

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MINNESOTA**

PAUL PARSHALL, Individually and On)
Behalf of All Others Similarly Situated,)
)
Plaintiff,)

v.)

POPEYES LOUISIANA KITCHEN, INC.,)
JOHN M. CRANOR, III, S. KIRK KINSELL,)
CAROLYN HOGAN BYRD, MARTYN R.)
REDGRAVE, CANDACE MATTHEWS,)
CHERYL A. BACHELDER, KRISHNAN)
ANAND, JOEL K. MANBY, LIZANNE)
THOMAS, RESTAURANT BRANDS)
INTERNATIONAL INC., RESTAURANT)
BRANDS HOLDINGS CORPORATION,)
and ORANGE, INC.,)
Defendants.)

Case No. _____

JURY TRIAL DEMANDED

CLASS ACTION

COMPLAINT FOR VIOLATION OF THE SECURITIES EXCHANGE ACT OF 1934

Plaintiff, by his undersigned attorneys, for this complaint against defendants, alleges upon personal knowledge with respect to himself, and upon information and belief based upon, *inter alia*, the investigation of counsel as to all other allegations herein, as follows:

NATURE OF THE ACTION

1. This action stems from a proposed transaction announced on February 21, 2017 (the “Proposed Transaction”), pursuant to which Popeyes Louisiana Kitchen Inc. (“Popeyes” or the “Company”) will be acquired by Restaurant Brands International Inc. and its affiliates (collectively, “RBI”) through a tender offer (the “Offer”) currently scheduled to expire on March 24, 2017.

2. On February 21, 2017, Popeyes’ Board of Directors (the “Board” or “Individual Defendants”) caused the Company to enter into an agreement and plan of merger (the “Merger

Agreement”) with Restaurant Brands International Inc., Restaurant Brands Holdings Corp., and Orange, Inc. Pursuant to the terms of the Merger Agreement, shareholders of Popeyes will receive \$79.00 per share in cash.

3. On February 27, 2017, defendants filed a Solicitation/Recommendation Statement and a Form S-4 Registration Statement (together, the “Solicitation Statement”) with the United States Securities and Exchange Commission (“SEC”) in connection with the Proposed Transaction.

4. The Solicitation Statement omits material information with respect to the Proposed Transaction, which renders the Solicitation Statement false and misleading. Accordingly, plaintiff alleges herein that defendants violated Sections 14(e), 14(d), and 20(a) of the Securities Exchange Act of 1934 (the “1934 Act”) in connection with the Solicitation Statement.

JURISDICTION AND VENUE

5. This Court has jurisdiction over all claims asserted herein pursuant to Section 27 of the 1934 Act because the claims asserted herein arise under Sections 14(e), 14(d), and 20(a) of the 1934 Act and Rule 14a-9.

6. This Court has jurisdiction over defendants because each defendant is either a corporation that conducts business in and maintains operations within this District, or is an individual with sufficient minimum contacts with this District so as to make the exercise of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.

7. Venue is proper under 28 U.S.C. § 1391 because a substantial portion of the transactions and wrongs complained of herein occurred in this District.

PARTIES

8. Plaintiff is, and has been continuously throughout all times relevant hereto, the owner of Popeyes common stock.

9. Defendant Popeyes is a Minnesota corporation and maintains its principal executive offices at 400 Perimeter Center Terrace, Suite 1000, Atlanta, Georgia. Popeyes' common stock is traded on the Nasdaq GS under the ticker symbol "PLKI."

10. Defendant John M. Cranor, III ("Cranor") has served as a director of Popeyes since November 2006 and as Chairman of the Board since November 2007. According to the Company's website, Cranor is Chair of the Executive Committee and a member of the Corporate Governance Committee.

11. Defendant S. Kirk Kinsell ("Kinsell") has served as a director of Popeyes since January 2015. According to the Company's website, Kinsell is a member of the Audit Committee and a member of the People Services Compensation Committee.

12. Defendant Carolyn Hogan Byrd ("Byrd") has served as a director of Popeyes since May 2001. According to the Company's website, Byrd is the Chair of the Corporate Governance Committee and a member of the Audit Committee and the Executive Committee.

13. Defendant Martyn R. Redgrave ("Redgrave") has served as a director of Popeyes since October 2013. According to the Company's website, Redgrave is Chair of the Audit Committee and a member of the People Services Compensation Committee.

