



## FREQUENTLY ASKED QUESTIONS FOR IGNITE EMPLOYEES

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### **1. What did Ignite announce?**

- We announced that Ignite has entered into an agreement to sell substantially all of its assets to KRG Acquisition Co, LLC (the “Buyer”). The agreement follows a thorough process in which Ignite reviewed all of its strategic alternatives and determined that this agreement is the best possible outcome for Ignite and its various stakeholders.
- To facilitate the sale, Ignite and its subsidiaries today filed voluntary petitions for protection under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas.

### **2. What does it mean to file for Chapter 11 protection?**

- A Chapter 11 reorganization is a legal process designed to help companies continue to operate while they develop plans to restructure their finances.
- Chapter 11 permits, and even encourages, daily business operations to continue as usual.
- Many companies have successfully utilized Chapter 11, including United Airlines, General Motors, Six Flags, Macy’s, and Logan’s Roadhouse.

### **3. How will the bankruptcy affect my day-to-day work?**

- Our operations will continue in the ordinary course throughout this process.
- Employees can expect to receive their usual pay and benefits.
- You should see no impact on your day-to-day job responsibilities.
- The most important way that you can help is by keeping up the good work and continuing to focus on your responsibilities and our commitment to supporting our operations and serving our customers.

### **4. Will the bankruptcy affect my pay and benefits?**

- Employees can expect to receive their usual pay and benefits.
- As is customary in Chapter 11 bankruptcy cases, we have filed motions with the Bankruptcy Court – which we expect will be approved promptly – to allow us to continue to pay, without interruption, all wages, salaries and benefits as usual.

### **5. Is Ignite’s 401(k) plan affected by this bankruptcy?**

- Assets in a 401(k) plan are protected by federal bankruptcy laws.
- As always, the value of the various investment options in the 401(k) plan can fluctuate based on market conditions.

### **6. Will there be layoffs as a result of the bankruptcy case?**

- We expect that our operations will continue in the ordinary course throughout this process and you should see no impact on your day-to-day job responsibilities.
- As always, decisions regarding employment and operations will be driven by business needs and customer demand.

### **7. What does Ignite hope to accomplish through this Chapter 11 reorganization?**

- The actions we are taking are intended to facilitate the sale of Ignite’s business to the Buyer.

### **8. Who is KRG Acquisition Co, LLC?**



- KRG Acquisitions Co, LLC is the acquisitions arm of Kelly Companies of Southern California, LLC (“Kelly Companies”). Kelly Companies and their affiliates are a San Diego based private equity firm formed in 1993 that has been a buyer of real estate, companies and debt.
- Kelly Companies currently owns and operates over 100 restaurants nationwide.

**9. Is there anything I can do to help?**

- We are confident that we are taking the right actions to position our company and our restaurants for future growth and success.
- The most important way that you can help is by keeping up the good work and continuing to focus on your responsibilities and our commitment to serving our customers.

**10. What if I’m approached by the media?**

- It is likely that this announcement will lead to increased interest in our company, and it is important we speak with one voice on this matter.
- If you receive any inquiries from the media or other interested third parties, please refer them to Ignite Media Relations at 713-366-7577.

**11. Where can I find further information?**

- Ignite has established a Restructuring Information Hotline for interested parties at (844) 752-2747
- Additional information can be found on the Ignite website at <http://www.igniterestaurants.com>
- Court filings and information about the claims process can be found at a separate website maintained by Ignite’s claims agent, Garden City Group, at [www.gardencitygroup.com/cases/irg](http://www.gardencitygroup.com/cases/irg)