



# Fog Cutter Capital Group Inc. Extends Stockholder Rights Plan to Preserve Use of Net Operating Losses

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LOS ANGELES--(BUSINESS WIRE)-- Fog Cutter Capital Group Inc. (OTC:FCCG) (the "Company"), the parent company of FAT Brands Inc. (Nasdaq: FAT), today announced that on October 16, 2019, its Board of Directors adopted an amendment to the Company's Rights Agreement (the "Rights Plan"), originally adopted on October 18, 2002 and as amended on February 2, 2017, to extend the "Final Expiration Date" under the Rights Plan to October 28, 2022. The amendment was adopted to preserve the value of significant tax assets associated with the Company's tax net operating loss carryforwards under Section 382 of the Internal Revenue Code. Under the Rights Plan, stock purchase rights were originally distributed to holders of the Company's common stock at the rate of one right for each share of common stock held of record as of the close of business on October 28, 2002.

"The Rights Plan was originally adopted by Fog Cutter as a means of protecting the potential tax benefits of the Company's net operating loss carry forward ('NOL')," said Andy Wiederhorn, Chief Executive Officer of the Company. "Under Federal tax rules, the NOLs will be limited if the Company undergoes a significant change in ownership. The Rights Plan addresses the Board's duty to protect the best interests of the Company and its stockholders by diluting any new 5% holder, or any existing 5% holder that increases its stake by 1% or more, thereby preserving the Company's NOL."

Mr. Wiederhorn continued, "The extension of the Rights Plan and the preservation of Fog Cutter's NOL is more important than ever, since Fog Cutter entered into a written tax sharing agreement with FAT Brands at the time of its IPO."

A copy of the original Rights Agreement, dated October 18, 2002, was publicly filed by the Company with the U.S. Securities and Exchange Commission. Although the Company's securities are no longer registered under the Securities Exchange of 1934, as amended, a copy of the Rights Agreement continues to be available publicly through the EDGAR database of the SEC at [www.sec.gov](http://www.sec.gov).

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