14. Defendant Candace Matthews ("Matthews") has served as a director of Popeyes since January 2016.

15. Defendant Cheryl A. Bachelder ("Bachelder") has served as a director of Popeyes since November 2006 and is the Company's Chief Executive Officer ("CEO"). According to the

Company's website, Bachelder is a member of the Executive Committee.

16. Defendant Krishnan Anand ("Anand") has served as a director of Popeyes since November 2010. According to the Company's website, Anand is Chair of the People Services Compensation Committee and a member of the Corporate Governance Committee.

17. Defendant Joel K. Manby ("Manby") has served as a director of Popeyes since September 2013. According to the Company's website, Manby is a member of the People Services Compensation Committee.

18. Defendant Lizanne Thomas ("Thomas") has served as a director of Popeyes since November 2015. According to the Company's website, Thomas is a member of the Audit Committee and a member of the Corporate Governance Committee.

19. The defendants identified in paragraphs 10 through 18 are collectively referred to herein as the "Individual Defendants."

20. Defendant Restaurant Brands International Inc. is a corporation existing under the laws of Canada and a party to the Merger Agreement.

21. Defendant Restaurant Brands Holdings Corporation is a corporation existing under the laws of the Province of Ontario and a party to the Merger Agreement.

22. Defendant Orange, Inc. is a Minnesota corporation, an indirect subsidiary of Restaurant Brands International Inc., and a party to the Merger Agreement.

CLASS ACTION ALLEGATIONS

23. Plaintiff brings this action as a class action on behalf of herself and the other public stockholders of Popeyes (the "Class"). Excluded from the Class are defendants herein and any person, firm, trust, corporation, or other entity related to or affiliated with any defendant.

24. This action is properly maintainable as a class action.

25. The Class is so numerous that joinder of all members is impracticable. As of February 17, 2017, there were approximately 20,931,877 shares of Popeyes common stock outstanding, held by hundreds, if not thousands, of individuals and entities scattered throughout the country.

26. Questions of law and fact are common to the Class, including, among others: (i) whether defendants violated the 1934 Act; and (ii) whether defendants will irreparably harm plaintiff and the other members of the Class if defendants' conduct complained of herein continues.

27. Plaintiff is committed to prosecuting this action and has retained competent counsel experienced in litigation of this nature. Plaintiff's claims are typical of the claims of the other members of the Class and plaintiff has the same interests as the other members of the Class. Accordingly, plaintiff is an adequate representative of the Class and will fairly and adequately protect the interests of the Class.

28. The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications that would establish incompatible standards of conduct for defendants, or adjudications that would, as a practical matter, be dispositive of the interests of individual members of the Class who are not parties to the adjudications or would substantially impair or impede those non-party Class members' ability to protect their interests.

29. Defendants have acted, or refused to act, on grounds generally applicable to the Class as a whole, and are causing injury to the entire Class. Therefore, final injunctive relief on behalf of the Class is appropriate.

SUBSTANTIVE ALLEGATIONS

Background of the Company and the Proposed Transaction

30. Founded in Atlanta in 1992 as AFC Enterprises, Inc., Popeyes is a developer, operator, and franchisor of quick-service restaurants under the trade name Popeyes® Louisiana Kitchen and Popeyes® Chicken & Biscuits. In January 2014, AFC Enterprises, Inc. changed its corporate name to Popeyes Louisiana Kitchen, Inc.

31. On November 9, 2016, Popeyes issued a press release wherein it reported its financial results for the fiscal third quarter of 2016 ended October 2, 2016. The Company reported that total revenues increased 4.7% to \$64.0 million, compared to \$61.1 million in the third quarter of 2015. Adjusted earnings per diluted share were \$0.59 in the third quarter of 2016 compared to \$0.47 in the third quarter of 2015, representing an increase of 25.5%. Total system-wide sales increased by 8.3% compared to the same period last year. Additionally, global same-store sales increased 1.8% in the third quarter of 2016, marking the twenty-sixth quarter of positive global same-store sales. Total domestic same-store sales increased 1.5%, and Popeyes increased its domestic market share of the chicken-QSR category to a record high 26.9%. International same-store sales increased 3.7%, marking the twenty-seventh consecutive quarter of positive international same-store sales growth. Popeyes also opened forty restaurants. As of the end of the third quarter, the Company operated and franchised 2,631 restaurants, compared to 2,475 at the end of the third quarter in 2015, representing net new unit growth of 6.3% over the last twelve months. Moreover, sales by Company-operated restaurants were \$26.1 million in the third quarter compared to \$25.4 million in the same period last year.

