

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report: September 12, 1997
(Date of earliest event reported)

NATHAN'S FAMOUS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State of Incorporation)

1-3189
(Commission
File Number)

11-3166443
(I.R.S. Employer
Identification No.)

1400 Old Country Road, Westbury, New York
(Address of Principal Executive Offices)

11590
(Zip Code)

Registrant's telephone number including area code

(516) 338-8500

(Former name or former address, if changed since last report.)

Item 5. Other Events

In September 1997, Registrant executed and delivered an Extension Agreement to the employment agreement between the Registrant and Howard M. Lorber, its Chairman of the Board. Such Extension Agreement extended to July 16, 2001 the term of such employment agreement. In connection with such amendment, the Registrant issued to Mr. Lorber a warrant to purchase 150,000 shares of the Company's common stock, \$.01 par value.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits

- 10.01 Extension Agreement dated as of July 17, 1997, between Nathan's Famous, Inc. and Howard M. Lorber.
- 10.02 Warrant to Purchase 150,000 shares of Common Stock issued to Howard M. Lorber dated July 17, 1997.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunder duly authorized.

NATHAN'S FAMOUS, INC.

By: /s/ Wayne Norbitz

Wayne Norbitz
President

Dated: September 12, 1997

EXHIBIT INDEX

Exhibit	Description
10.01	Extension Agreement dated as of July 17, 1997, between Nathan's Famous, Inc. and Howard M. Lorber.
10.02	Warrant to Purchase 150,000 shares of Common Stock issued to Howard M. Lorber dated July 17, 1997.

EXTENSION AGREEMENT

EXTENSION AGREEMENT made this 17th day of July, 1997 by and between NATHAN'S FAMOUS, INC., a Delaware corporation (hereinafter the "Company") and HOWARD M. LORBER (hereinafter the "Employee").

W I T N E S S E T H:

WHEREAS, the Company and Employee entered into an Employment Agreement dated November 8, 1993 which was modified by an agreement dated January 26, 1996 (hereinafter the "Employment Agreement"); and

WHEREAS, the Employment Agreement expires, per its terms, on October 31, 1997; and

WHEREAS, the parties desire to extend the term of the Employment Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. Paragraph "3" of the Employment Agreement entitled "Term" shall be amended

Directors of the Company and Employee shall so serve the Company for a further term of four (4) years from July 17, 1997 subject, however, to termination as hereinafter provided. Employee hereby accepts such employment."

2. The aforesaid Employment Agreement in all other respects is hereby ratified and approved.

IN WITNESS WHEREOF, the undersigned have executed this Extension Agreement as of the day and year first above written.

NATHAN'S FAMOUS, INC.

By: /s/ Wayne Norbitz

Wayne Norbitz
President

/s/ Howard M. Lorber

Howard M. Lorber

paid and non-assessable, and, without limiting the generality of the foregoing, the Corporation covenants and agrees that it will from time to time take all such action as may be requisite to assure that the par value per share of the Common Stock is at all times equal to or less than the then current Warrant purchase price per share of the Common Stock issuable upon exercise of this Warrant.

3. The rights represented by this Warrant are exercisable at the option of the holder hereof in whole at any time, or in part from time to time, within the period above specified at the prices specified in Section 1 hereof. In case of the purchase of less than all the shares as to which this Warrant is exercisable, the Corporation shall cancel this Warrant upon the surrender hereof and shall execute and deliver a new Warrant of like tenor for the balance of the shares purchasable hereunder.

4. The price per share at which shares of Common Stock may be purchased hereunder, and the number of such shares to be purchased upon exercise hereof, are subject to change or adjustment as follows:

(A) In case the Corporation shall, while this Warrant remains unexercised, in whole or in part, and in force, effect a recapitalization of such character that the shares of Common Stock purchasable hereunder shall be changed into or become exchangeable for a larger or smaller number of shares, then, after the date of record for effecting such recapitalization, the number of shares of Common Stock which the holder hereof shall be entitled to purchase hereunder shall be increased or decreased, as the case may be, in direct proportion to the increase or decrease in the number of shares of Common Stock by reason of such recapitalization, and the purchase price hereunder per share of such recapitalized Common Stock shall, in the case of an increase in the number of such shares, be proportionately reduced, and in the case of a decrease in the number of such shares, shall be proportionately increased. For the purpose of this subsection (A), a stock dividend, stock split-up or reverse split shall be considered as a recapitalization and as an exchange for a larger or smaller number of shares, as the case may be.

