

ITEM 7

YOUR ESTIMATED INITIAL INVESTMENT

**P10 Prototype
7,844 Square Foot TGI Fridays™ Restaurant**

(We have not yet built a P10 prototype unit. The information below is not actual, historical or as-built information but is based on estimates and bids we received for building a Prototype 10 unit. Also see Note 13.)

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee (Note 1)	\$50,000	\$50,000	Lump sum	Upon execution of Franchise Agreement	Fridays
Furniture, Equipment & Décor (Note 2)	\$575,000	\$900,000	As billed; prepaid if ordered through us	As incurred	Fridays, Other Suppliers
Computer Systems (Note 3)	\$80,000	\$85,000	As billed; prepaid if ordered through us	As incurred	Fridays
Opening Inventory (Note 4)	\$45,000	\$80,000	As billed	As incurred	Suppliers
Hiring Expenses; Training (Note 5)	\$80,000	\$150,000	As billed	As incurred	Employees and Suppliers
Liquor License (Note 6)	\$1,500	\$600,000	Lump sum or Rent	Upon Transfer or Application	Government Agency or Prior License Holder
Real Estate Rental; Lease (Note 7)	\$75,000	\$350,000	(Note 7)	(Note 7)	(Note 7)
Building & Improvements (Notes 8 and 13)	\$1,400,000	\$1,900,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Site Improvements (Note 8)	\$200,000	\$400,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Developmental Costs (Note 8)	\$65,000	\$130,000	As billed	As incurred	Engineers, Architects, Other Professionals
Insurance (Note 9)	\$50,000	\$150,000	As billed	As incurred	Suppliers

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Miscellaneous Costs (Note 10)	\$10,000	\$200,000	As billed	As incurred	Employees, Suppliers and Governmental Agencies
Additional Funds (3 months) (Note 11)	\$50,000	\$100,000	As billed	As incurred	Various Suppliers and Employees
Total (Does not include real estate purchase cost)	\$2,681,500	\$5,095,000			

P9 Prototype
5,850 Square Foot TGI Fridays™ Restaurant

(We are focusing future development on the P10 Prototype and are phasing out development of P9, P9+ and Opry Mills Prototypes. We did not build any P9 prototype units in 2013. The information below is from 2012 or prior years. Also see Note 13.)

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee (Note 1)	\$50,000	\$50,000	Lump sum	Upon execution of Franchise Agreement	Fridays
Furniture, Equipment & Décor (Note 2)	\$500,000	\$750,000	As billed; prepaid if ordered through us	As incurred	Fridays, Other Suppliers
Computer Systems (Note 3)	\$70,000	\$74,500	As billed; prepaid if ordered through us	As incurred	Fridays
Opening Inventory (Note 4)	\$45,000	\$80,000	As billed	As incurred	Suppliers
Hiring Expenses; Training (Note 5)	\$55,000	\$100,000	As billed	As incurred	Employees and Suppliers
Liquor License (Note 6)	\$1,500	\$600,000	Lump sum or Rent	Upon Transfer or Application	Government Agency or Prior License Holder
Real Estate Rental; Lease (Note 7)	\$75,000	\$350,000	(Note 7)	(Note 7)	(Note 7)

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Building & Improvements (Notes 8 and 13)	\$900,000	\$1,400,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Site Improvements (Note 8)	\$200,000	\$400,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Developmental Costs (Note 8)	\$65,000	\$130,000	As billed	As incurred	Engineers, Architects, Other Professionals
Insurance (Note 9)	\$50,000	\$150,000	As billed	As incurred	Suppliers
Miscellaneous Costs (Note 10)	\$10,000	\$200,000	As billed	As incurred	Employees, Suppliers and Governmental Agencies
Additional Funds (3 months) (Note 11)	\$50,000	\$100,000	As billed	As incurred	Various Suppliers and Employees
Total (Does not include real estate purchase cost)	\$2,071,500	\$4,230,000			

P9+ Prototype
6,613 Square Foot TGI Fridays™ Restaurant

(We are focusing future development on the P10 Prototype and are phasing out development of P9, P9+ and Opry Mills Prototypes. We did not build any P9+ prototype units in 2013. The information below is from 2012 or prior years. Also see Note 13.)