32. With respect to the impressive financial results, Individual Defendant Bachelder, the Company's CEO, commented:

We are pleased to report strong progress for the quarter[.] We generated global same store sales of 1.8%, opened 25 net new global restaurants and announced the refranchising of the Indianapolis company-operated market. We continue to expand our brand which has led to the achievement of another record high market share of 26.9%. We are firmly on the path of achieving our long term bold growth goals and we are creating value for our franchisees and shareholders.

33. On February 22, 2017, Popeyes issued a press release wherein it reported its financial results for the fiscal year 2016 ended December 25, 2016. The Company reported that global system-wide sales increased 7.4% in 2016 and global same-store sales increased 1.7%. Total domestic same-store sales increased 1.4%, the eighth consecutive year of positive same-store sales growth. International same-store sales increased 4.4%, the tenth consecutive year of positive same-store sales growth. Popeyes opened 216 restaurants in 2016. Additionally, total revenues increased approximately 3.8% to \$268.9 million in 2016, from \$259.0 million in 2015.

34. With respect to the results, Individual Defendant Bachelder commented:

We are pleased to report another year of strong performance at Popeyes[.] Driving the top line through a careful balance of innovative offerings and core menu value has created momentum in the fourth quarter, despite challenging market conditions. In 2016, we delivered global same-store sales growth of 1.7%, our 8th consecutive year of positive same-store sales growth, and 216 new restaurant openings around the world.

35. Nevertheless, the Board caused Popeyes to enter into the Merger Agreement, pursuant to which the Company will be acquired by RBI for inadequate consideration.

36. The Individual Defendants have all but ensured that another entity will not emerge with a competing proposal by agreeing to a “no solicitation” provision in the Merger Agreement that prohibits the Individual Defendants from soliciting alternative proposals and severely constrains their ability to communicate and negotiate with potential buyers who wish to submit or have submitted unsolicited alternative proposals. Section 6.02(a) of the Merger Agreement states:

(a) No Solicitation. From the date hereof until the Effective Time, or, if earlier, the termination of this Agreement in accordance with Section 9.01, the Company shall not, and shall cause its Affiliates and its and their respective Representatives not to, directly or indirectly, (i) solicit, initiate, knowingly facilitate or knowingly encourage the submission or announcement of any inquiries, proposals or offers that constitute or would reasonably be expected to lead to any Takeover Proposal, (ii) provide any non-public information concerning the Company or any of its Subsidiaries related to, or to any person or group who would reasonably be expected to make, any Takeover Proposal, (iii) engage in any discussions or negotiations with respect to any inquiry, proposal or offer that constitutes or would reasonably be expected to lead to a Takeover Proposal, (iv) approve, support, adopt, endorse or recommend any Takeover Proposal or any Acquisition Agreement with respect thereto, (v) otherwise knowingly cooperate with or assist or participate in, or knowingly facilitate, any such inquiries, proposals, offers, discussions or negotiations or (vi) resolve or agree to do any of the foregoing. Subject to Section 6.02(c), the Company shall, and shall cause its Affiliates and its and their respective Representatives to, (A) immediately cease and cause to be terminated all existing discussions or negotiations with any person or group conducted heretofore with respect to any Takeover Proposal, or any inquiry or proposal that would reasonably be expected to lead to a Takeover Proposal, (B) immediately terminate access by any Third Party to any physical or electronic data room relating to any Takeover Proposal or any inquiry, proposal or offer that constitutes or would reasonably be expected to lead to a Takeover Proposal and (C) promptly (and in any event within 24 hours after the date of this Agreement) request the prompt return or destruction of any confidential information provided to any Third Party within the twelve (12) months immediately preceding the date of this Agreement in connection with any Takeover Proposal or any inquiry, proposal or offer that constitutes or may reasonably be expected to lead to a Takeover Proposal. Any violations of the restrictions set forth in this Section 6.02 by any Representative of the Company or any of its Subsidiaries shall be deemed to be a breach of this Section 6.02 by the Company.