(B) In the case of any consolidation of the Corporation with, or merger of the Corporation into, any other corporation, or in case of any sale or conveyance of all or substantially all of the assets of the Corporation in connection with a plan of complete liquidation of the Corporation, then, as a condition of such consolidation, merger or sale or conveyance, adequate provision shall be made whereby the holder hereof shall thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in this Warrant and in lieu of shares of Common Stock immediately theretofore purchasable and receivable upon the exercise of the rights represented hereby, such shares of stock or securities as may be issued in connection with such consolidation, merger or sale or conveyance with respect to or in exchange for the number of outstanding shares of Common Stock immediately therefore purchasable and receivable upon the exercise of the rights represented hereby had such consolidation, merger or sale or conveyance not taken place, and in any such case appropriate provision shall be made with respect to the rights and interests of the holder of this Warrant to the end that the provisions hereof shall be applicable as nearly as may be in relation to any shares of stock or securities thereafter deliverable upon the exercise hereof.

(C) In case the Corporation shall, while this Warrant remains unexercised, in whole or in part, and in force, issue (otherwise than by stock dividend or stock split-up or reverse split) or sell shares of its Common Stock (hereinafter referred to as "Additional Shares") for a consideration per share (before deduction of expenses or commissions or underwriting discounts or allowances in connection therewith) less than the purchase price hereunder per share, then, after the date of such issuance or sale, the purchase price hereunder per share shall be reduced to a price determined by dividing (1) an amount equal to (a) the total number of shares of Common Stock outstanding immediately prior to the time of such issuance or sale multiplied by such

purchase price hereunder per share, plus (b) the consideration (before deduction of expenses or commissions or underwriting discounts or allowances in connection therewith), if any, received by the Corporation upon such issuance or sale, by (2) the total number of shares of Common Stock outstanding after the date of the issuance or sale of such Additional Shares, and the number of shares of Common Stock which the holder hereof shall be entitled to purchase hereunder at each such adjusted purchase price per share, at the time such adjusted purchase price per share shall be in effect, shall be the number of whole shares of Common Stock obtained by multiplying such purchase price hereunder per share before such adjustment, by the number of shares of Common Stock purchasable upon the exercise of this Warrant immediately before such adjustment, and dividing the product so obtained by such adjusted purchase price per share; provided, however, that no such adjustment of the purchase price hereunder per share or the number of shares for which this Warrant may be exercised shall be made upon the issuance or sale by the Corporation of Additional Shares reserved for issuance upon exercise of outstanding Stock Options.

(D) In case the Corporation shall, while this Warrant remains unexercised in whole or in part, and in force, issue or grant any rights to subscribe for or to purchase, or any option (other than the employee stock options referred to in subsection (C) above) for the purchase of (i) Common Stock or (ii) any indebtedness or shares of stock convertible into or exchangeable for Common Stock (indebtedness or shares of stock convertible into or exchangeable for Common Stock being hereinafter referred to as "Convertible Securities"), or issue or sell Convertible Securities and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable (determined by dividing (1) in the case of an issuance or grant of any such rights or options, the total amount, if any, received or receivable by the Corporation as consideration for the issuance or grant of such rights or options, plus the minimum aggregate amount of additional consideration payable to the Corporation upon exercise of such rights or options, plus, in the case of such Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable, or (2) in the case of an issuance or sale of Convertible Securities other than where the same or issuable upon the exercise of any such rights or options, the total amount, if any, received or receivable by the Corporation as consideration for the issuance or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable, by, in either such case, (3) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities at the time such Convertible