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee (Note 1)	\$50,000	\$50,000	Lump sum	Upon execution of Franchise Agreement	Fridays
Furniture, Décor, Equipment & Décor (Note 2)	\$525,000	\$600,000	As billed; prepaid if ordered through us	As incurred	Fridays, Other Suppliers
Computer Systems (Note 3)	\$70,000	\$76,500	As billed; prepaid if ordered through us	As incurred	Fridays
Opening Inventory	\$45,000	\$80,000	As billed	As incurred	Suppliers

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
(Note 4)					
Hiring Expenses; Training (Note 5)	\$55,000	\$100,000	As billed	As incurred	Employees and Suppliers
Liquor License (Note 6)	\$1,500	\$600,000	Lump sum or Rent	Upon Transfer or Application	Government Agency or Prior License Holder
Real Estate Rental; Lease (Note 7)	\$75,000	\$350,000	(Note 7)	(Note 7)	(Note 7)
Building & Improvements (Notes 8 and 13)	\$1,200,000	\$2,000,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Site Improvements (Note 8)	\$200,000	\$400,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Developmental Costs (Note 8)	\$65,000	\$130,000	As billed	As incurred	Engineers, Architects, Other Professionals
Insurance (Note 9)	\$50,000	\$150,000	As billed	As incurred	Suppliers
Miscellaneous Costs (Note 10)	\$10,000	\$200,000	As billed	As incurred	Employees, Suppliers and Governmental Agencies
Additional Funds (3 months) (Note 11)	\$50,000	\$100,000	As billed	As incurred	Various Suppliers and Employees
Total (Does not include real estate purchase cost)	\$2,406,500	\$4,855,000			

Opry Mills Prototype

(We did not build any Opry Mills prototype units in 2013. The information below is from 2012 or prior years. Also see Note 13.)

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee (Note 1)	\$50,000	\$50,000	Lump sum	Upon execution of Franchise Agreement	Fridays
Furniture, Décor, Equipment & Décor (Note 2)	\$650,000	\$900,000	As billed; prepaid if ordered through us	As incurred	Fridays, Other Suppliers
Computer Systems (Note	\$70,000	\$76,500	As billed;	As incurred	Fridays

Type of Expenditure	Actual or Estimated Amount (Low)	Actual or Estimated Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
3)			prepaid if ordered through us		
Opening Inventory (Note 4)	\$50,000	\$90,000	As billed	As incurred	Suppliers
Hiring Expenses; Training (Note 5)	\$55,000	\$100,000	As billed	As incurred	Employees and Suppliers
Liquor License (Note 6)	\$1,500	\$600,000	Lump sum or Rent	Upon Transfer or Application	Government Agency or Prior License Holder
Real Estate Rental; Lease (Note 7)	\$75,000	\$350,000	(Note 7)	(Note 7)	(Note 7)
Building & Improvements (Note 8)	\$1,200,000	\$2,000,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Site Improvements (Note 8)	\$200,000	\$400,000	As billed	As incurred	Lessors, Contractors and Subcontractors
Developmental Costs (Note 8)	\$75,000	\$130,000	As billed	As incurred	Engineers, Architects, Other Professionals
Insurance (Note 9)	\$50,000	\$150,000	As billed	As incurred	Suppliers
Miscellaneous Costs (Note 10)	\$10,000	\$200,000	As billed	As incurred	Employees, Suppliers and Governmental Agencies
Additional Funds (3 months) (Note 11)	\$50,000	\$100,000	As billed	As incurred	Various Suppliers and Employees
Total (Does not include real estate purchase cost)	\$2,536,500	\$5,146,500			

Notes:

Costs paid to us (other than the earnest money deposit, which is described in Item 5) are not refundable. Whether any costs paid to third parties are refundable will vary based on, among other things, the practice in the area where your Restaurant is located.

