in concert, of securities of BI or BHI (or the power to vote such securities) representing fifty percent (50%) or more of the total voting power of all outstanding voting securities of BI or BHI, as the case may be, (b) the failure of BHI to continue to own, directly or indirectly, all of the capital stock of BI, BRI, or 100% of the membership interests of Bojangles' International, as the case may be (other than due to a merger) or other consolidation of BHI with BI or BRI or due to the Warrant being exercised by a Purchaser), or (c) the failure of BI to continue to own, directly or indirectly, 99% of the membership interests of Bojangles' International (other than due to a merger); and

(10) Any Material Agreement shall, at any time after its execution and delivery and for any reason cease to be in full force and effect, or shall be declared null and void, or the validity or enforceability thereof shall be contested by any party thereto, or any party thereto shall deny it has any further liability or obligation under or shall fail to perform its obligations under such Material Agreement, which could or is reasonably likely to have a Material Adverse Change.

Section 8.02. Remedies. If any Event of Default shall occur and be continuing, a Purchaser may require any of the Guarantors to immediately purchase any or all of its Senior Participation Interests at a price equal to the present value of the Remaining Purchased Royalty Payments determined by discounting on a monthly basis (assuming a calendar year consisting of twelve 30 day months) each such Purchased Royalty Payment from the last day of the calendar month in which such Purchased Royalty Payment is due to the date as of which such present value is being determined at a rate equal to the Treasury Rate. The remedies herein provided are cumulative and not exclusive of any remedies provided by Law.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Amendments and Waivers. No amendment or waiver of any provision of this Agreement or any other Participation Document nor consent to any departure by any Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Purchasers and each Guarantor and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided, however*, that no amendment, waiver or consent, shall, unless in writing and signed by all Purchasers do any of the following: (1) change the definition of "Required Purchasers"; or (2) amend this Section 9.01 or any other provision requiring the consent of all Purchasers. Notwithstanding the foregoing, each holder of a Participation Agreement may make amendments, waivers or consents in writing without the consent of the other Purchasers to do any of the following: (1) postpone any date fixed for any payment, or waive any default in the payment of Purchased Royalty Payments held by it; or (3) release any material portion of the Collateral related to a particular Senior Participation Interest held by such Purchaser. Notwithstanding the foregoing, Servicer may waive or amend any or all of the Affirmative Covenants (Article V), Negative Covenants (Article VI) or Financial Covenants, (Article VII), provided that, such waiver or amendments will only apply to this Agreement and will not affect any other Participation Document. No failure on the part of any Purchaser to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof or preclude any other or further exercise thereof or the exercise of any other right.

Section 9.02. Expenses. Bojangles' International agrees to reimburse the Purchasers on demand for all costs, expenses, and charges (including, without limitation, all reasonable fees and charges of legal counsel and accountant's fees and expenses for the Purchasers) incurred by the Purchasers, in connection with the negotiation, preparation of this Agreement and the other Participation Documents. In addition, Bojangles' International agrees to reimburse each Purchaser on demand for all reasonable costs, expenses and charges incurred in connection with the enforcement of this Agreement, and any or all of the other Participation Documents. Bojangles' International agrees to reimburse each of the Purchasers on demand for all reasonable costs, expenses, and charges (including with limitation, all fees and charges of legal counsel for each Purchaser) incurred by any Purchaser in connection with the compliance with any of the Participation Documents, or enforcement of this Agreement, the Participation Notes, or any other Participation Document. In addition to the foregoing, Bojangles' International agrees to reimburse each Purchaser on demand for all reasonable fees and charges of legal counsel for the Purchasers, incurred in connection with the administration of this Agreement, including, without limitation, the preparation of any amendments hereto or to the other Participation Documents or any consents furnished hereunder to under the other Participation Documents.

In addition, Bojangles' International agrees to reimburse each Purchaser on demand for all costs, expenses and charges incurred in connection with each inspection resulting from (1) a request from any Guarantor, or (2) an Event of Default, of any

Guarantor, including any costs, expenses and charges incurred by any third-party vendors hired to conduct such inspections. If Bojangles' International fails to reimburse such expenses when due, then the amount of such expenses will bear interest, payable on demand, at 12.68% per annum.

The foregoing and any provisions in the Participation Documents providing for the payment of fees and expenses to third parties (e.g., "attorneys' fees", "reasonable attorneys' fees", "expenses of counsel", "costs and expenses" or words or provisions of similar import), shall mean only fees incurred based upon the reasonable, usual and customary hourly rates of the attorneys, paralegals or other third parties engaged, for time actually spent rendering services, and not based upon any percentage fee, contingent fee, performance fee, flat rate or other such arrangement, and shall mean only such reasonable costs and expenses which are in fact incurred relating to the provision of such services.