Securities first become convertible or exchangeable) shall be less than the two purchase prices hereunder per share, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable, shall (as of the date of the issuance or grant of such rights or options or, in the case of the issuance or sale of Convertible Securities other than where the same are issuable upon the exercise of rights or options, as of the date of such issuance or sale) be deemed to be outstanding and to have been issued for said price per share; provided that (i) no further adjustment of the purchase price shall be made upon the actual issuance of such Common Stock upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities or upon the actual issuance of Convertible Securities where the same are issuable upon the exercise of such rights or options, and (ii) rights or options issued or granted pro rata to shareholders without consideration and Convertible Securities issuable by way of dividend or other distribution to shareholders shall be deemed to have been issued or granted at the close of business on the date fixed for the determination of shareholders entitled to such rights, options or Convertible Securities and shall be deemed to have been issued without consideration; and (iii) if, in any case, the total maximum number of shares of Common Stock issued upon exercise of such rights or options or upon conversion or exchange of such Convertible Securities is not, in fact, issued and the right to exercise such right or option or to convert or exchange such Convertible Securities shall have expired or terminated, then, and in any such event, the purchase price, as adjusted, shall be appropriately readjusted at the time of such expiration or termination. In such case, each purchase price hereunder per share which is greater than the price per share for which Common Stock is issuable upon conversion or exchange of such rights or options or upon conversion or exchange of such Convertible Securities at the time such Convertible Securities first become convertible or exchangeable, as determined above in this subsection (D), shall thereupon be reduced to a price determined by dividing (1) an amount equal to (a) the total number of shares of Common Stock outstanding immediately prior to the time of the issuance or grant of such rights or options or the issuance or sale of such Convertible Securities multiplied by such purchase price hereunder per share, plus (b) the total amount, if any, received or receivable by the Corporation as consideration for such issuance or grant or such issuance or sale, plus the additional amounts referred to and more fully set forth in clauses (1) and (2) of the parenthetical material above in this subsection (D), whichever clause and whichever additional amounts may be applicable, by (2) the total number of shares of Common Stock outstanding after the date of such issuance or grant or such issuance or sale, and the number of shares of Common Stock which the holder hereof shall be entitled to purchase hereunder at such adjusted purchase price per share, at the time such adjusted purchase price per share shall be in effect, shall be the number of whole shares of Common Stock obtained by multiplying such purchase price hereunder, per share, before such adjustment, by the number of shares of Common Stock purchasable upon the exercise

of this Warrant immediately before such adjustment and dividing the product so obtained by such adjusted purchase price per share.

(E) For the purpose of subsections (C) and (D) above, in case the Corporation shall issue or sell Additional Shares, issue or grant any rights to subscribe for or to purchase, or any options for the purchase of (i) Common Stock or (ii) Convertible Securities, or issue or sell Convertible Securities for a consideration part of which shall be other than cash, the amount of the consideration received by the Corporation therefor shall be deemed to be the cash proceeds, if any, received by the Corporation plus the fair value of the consideration other than cash as determined by the Board of Directors of the Corporation in good faith, before deduction of commissions, underwriting discounts or allowances or other expenses paid or incurred by the Corporation for any underwriting of, or otherwise in connection with, such issuance, grant or sale.

(F) Subject to the provisions of subsection (G) below, in case the Corporation shall, while this Warrant remains unexercised, in whole or in part, and in force, make any distribution of its assets to holders of Common Stock as a partial liquidating dividend, by way of return of capital or otherwise, then, after the date of record for determining shareholders entitled to such distribution, the holder hereof shall be entitled, upon exercise of this Warrant and purchase of any or all of the shares of Common Stock subject hereto, to receive the amount of such assets (or at the option of the Corporation, a sum equal to the value thereof at the time of such distribution to holders of Common Stock as such value is determined by the Board of Directors of the Corporation in good faith) which would have been payable to such holder had he been the holder of record of such shares of Common Stock on the record date for the determination of shareholders entitled to such distribution.

(G) Except as otherwise provided in subsection (B) above, in the case of any sales or conveyance of all or substantially all of the assets of the Corporation in connection with a plan of complete liquidation of the Corporation, in the case of the dissolution, liquidation or winding up of the Corporation, all rights under this Warrant shall terminate on a date fixed by the Corporation, such date so fixed to be not earlier than the date of the commencement of the proceedings for such dissolution, liquidation or winding-up and not later than thirty (30) days after such commencement date. Notice of such termination of purchase rights shall be given to the registered holder hereof, as the same shall appear on the books of the Corporation, at least thirty (30) days prior to such termination date.