(Note 1) See Item 5 for a description of the Initial Franchise Fee.

(Note 2) We are one of the suppliers of kitchen equipment and décor for the Restaurant (see Item 8).

(Note 3) We procure, on your behalf, the Information Technology Computer Systems (see Item 8).

(Note 4) Opening inventory reflects the costs of consumable inventory items such as food, liquor, cleaning supplies and paper goods, which are necessary on the opening day. You must promptly replenish these items as consumed.

(Note 5) Hiring expenses include, among others, costs such as the expenses of utilizing social media recruitment strategies in advertising for employees, costs of interviewing activities, and wages for your managers and hourly employees during pre-opening training. For a description of training, see Items 6 and 11.

(Note 6) The cost of obtaining liquor licenses varies greatly depending on the state and the licensing authority involved.

(Note 7) If you do not already own suitable restaurant space, you must lease or purchase the land and a building for the Restaurant. The cost of purchasing unimproved land will vary depending on location, availability of utilities and other factors and cannot be estimated. This is your estimated yearly cost to lease retail space (e.g., in-line shell space in a shopping center) for a Restaurant, plus your share of taxes, common area maintenance and security deposit if required.

(Note 8) This is an estimate for construction costs for building and improvements for a ground up Restaurant on unimproved land. Landlord allowances for improvements are sometimes available and may vary considerably, and would offset building costs. In addition to construction costs, you may incur developmental costs for engineering, architectural, design, real estate, legal and other professional services. Our construction and developmental cost estimates assume that there are no unusual site conditions, and that adequate utilities are available at, or adjacent to, the building pad. The actual size of your unit may, conditioned upon our approval, be larger or smaller than the typical unit shown here.

(Note 9) Insurance costs vary by insurability of each franchisee, restaurant location and facility type. You will probably be required to pay your entire premium for workers compensation, property and casualty insurance in advance, but the estimate of additional funds is not an assurance that further funds will not be needed. The actual needs of the franchised business are variable and subject to factors beyond our control, such as location and managerial ability.

(Note 10) Miscellaneous costs include items like utility and service company deposits, possible transportation and/or utility impact fees, advertising and promotional expenses and materials for your initial opening, and unforeseen incidental expenses.

(Note 11) In addition to the Initial Franchise Fee and other initial costs, you will need additional funds to operate the Restaurant during the start-up phase of your business. We based these amounts on the average first three months of operation of all company operated restaurants that opened in 2012 and 2013. Operating cash flow from normal operations will fund cash expenditures needed for food, beverage and labor costs of management and hourly employees, and expenses for supplies, utilities, rent, taxes and common area expenses. These amounts do not include amortization, depreciation or the cost of debt service. There are many variables affecting these amounts such as sales volume, number of employees, rates of pay and frequency of inventory turnover. We have included operating cash flow, 4% royalty and an advertising contribution of 4% on gross sales. These figures are only estimates, and we cannot assure you that you will not have additional expenses starting the Restaurant. Your actual costs will depend on such factors as your management skills, experience and business acumen; local economic conditions and competition. You should calculate your estimated expenses for these items based on the anticipated costs in your market and consider whether you will need additional cash reserves.

(Note 12) For additional costs associated with Information Technology see Items 8 and 11.

(Note 13) The costs and expenditures listed are for a new Restaurant prototype that continues to be developed with various changes. The ranges listed are our best information to date, but may vary widely as the prototype evolves, and may be subject to increases or decreases based on changes in market conditions, our cost of providing services and future policy and design changes.

Except as stated in the preceding charts and accompanying notes, these amounts may be subject to increase based on changes in market conditions, our cost of providing services and future policy changes. Currently, we have no plans to increase payments over which we have control.

We do not provide financing to franchisees either directly or indirectly in connection with the initial investment requirements. The availability and terms of financing obtained from third parties will depend upon such factors as the availability of financing, your credit worthiness, collateral which you may make available, or policies of local lending institutions with respect to the nature of the business.