Section 9.03. Indemnification. The Guarantors hereby jointly and severally indemnify and holds harmless each Purchaser and their respective officers, directors, employees, controlling persons, and agents from and against any and all claims, actions, suits, judgments, demands, damages, losses, liabilities (including, without limitation, liabilities for penalties), costs or expenses, including reasonable attorneys' fees (each, an "Indemnity Claim"), that such Person may incur by reason of, arising out of or in connection with (1) the execution, delivery, enforcement (including the foreclosure or other sale of the property subject to any Security Document and the ownership and/or possession of such property by any such Person or any representative thereof in connection with the exercise of rights and remedies thereunder), performance or administration of this Agreement and the other Participation Documents, (2) any actual or proposed use by any Guarantor of the proceeds of the Participations, (3) the Acquisitions and each other transaction contemplated by any of the Participation Documents, (4) any of the matters referred to in Section 10.2(g) of the Agreement and Plan of Merger but not arising directly from acts or omissions taken by the Purchaser in connection with the proposed acquisition by way of merger of BI by Regents Food Systems, Inc., and (5) any failure by any Guarantor to comply with any applicable Law; *provided*, that the Guarantor shall not be required to indemnify any such Person for any Indemnity Claim to the extent, but only to the extent, directly caused by such Person's gross negligence or willful misconduct as finally determined by a court of competent jurisdiction. The rights granted under this Section 9.03 are in addition to the rights granted under any other provision of this Agreement, under any other Participation Document or otherwise.

No Purchaser shall be responsible or liable to any Guarantor or any other Person for any consequential damages which may be alleged as a result of this Agreement, any other Participation Document or any of the transactions contemplated hereby and thereby.

The obligations and agreements of each of the Guarantors under this Section shall survive the repayment of the Participations and all amounts due under or in connection with any of the Participation Documents.

Section 9.04. Assignment: Participation. This Agreement shall be binding upon, and shall inure to the benefit of, each Guarantor and each Purchaser and their respective successors and permitted assigns. Any Purchaser may at any time grant to one or more Persons (each a "Participant") participating interests in its portion of the Senior Participation Interests.

Any Purchaser may at any time pool all or any one or more of the Participations for securitizations and any Purchasers may assign to one or more Purchasers or other institutions (each an "Assignee") all, or a part of all, of its rights and obligations under this Agreement and its Participation Notes, and such Assignee shall assume rights and obligations, subject to the consent of the Initial Purchaser; *provided, further*, that if the Assignee of any Purchaser is an Affiliate of such Purchaser, the consent of the Initial Purchaser shall not be required for such assignment. Upon execution and delivery of such instrument and payment by such Assignee to the Purchaser of an amount equal to the purchase price agreed between the Purchaser and such Assignee, such Assignee shall be a Purchaser to this Agreement and shall have all the rights and obligations of a Purchaser and the Purchaser shall be released from its obligations hereunder to a corresponding extent, and no further consent or action by any party shall be required.

Each Guarantor agrees to provide, at minimal cost to such Guarantor, all assistance reasonably requested by a Purchaser to enable such Purchaser either to (1) securitize the Participations, (2) sell participations in or (3) make assignments of its portion of the Participations as permitted by this Section 11.05.

Each Guarantor agrees that each Purchaser can provide information regarding Guarantor to all actual and prospective Participants and Assignees.

Section 9.05. Notices. All notices, requests and other communications hereunder shall be in writing and shall be deemed to have been duly given: (1) when personally delivered; (2) when sent by telefax to a party at the number for such party listed on the signature pages of this Agreement, with the sender being able to provide written confirmation of successfully completed transmission and receipt; (3) two (2) Business Days after the day on which the same has been delivered prepaid to a national courier service; or (4) three (3) Business Days after the deposit in the United States mail, registered or certified, return receipt requested, postage prepaid, in each case addressed to the party to whom such notice is to be given at the addresses given for such party on the signature pages of this Agreement. Notwithstanding the foregoing, all notices to Purchasers shall be effective upon receipt; provided that such Purchaser has notified the other parties hereto of its address.

Section 9.06. Jurisdiction: Immunities. Each Guarantor hereby irrevocably submit to the jurisdiction of any New York State or United States Federal court sitting in New York City over any action or proceeding arising out of or relating to this Agreement, the Participation Notes, or any other Participation Document, each Guarantor hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State or Federal court. Each Guarantor irrevocably consents to the service of any and all process in any such action or proceeding by the certified mailing, return receipt requested, of copies of such process to each Guarantor at their respective addresses

specified in Section 9.05. Each Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each Guarantor further waives any objection to venue in such State and any objection to an action or proceeding in such State on the basis of inconvenient forum. Each Guarantor agrees that any action or proceeding brought against any Purchaser shall be brought only in New York State or United States Federal court sitting in New York County.