(H) In case the Corporation shall, while this Warrant remains unexercised in whole or in part, and in force, offer to the holders of Common Stock any rights to subscribe for additional shares of stock of the Corporation, then the Corporation shall give written notice thereof to the registered holder hereof not less than thirty (30)

days prior to the date on which the books of the Corporation are closed or a record date fixed for the determination of shareholders entitled to such subscription rights. Such notice shall specify the date as to which the books shall be closed or the record date fixed with respect to such offer or subscription, and the right of the holder hereof to participate in such offer or subscription shall terminate if this Warrant shall not be exercised on or before the date of such closing of the books or such record date.

(I) Any adjustment pursuant to the foregoing provisions shall be made on the basis of the number of shares of Common Stock which the holder hereof would have been entitled to acquire by exercise of this Warrant immediately prior to the event giving rise to such adjustment and, as to the purchase price hereunder per share, whether or not in effect immediately prior to the time of such adjustment, on the basis of such purchase price immediately prior to the event giving rise to such adjustment. Whenever any such adjustment is required to be made, the Corporation shall forthwith determine the new number of shares of Common Stock which the holder shall be entitled to purchase hereunder and/or such new purchase price per share, and shall prepare, retain on file and transmit to the holder hereof within ten (10) days after such preparation a statement describing in reasonable detail the method used in calculating such adjustment(s).

(J) For the purposes of this Section 3, the term "Common Stock" shall include all shares of capital stock authorized by the Corporation's Certificate of Incorporation, as from time to time amended, which are not limited to a fixed sum or percentage of par value in respect of the right of the holders thereof to participate in dividends or in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation.

(K) Whenever the price per share hereunder, initial or adjusted, and the number of shares of Common Stock to be purchased upon exercise hereof, initial or adjusted, shall be changed or adjusted pursuant to the provisions of this Section 3, the Corporation shall forthwith cause written notice setting forth the changed or adjusted price per share hereunder and number of shares to be purchased upon exercise hereof to be given to the holder of this Warrant.

5. (A) The Corporation agrees that at any time the Corporation contemplates filing under and in accordance with the Securities Act of 1933, as amended, (the "Act"), a new Registration Statement, it shall notify the holder hereof in writing at least thirty (30) days prior to the filing of such new Registration Statement of its intention to do so, and in such case, the holder hereof shall have the right, upon written notice delivered to the Corporation within twenty (20) days after receipt of notice from the Corporation, to require that such Warrants and the shares of Common Stock into which the Warrants are exercisable be included in such new Registration Statement. In the event that the holder hereof elects to so include such Warrants or such shares of

Common Stock, the Corporation shall pay all of the expenses of preparation and filing of such new Registration Statement, including legal, accounting, printing, blue sky and other fees and expenses.

(B) The Corporation agrees to use its best efforts to cause any new registration statement to become effective as promptly as possible. the Corporation agrees to file such post-effective amendment or amendments to any new registration statement or supplements to any prospectus contained therein as may be required so that there will continuously be available (for so long a period of time as such prospectus may be used under the Act or otherwise as may be determined by the Securities and Exchange Commission) a prospectus meeting the requirements of the Act. The Corporation agrees to provide a reasonable number of copies of any preliminary or final prospectus forming a part of such new registration statement, and the Corporation shall comply with the blue sky laws of such states as may be requested by the holder of the warrants or shares of Common Stock issued upon exercise hereof; provided, however, that the Corporation shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation under the laws of any such state. Such provision and such compliance shall be at the expense of the Corporation. the Corporation agrees to indemnify the holder of the Warrants and shares of Common Stock issued upon exercise hereof to the usual extent in connection with liabilities and expenses arising out of material misrepresentations or omissions in such post-effective amendment or new registration statement against the indemnification of the Corporation by the holder of the Warrants and shares of Common Stock issued upon exercise hereof to the usual extent.

(C) If the holder elects to include the Warrants or shares of Common Stock in the Registration Statement, the Corporation's obligation to do so shall be subject to the following further conditions:

(i) If the managing underwriter advises that either the Warrants or shares of Common Stock otherwise to be included in the offering by the timely election of the holder cannot be included in whole or in part in such offering for whatever reason, then, as the case may be, the Warrants or shares of Common Stock shall not be included in the offering or the amount thereof included in the offering shall be reduced in accordance with the advice of the underwriters.

