ALABAMA

THIS INSTRUMENT PREPARED BY:
Tuke Yopp & Sweeney
201 Fourth Avenue, North, 17th Floor
Nashville, Tennessee 37219

RELEASE

THIS RELEASE is made by **CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK AGENCY**, in its capacity as Collateral Agent (hereinafter referred to as the "Agent") for the hereinafter defined Lenders.

W I T N E S S E T H:

WHEREAS, on July 12, 1990, various financial institutions (hereinafter with their successors and assigns referred to as the "Lenders"), CIBC Inc., acting through its Atlanta office (hereinafter referred to as "CIBC"), Agent and Shoney's, Inc. (hereinafter referred to as "Shoney's") entered into certain Transfer Agreements, dated as of May 15, 1990, and all such agreements were modified by Modification and Waiver Agreement No. 1, dated as of September 13, 1991, Modification and Waiver Agreement No. 2, dated as of May 15, 1992, Modification and Waiver Agreement No. 3, dated as of October 25, 1992, Modification and Waiver Agreement No. 4, dated as of July 21, 1993, and Modification and Waiver Agreement No. 5, dated as of December 31, 1993 (hereinafter collectively referred to as the "Transfer Agreements"); and

WHEREAS, pursuant to the terms of the Transfer Agreements, Lenders purchased certain notes issued by Shoney's from CIBC (hereinafter referred to as the "Tranche C Notes") in the aggregate original face principal amount of One Hundred Sixty Million and No/100 Dollars ($160,000,000), which were given in partial substitution for and replacement of the Tranche A Notes and Tranche B Notes previously issued by Shoney's; and

WHEREAS, Lenders are the legal and equitable owners of the Tranche C Notes, which are fully described in and secured by the instruments described in Exhibit A hereto, all of which are hereinafter collectively referred to as the "Security Documents"; and

WHEREAS, Agent and Lenders desire to release, discharge and terminate the Security Documents and any and all other instruments pertaining to the Tranche C Notes and to release, discharge and terminate the liens and security interests created thereby; and

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned Agent, on behalf of Lenders, hereby fully and completely discharges, releases and terminates the Security Documents and any and all other instruments pertaining to the Tranche C Notes and the liens and security interests created thereby.

This Release is made without recourse, representation or warranty; provided, however, pursuant to the Transfer Agreements, Agent, having its principal office and place of business in the County of New York at 425 Lexington Avenue, New York, New York 10017, is the Agent and Collateral Agent for Lenders and is authorized by Lenders to execute and deliver on behalf of all Lenders releases necessary or appropriate to release property from the liens and security interests created by the Security Documents.

Inst # 1995-15311

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SHELBY COUNTY JUDGE OF PROBATE
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IN WITNESS WHEREOF, this Release has been executed this 5th day of May, 1995.

CANADIAN IMPERIAL BANK OF COMMERCE, New York Agency, as Agent and Collateral Agent for Lenders

By: Kathryn W Sax
Title: Authorized Signatory

Attest: [signature]
Title: Assistant Vice President

[SEAL]

CORPORATE SEAL

STATE OF GEORGIA

COUNTY OF COBB

I, Carol Eaton, a notary public at large in and for said county in said state, hereby certify that Kathryn Sax and Richard J. Popp, whose names as Authorized Signatory and Assistant Vice President, respectively, of Canadian Imperial Bank of Commerce, a Canadian chartered bank, acting through its New York Agency, as Agent and Collateral Agent for Lenders, are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said bank, acting in its capacity as Agent and Collateral Agent as aforesaid.

Given under my hand and seal of office this 5th day of May, 1995.

Carol Eaton
Name: Carol Eaton
Notary Public at Large

My Commission Expires: April 13, 1996

[AFFIX SEAL]

147348.2 4/28/95

EXHIBIT A

SECURITY DOCUMENTS

SHELBY COUNTY, ALABAMA

Mortgage Indenture and Deed of Trust with Assignment of Leases and Rents and Security Agreement, dated as of July 15, 1988, from Shoney's, Inc. to Canadian Imperial Bank of Commerce, New York Agency, as the Collateral Agent for the Lenders and Richard T. Kortright, as Trustees, recorded on July 22, 1988 in Book 195, page 501; as modified by the Agreement for Segregation and Division of Collateral and Restatement of Mortgage, dated as of June 25, 1990, recorded on July 17, 1990 in Book 300, page 690; as further restated by Restated Mortgage Indenture and Deed of Trust with Assignment of Lease and Rents and Security Agreement, dated as of June 25, 1990, recorded on July 17, 1990 in Book 300, page 702; as assigned by an Assignment of Mortgage, dated as of June 25, 1990, recorded on July 17, 1990 in Book 300, page 834; and as further modified by a Mortgage Modification Agreement, dated as of June 25, 1990, recorded on July 17, 1990 in Book 300, page 841; all in the Probate Office of Shelby County, Alabama.

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003 SNA 18.50