37. Further, the Company must promptly advise RBI of any proposals or inquiries received from other parties. Section 6.02(d) of the Merger Agreement states:

(d) Notice to Parent of Takeover Proposals. The Company shall promptly (and, in any event, within 24 hours) notify Parent in the event that the Company receives (or obtains Knowledge that any of its Representatives has received) any Takeover Proposal, or any initial request for non-public information concerning the Company or any of its Subsidiaries related to, or any initial request for discussions or negotiations related to, any Takeover Proposal (including any material changes related to the foregoing), and in connection with such notice, provide the identity of the person or group making such Takeover Proposal or request (except to the extent disclosure of such identity would breach a confidentiality obligation in effect prior to the execution of this Agreement) and

the material terms and conditions thereof (including copies of any written requests, proposals or offers, including proposed agreements (which in each case may be redacted if necessary to remove the identity of the person making such request, proposal or offer to comply with any confidentiality obligation in effect prior to the execution of this Agreement), and a description of any material oral terms and conditions); provided, that the Company and its Subsidiaries and their respective Representatives shall not engage in any substantive discussions or negotiations or provide any non-public information concerning the Company or any of its Subsidiaries unless and until such person's identity has been disclosed to Parent and such redactions have been unredacted. Thereafter the Company shall keep Parent reasonably informed on a prompt (and, in any event, within 24 hours) basis of the status, details and terms (other than immaterial details and terms) of any such Takeover Proposal or request (including all drafts of any written requests, proposals, offers or agreements).

38. Moreover, the Merger Agreement contains a highly restrictive “fiduciary out” provision permitting the Board to withdraw its approval of the Proposed Transaction under extremely limited circumstances, and grants RBI a “matching right” with respect to any “Superior Proposal” made to the Company. Sections 6.02(g) and (h) of the Merger Agreement provide:

(g) Superior Proposal. Notwithstanding anything to the contrary contained in this Agreement, at any time prior to the consummation of the Offer or the receipt of the Shareholder Approval, if required, if, in response to a bona fide written Takeover Proposal made after the date of this Agreement and not withdrawn that did not result from a breach of this Section 6.02, the Company Board (or the Committee of Disinterested Directors) determines in good faith (after consultation with its outside counsel and financial advisors) that such Takeover Proposal constitutes a Superior Proposal, (i) subject to compliance with Section 6.02(h), the Company Board (or the Committee of Disinterested Directors) may make an Adverse Recommendation Change and/or (ii) the Company may terminate this Agreement pursuant to Section 9.01(f) in order to enter into an Acquisition Agreement with respect to such Superior Proposal; provided, however, that the Company shall not terminate this Agreement pursuant to Section 9.01(f) unless the Company (A) has complied with its obligations under Section 6.02(h), (B) pays, or causes to be paid, to Intermediate Parent the Termination Amount payable pursuant to Section 9.03(b) prior to or concurrently with such termination and (C) immediately following or concurrently with such termination, enters into a definitive Acquisition Agreement that documents the terms and conditions of such Superior Proposal.

(h) Notwithstanding anything to the contrary contained in this Agreement, the Company shall not be entitled to make an Adverse Recommendation Change pursuant to Section 6.02(f) or Section 6.02(g) or terminate this Agreement pursuant to Section 9.01(f) unless (x) the Company shall have provided to Parent four (4) business days' prior written notice (the "Match Right Notice"), advising Parent that the Company intends to take such action (and specifying, in reasonable detail, the reasons for such action and the material terms and conditions of any such Superior Proposal or details of such Intervening Event, as applicable), and (y):

(i) during such four (4) business day period, if requested by Parent in good faith, the Company and its Representatives shall have engaged in good faith negotiations with Parent regarding changes to the terms of this Agreement intended by Parent so that an Adverse Recommendation Change would no longer be necessary or to cause such Takeover Proposal to no longer constitute a Superior Proposal, as applicable; and

(ii) the Company Board (or the Committee of Disinterested Directors) shall have considered any adjustments to this Agreement (including a change to the price terms hereof) and any other agreements that may be proposed in writing by Parent (the "Proposed Changed Terms") no later than 11:59 p.m., New York City time, on the fourth (4th) business day of such four (4) business day period and shall have determined in good faith (after consultation with its outside legal counsel and financial advisors) that, after giving effect to such Proposed Changed Terms, the failure to make the Adverse Recommendation Change or terminate this Agreement pursuant to Section 9.01(f), as applicable, would be reasonably likely to be inconsistent with its fiduciary obligations of the Company Board (or the Committee of Disinterested Directors) under applicable Law.