(ii) The Corporation may in its discretion withdraw any Registration Statement filed without liability to the holder hereof.

(D) The holder hereof agrees that the Warrants and shares of Common Stock will not be offered or sold (1) unless at the time of such offer or sale, there is delivered a prospectus meeting the requirements of the Act, as amended, forming a part of a new

Registration Statement with respect to such offer and sale, or (2) unless in the opinion of counsel to the Corporation satisfactory to the holder hereof, such offer and sale is exempt from the provisions of Section 5 of the Act. In connection with the preparation of any new Registration Statement, the holder hereof agrees to furnish the Corporation with information, in writing, concerning the terms of the proposed offer.

6. The Corporation agrees at all times to reserve or hold available a sufficient number of shares of Common Stock to cover the number of shares issuable upon the exercise of this and all other Warrants of the same class.

7. This Warrant shall not entitle the holder hereof to any voting rights or other rights as a shareholder of the Corporation, or to any other rights whatsoever except the rights herein expressed, and no dividends shall be payable or accrue in respect of this Warrant or the interest represented hereby or the shares purchasable hereunder until or unless, and except to the extent that, this Warrant shall be exercised.

8. This Warrant is exchangeable upon the surrender hereof by the holder hereof to the Corporation for new Warrants of like tenor representing in the aggregate the right to purchase the number of shares purchasable hereunder, each of such new Warrants to represent the right to purchase such number of shares as shall be designated by the holder hereof at the time of such surrender.

9. The Corporation will transmit to the holder of this Warrant such information, documents and reports as are generally distributed to shareholders of the Corporation concurrently with the distribution thereof to such shareholders.

10. Notices to be given to the holder of this Warrant shall be deemed to have been sufficiently given if delivered or mailed, addressed in the name and at the address of such holder appearing in the records of the Corporation, and if mailed, sent first class registered or certified mail, postage prepaid. The address of the Corporation is 1400 Old Country Road, Westbury, New York 11590, and the Corporation shall give written notice of any change of address to the holder hereof.

IN WITNESS WHEREOF, the Corporation has caused this Warrant to be executed by the signature of its President and its seal affixed and attested by its Secretary.

Dated: July 17, 1997

NATHAN'S FAMOUS, INC.

By: /s/ Wayne Norbitz

WAYNE NORBITZ, President

[Corporate Seal]

ATTEST:

/s/ Ronald DeVos

Ronald DeVos, Secretary

ASSIGNMENT

To Be Executed by the Holder
If He Desires To Assign The
Warrant In Its Entirety

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers
unto _____
(Please insert Social Security or other
identifying number of Assignee)

the right to purchase _____ shares of Common Stock of the within named
Company evidenced by the within Warrant, together with all right, title and
interest therein, and does hereby irrevocably constitute and appoint

_____ attorney to transfer the said Warrant on the books of said Company, with full
power of substitution in the premises.

Dated: _____, 19__

(Signature)

NOTE: The signature to this Assignment must correspond with the name as written upon the face of this Warrant in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

SUBSCRIPTION FORM

To Be Executed By The Holder
If He Desires To Exercise The
Warrant In Whole Or In Part

TO: NATHAN'S FAMOUS, INC.

The undersigned hereby irrevocably elects to exercise the right of purchase represented by the within Warrant for, and to purchaser thereunder, shares of the stock provided for therein and tenders payment herewith to the order of NATHAN'S FAMOUS, INC. in the amount of \$ (such payment being in cash or by certified or official bank or bank cashier's check) in accordance with the terms of the within Warrant. The undersigned requests that certificates for such shares be issued in the name of

(Name) (Social Security or other identifying
number of Subscriber)

(Address)

and to be delivered to _____
(Name)

(Address)

and, if said number of shares shall not be all the shares purchasable hereunder, that a new Warrant for the balance remaining of the shares purchasable under the within Warrant be registered in the name of, and delivered to, the undersigned at the address stated below.

(Address)

Dated: _____ 19__

(Signature)

NOTE: The signature to this Subscription must correspond with the name as written upon the face of this Warrant in every particular, without alteration or enlargement or any change whatever.