Nothing in this Section 9.06 shall affect the right of any Purchaser to serve legal process in any other manner permitted by Law or affect the right of any Purchaser to bring any action or proceeding against any Guarantor or its property in the courts of any other jurisdictions.

To the extent that any Guarantor has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether from service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, each Guarantor hereby irrevocably waives such immunity in respect of its obligations under this Agreement, the Participations, and any other Participation Document.

Section 9.07. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such State.

Section 9.08. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all of the parties hereto.

Section 9.09. Exhibits and Schedules. The Exhibits and Schedules are a part of this Agreement as if fully set forth herein. All references herein to Sections, subsections, clauses, Exhibits and Schedules shall be deemed references to such parts of this Agreement, unless the context shall otherwise require.

Section 9.10. Table of Contents: Headings. The headings in the Table of Contents and in this Agreement are for reference only, and shall not affect the interpretation or construction of this Agreement.

Section 9.11. Severability. If any word, phrase, sentence, paragraph, provision or section of this Agreement or any other Participation Document shall be held, declared, pronounced or rendered invalid, void, unenforceable or inoperative for any reason by any court of competent jurisdiction, Governmental Authority, statute or otherwise, such holding, declaration, pronouncement or rendering shall not adversely affect any other word, phrase, sentence, paragraph, provision or section of this Agreement or such Participation Document, as the case may be, which shall otherwise remain in full force and effect and be enforced in accordance with its terms.

Section 9.12. Integration. The Participation Documents set forth the entire agreement among the parties hereto relating to the transactions contemplated thereby and supersede any prior oral or written statements or agreements with respect to such transactions.

Section 9.13. No Offset; Taxes. All payments made by any Guarantor under any of the Participation Documents, including, under any Participation Note or under any other Participation Document will be made without setoff, counterclaim or other defense. All such payments will be made free and clear of, and without deduction or withholding for, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any Governmental Authority (but excluding, any tax imposed on or measured by the net income of a Purchaser) and all interest, penalties or similar liabilities with respect thereto (collectively, "Taxes"). If any Taxes are so levied or imposed, the Guarantors agree to pay the full amount of such Taxes, and such additional amounts as may be necessary so that every payment of all amounts due under any of the Participation Documents, including any Participation or under any other Participation Document, after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein, in such Participation, or in such other Participation Document. If any amounts are payable in respect of Taxes pursuant to the preceding sentence, then the Guarantors agree to reimburse each Purchaser, upon the written request of such Purchaser, for taxes imposed on or measured by the net income of such Purchaser and for any withholding of or deduction from or on account of income or similar taxes imposed by the United States of America or such other jurisdiction as such Purchaser shall determine are payable by, or withheld from, such Purchaser in respect of such amounts so paid to or on behalf of such Purchaser pursuant to the preceding sentence and in respect of any amounts paid to or on behalf of such Purchaser pursuant to this sentence. The Guarantors will furnish to the Purchasers within forty-five (45) days after the date the payment of any Taxes, or any withholding or deduction on account thereof, is due pursuant to applicable Law, certified copies of tax receipts evidencing such payment by such Guarantor. The Guarantors will jointly and severally indemnify and hold harmless each Purchaser, and reimburse such Purchaser upon its written request, for the amount of any Taxes so levied or imposed and paid or withheld by such Purchaser.

Section 9.14. WAIVER OF JURY TRIAL. EACH PURCHASER AND EACH GUARANTOR WAIVE ANY RIGHT IT MAY HAVE TO JURY TRIAL.

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

FRANCHISE MORTGAGE
ACCEPTANCE COMPANY, as Initial
Purchaser and Servicer

By 

Name: Jerry McMurray
Title: SVP

Address: 2839 Paces Ferry Road
Suite 830 - Overlook II
Atlanta, GA 30339
Attn: John Gutowski
Telefax: (303) 694-2940

BOJANGLES', INC.

By 

Name: W. Glenn Gullledge
Title: President

Address: 9432 Southern Pine Boulevard
Charlotte, NC 28273
Attn: President and General
Counsel
Telefax: (704) 523-6676

BOJANGLES' INTERNATIONAL, LLC

By 

Name: W. Glenn Gullledge
Title: President BOJANGLES INC., MANAGER

Address: 9432 Southern Pine Boulevard
Charlotte, NC 28273
Attn: W. Glenn Gullledge
Telefax: (704) 523-6676

COPY

BOJANGLES' HOLDINGS, INC.

By 

Name: *W. Glenn Gullledge*

Title: *President*

Address: 9432 Southern Pine Boulevard
Charlotte, NC 28273

Attn: W. Glenn Gullledge

Telefax: (704) 523-6676

COPY

SCHEDULE 4.12
Intellectual Property