For the avoidance of doubt, any (1) material changes in the changes, effects, events, occurrences or facts relating to an Intervening Event, (2) material revisions to the terms of a Superior Proposal or (3) material revisions to a Takeover Proposal that the Company Board (or the Committee of Disinterested Directors) had determined no longer constitutes a Superior Proposal, shall constitute a new Intervening Event or Takeover Proposal, as applicable, and shall in each case require the Company to deliver to Parent a new Match Right Notice; provided that, in such event, each reference in this Section 6.02(h) to a four (4) business day period or the fourth (4th) business day shall be deemed to be three (3) business days or the third (3rd) business day, respectively.

39. Further locking up control of the Company in favor of RBI, the Merger Agreement provides for a "termination fee" of \$51 million, payable by the Company to RBI if the Individual Defendants cause the Company to terminate the Merger Agreement.

40. By agreeing to all of the deal protection devices, the Individual Defendants have locked up the Proposed Transaction and have precluded other bidders from making successful competing offers for the Company.

41. The merger consideration to be paid to plaintiff and the Class in the Proposed Transaction is inadequate.

42. Among other things, the intrinsic value of the Company is materially in excess of the amount offered in the Proposed Transaction.

43. Further, the merger consideration fails to adequately compensate the Company's stockholders for the significant synergies resulting from the merger.

44. Accordingly, the Proposed Transaction will deny Class members their right to share proportionately and equitably in the true value of the Company's valuable and profitable business, and future growth in profits and earnings.

45. Meanwhile, certain of the Company's officers and directors stand to receive substantial benefits as a result of the Proposed Transaction.

46. For example, in connection with the Proposed Transaction, defendants will implement a retention plan for payment of retention bonuses payable to the Company's executive officers.

47. Individual Defendant Bachelder stands to receive \$12,354,683 in connection with the Proposed Transaction. Additionally, the Company's four other named executive officers stand to receive \$12,277,692.

The Solicitation Statement Omits Material Information, Rendering It False and Misleading

48. Defendants filed the Solicitation Statement with the SEC in connection with the Proposed Transaction.

49. The Solicitation Statement omits material information regarding the Proposed Transaction, which renders the Solicitation Statement false and misleading.

50. First, the Solicitation Statement omits material information regarding Popeyes' financial projections and the financial analyses performed by the Company's financial advisor, UBS Securities LLC ("UBS"), in support of its so-called fairness opinion.

51. With respect to Popeyes' financial projections, the Solicitation Statement fails to disclose, *inter alia*: (i) net income; (ii) interest expense; (iii) taxes (iv) depreciation and amortization; (v) restructuring expenses; (vi) tax-effected adjusted EBIT; (vii) capital expenditures; (viii) net working capital; (ix) other income; and (x) a reconciliation of all non-GAAP to GAAP metrics.

52. With respect to UBS's *Discounted Cash Flow Analyses*, the Solicitation Statement fails to disclose: (i) the base case standalone unlevered after-tax free cash flows; (ii) the constituent line items used in calculating the base case standalone unlevered after-tax free cash flows; (iii) the calculated terminal values for Popeyes; and (iv) the net debt of Popeyes.

53. With respect to UBS's *Selected Public Companies Analysis*, the Solicitation Statement fails to disclose the individual multiples and financial metrics for the companies observed by UBS in its analysis.

54. With respect to UBS's *Selected Precedent Transactions Analysis*, the Solicitation Statement fails to disclose the individual multiples and financial metrics for the transactions observed by UBS in its analysis.

55. The disclosure of projected financial information is material because it provides stockholders with a basis to project the future financial performance of a company, and allows stockholders to better understand the financial analyses performed by the company's financial

advisor in support of its fairness opinion. Moreover, when a banker's endorsement of the fairness of a transaction is touted to shareholders, the valuation methods used to arrive at that opinion as well as the key inputs and range of ultimate values generated by those analyses must also be fairly disclosed.

56. The omission of this material information renders the Solicitation Statement false and misleading, including, *inter alia*, the following sections of the Solicitation Statement: (i) "Background of the Offer and Merger"; (ii) "Reasons for Recommendation"; (iii) "Certain Unaudited Prospective Financial Information"; and (iv) "Opinion of the Company's Financial Advisor."

