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[FORM OF NOTE]

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Dated .....

**CHART HOUSE INC.**

**9 $\frac{7}{8}$ % SECURED NOTE**

**Due December 1, 1990**

CHART HOUSE INC., a Louisiana corporation (the "Company"), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns (hereinafter called the "Noteholder"), on or before December 1, 1990, as hereinafter provided, the principal sum of

Dollars (\$ \_\_\_\_\_); and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the unpaid principal hereof from the date of this Note at the rate of nine and seven-eighths percent (9 $\frac{7}{8}$ %) per annum until said principal sum shall have become due and payable; and to pay on demand interest on any overdue principal and (to the extent permitted by applicable law) on any overdue installment of interest and premium, if any, at the rate of ten and seven-eighths percent (10 $\frac{7}{8}$ %) per annum. Said principal, premium and interest shall be payable at the office of the Noteholder in Philadelphia, Pennsylvania or at such other place as the Noteholder may direct by notice in writing delivered to the Company, in coin or currency of the United States of America, which at the time of payment shall be legal tender for the payment of public and private debts, in the following manner: (1) interest accrued on this Note from the date hereof to March 1, 1978 shall be paid on said date; (2) interest accrued on this Note to the first day of each third calendar month thereafter to and including December 1, 1980 shall be paid on the first day of each such succeeding third calendar month; (3) quarter-annual payments of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) each shall be paid on the first day of March, 1981 and on the first day of each third calendar month thereafter to and including December 1, 1990, each of which installment payments, when paid, shall be applied first to the payment of interest accrued on the unpaid principal of this

\* Amount calculated to retire Notes through level payments of principal and interest to maturity.

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