



**FOR IMMEDIATE RELEASE**

**Quiznos Receives Court Approval of DIP Financing on Interim Basis**

*Court Also Grants Other Orders to Support Business*

*Restaurants and Distribution Centers to Continue in Ordinary Course*

**DENVER, March 17, 2014 /PRNewswire/** -- Quiznos, one of the nation's premier quick-service restaurant chains and pioneer of the toasted sub, today announced that the U.S. Bankruptcy Court in Wilmington, Delaware (the "Court") granted the Company's request for certain "first day" orders that help support its business.

The Court provided interim authorization for the Company to access up to \$10 million of the \$15 million Debtor-in-Possession financing ("DIP") committed by its senior lenders. The new financing, combined with cash generated from the Company's ongoing operations, will be available to support the business during the restructuring process.

The Company also received interim approval to continue paying employee wages, salaries, benefits and other employee obligations. The Court also granted Quiznos final authorization to continue honoring all current customer and franchisee programs and to pay certain pre-petition claims arising under the Perishable Agriculture Commodities Act (PACA) and under Bankruptcy Code Section 503(b)(9), as well as pre-petition claims from shippers and claims incurred in connection with post-petition delivery of goods and services.

"We are pleased with the initial progress we have made in the restructuring process," said Stuart K. Mathis, Quiznos Chief Executive Officer. "In particular, we appreciate the response we have received from our global network of franchise owners, who have demonstrated their commitment to providing Quiznos customers with fresh, high-quality and great-tasting food. We look forward to working closely with our franchisees to implement a business plan designed to further enhance the customer experience, elevate the profile of the brand and help increase sales and profits."

As previously announced, Quiznos voluntarily filed a "pre-packaged" restructuring plan under Chapter 11 of the U.S. Bankruptcy Code to enable the Company to reduce its debt by more than \$400 million. The Company's senior lenders have voted overwhelmingly in favor of the plan, which is intended to increase the Company's flexibility as it executes operational enhancements designed to strengthen performance, revitalize the Quiznos brand and reinforce its promise as a fresh, high-quality and great-tasting alternative to traditional fast food offerings. All but seven of Quiznos' nearly 2,100 restaurants are independently owned and operated by franchisees in the U.S. and 30 other countries around the world. As separate businesses, these restaurants are not a part of the Chapter 11 proceedings and are open and operating as usual. The Company expects to continue operating in the ordinary course throughout the restructuring process.

Quiznos has established a Restructuring Information Hotline for interested parties at (855) 388-4579 in North America, or internationally at (646) 795-6978. Additional information can be found on the Quiznos website at [www.quiznos.com/restructuring](http://www.quiznos.com/restructuring). Court filings and information about the claims process can be found at a separate website maintained by Quiznos' claims agent, PrimeClerk, at <http://cases.primeclerk.com/quiznos>.



Akin Gump Strauss Hauer & Feld LLP is serving as legal advisor, Lazard Frères & Co. LLC is serving as financial advisor and Alvarez & Marsal is serving as restructuring advisor to Quiznos.

## **ABOUT QUIZNOS**

Denver-based Quiznos is a chain designed for today's busy consumers who are looking for a high quality, tasty, freshly prepared alternative to traditional fast-food restaurants. With locations in 50 states and 30 countries, Quiznos is one of the world's premier quick-service restaurant chains and pioneer of the toasted sandwich; Quiznos restaurants offer creative, chef-created sandwiches and salads using premium ingredients. Quiznos was founded in 1981 by chefs who discovered that toasting brought out the best in every sandwich ingredient. For more information, please visit [www.quiznos.com](http://www.quiznos.com).

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