57. Second, the Solicitation Statement omits material information regarding potential conflicts of interest of UBS, as well as the Company's second financial advisor, Genesis Capital, LLC ("Genesis").

58. The Solicitation Statement fails to disclose whether any portion of UBS's fee is contingent upon consummation of the Proposed Transaction.

59. Additionally, while the Solicitation Statement provides that, "[i]n the past, UBS and its affiliates have provided investment banking services to Popeyes, Parent and certain of their respective affiliates and shareholders, including 3G (an affiliate of Parent), unrelated to the Transaction, for which UBS and its affiliates received compensation," the Solicitation Statement fails to disclose the nature of such services, as well as the amount of compensation received by UBS for such services.

60. Similarly, while the Solicitation Statement provides that, "UBS has participated as a lender to affiliates of 3G in previous transactions, for which it has received customary fees,"

the Solicitation Statement fails to disclose the nature of such services, as well as the amount of compensation received by UBS for such services.

61. The Solicitation Statement further fails to disclose whether any portion of Genesis's fee is contingent upon consummation of the Proposed Transaction.

62. Moreover, the Solicitation Statement fails to disclose whether Genesis has performed any past services for Popeyes, Parent, and/or their affiliates or shareholders, and if so, the amount of compensation received by Genesis for such services.

63. Full disclosure of investment banker compensation and all potential conflicts is required due to the central role played by investment banks in the evaluation, exploration, selection, and implementation of strategic alternatives.

64. The omission of this material information renders the Solicitation Statement false and misleading, including, *inter alia*, the following sections of the Solicitation Statement: (i) "Background of the Offer and Merger"; (ii) "Reasons for Recommendation"; and (iii) "Opinion of the Company's Financial Advisor."

65. Third, the Solicitation Statement also omits material information regarding potential conflicts of interest of the Company's officers and directors.

66. Specifically, the Solicitation Statement fails to disclose the timing and nature of all communications regarding future employment and/or directorship of Popeyes' officers and directors, including who participated in all such communications.

67. Communications regarding post-transaction employment during the negotiation of the underlying transaction must be disclosed to stockholders. This information is necessary for stockholders to understand potential conflicts of interest of management and the Board, as that information provides illumination concerning motivations that would prevent fiduciaries from

acting solely in the best interests of the Company's stockholders.

68. The omission of this material information renders the Solicitation Statement false and misleading, including, *inter alia*, the following sections of the Solicitation Statement: (i) "Arrangements Between the Company and its Executive Officers, Directors and Affiliates"; (ii) "Background of the Offer and Merger"; and (iii) "Reasons for Recommendation."

69. The above-referenced omitted information, if disclosed, would significantly alter the total mix of information available to Popeyes' stockholders.

COUNT I

(Claim for Violation of Section 14(e) of the 1934 Act Against Defendants)

70. Plaintiff repeats and realleges the preceding allegations as if fully set forth herein.

71. Section 14(e) of the 1934 Act states, in relevant part, that:

It shall be unlawful for any person to make any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading . . . in connection with any tender offer or request or invitation for tenders[.]

72. Defendants disseminated the misleading Solicitation Statement, which contained statements that, in violation of Section 14(e) of the 1934 Act, in light of the circumstances under which they were made, omitted to state material facts necessary to make the statements therein not misleading.

73. The Solicitation Statement was prepared, reviewed, and/or disseminated by defendants.

74. The Solicitation Statement misrepresented and/or omitted material facts in connection with the Proposed Transaction as set forth above.

75. By virtue of their positions within the Company and/or roles in the process and the preparation of the Solicitation Statement, defendants were aware of this information and their

duty to disclose this information in the Solicitation Statement.

76. The omissions in the Solicitation Statement are material in that a reasonable shareholder will consider them important in deciding whether to tender their shares in connection with the Proposed Transaction. In addition, a reasonable investor will view a full and accurate disclosure as significantly altering the total mix of information made available.

77. Defendants knowingly or with deliberate recklessness omitted the material information identified above in the Solicitation Statement, causing statements therein to be materially incomplete and misleading.

78. By reason of the foregoing, defendants violated Section 14(e) of the 1934 Act.

79. Because of the false and misleading statements in the Solicitation Statement, plaintiff and the Class are threatened with irreparable harm.

80. Plaintiff and the Class have no adequate remedy at law.

COUNT II

(Claim for Violation of 14(d) of the 1934 Act Against Defendants)

81. Plaintiff repeats and realleges the preceding allegations as if fully set forth herein.

82. Section 14(d)(4) of the 1934 Act states:

Any solicitation or recommendation to the holders of such a security to accept or reject a tender offer or request or invitation for tenders shall be made in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

83. Rule 14d-9(d) states, in relevant part:

Any solicitation or recommendation to holders of a class of securities referred to in section 14(d)(1) of the Act with respect to a tender offer for such securities shall include the name of the person making such solicitation or recommendation and the information required by Items 1 through 8 of Schedule 14D-9 (§ 240.14d-101) or a fair and adequate summary thereof[.]

Item 8 requires that directors must “furnish such additional information, if any, as may be

necessary to make the required statements, in light of the circumstances under which they are made, not materially misleading.”

84. The Solicitation Statement violates Section 14(d)(4) and Rule 14d-9 because it omits the material facts set forth above, which renders the Solicitation Statement false and/or misleading.

85. Defendants knowingly or with deliberate recklessness omitted the material information set forth above, causing statements therein to be materially incomplete and misleading.

86. The omissions in the Solicitation Statement are material to plaintiff and the Class, and they will be deprived of their entitlement to make a fully informed decision with respect to the Proposed Transaction if such misrepresentations and omissions are not corrected prior to the expiration of the Offer.

87. Plaintiff and the Class have no adequate remedy at law.

COUNT III

(Claim for Violation of Section 20(a) of the 1934 Act Against the Individual Defendants and RBI)

88. Plaintiff repeats and realleges the preceding allegations as if fully set forth herein.

89. The Individual Defendants and RBI acted as controlling persons of Popeyes within the meaning of Section 20(a) of the 1934 Act as alleged herein. By virtue of their positions as officers and/or directors of Popeyes and participation in and/or awareness of the Company’s operations and/or intimate knowledge of the false statements contained in the Solicitation Statement filed with the SEC, they had the power to influence and control and did influence and control, directly or indirectly, the decision making of the Company, including the content and dissemination of the various statements that plaintiff contends are false and

misleading.

90. Each of the Individual Defendants and RBI was provided with or had unlimited access to copies of the Solicitation Statement alleged by plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause them to be corrected.

91. In particular, each of the Individual Defendants had direct and supervisory involvement in the day-to-day operations of the Company, and, therefore, is presumed to have had the power to control and influence the particular transactions giving rise to the violations as alleged herein, and exercised the same. The Solicitation Statement contains the unanimous recommendation of the Individual Defendants to approve the Proposed Transaction. They were thus directly connected with and involved in the making of the Solicitation Statement.

92. RBI also had direct supervisory control over the composition of the Solicitation Statement and the information disclosed therein, as well as the information that was omitted and/or misrepresented in the Solicitation Statement.

93. By virtue of the foregoing, the Individual Defendants and RBI violated Section 20(a) of the 1934 Act.

94. As set forth above, the Individual Defendants and RBI had the ability to exercise control over and did control a person or persons who have each violated Section 14(a) of the 1934 Act and Rule 14a-9, by their acts and omissions as alleged herein. By virtue of their positions as controlling persons, these defendants are liable pursuant to Section 20(a) of the 1934 Act.

95. As a direct and proximate result of defendants' conduct, plaintiff and the Class are threatened with irreparable harm.

96. Plaintiff and the Class have no adequate remedy at law.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for judgment and relief as follows:

A. Enjoining defendants and all persons acting in concert with them from proceeding with, consummating, or closing the Proposed Transaction;

B. In the event defendants consummate the Proposed Transaction, rescinding it and setting it aside or awarding rescissory damages;

C. Directing the Individual Defendants to file a Solicitation Statement that does not contain any untrue statements of material fact and that states all material facts required in it or necessary to make the statements contained therein not misleading;

D. Declaring that defendants violated Sections 14(e), 14(d), and 20(a) of the 1934 Act, as well as Rule 14a-9 promulgated thereunder;

E. Awarding plaintiff the costs of this action, including reasonable allowance for plaintiff's attorneys' and experts' fees; and

F. Granting such other and further relief as this Court may deem just and proper.

JURY DEMAND

Plaintiff hereby demands a trial by jury.

Dated: March 6, 2017

ALTMAN & IZEK

By:



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