

CHECKERS DRIVE IN RESTAURANTS INC /DE
Form SC 13D/A
April 16, 2002

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 13D/A

(Amendment No. 7)

Under the Securities Exchange Act of 1934

CHECKERS DRIVE-IN RESTAURANTS, INC.

(Name of Issuer)

COMMON STOCK

(Title of Class of Securities)

162809-10-7

(CUSIP Number)

Robert A. Wilson

Senior Vice President and Assistant Secretary

CKE Restaurants, Inc.

401 W. Carl Karcher Way

Anaheim, CA 92801

Telephone: (714) 774-5796

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

Copies to:

C. Craig Carlson, Esq.

Stradling Yocca Carlson & Rauth

660 Newport Center Drive, Suite, 1600

Newport Beach, CA 92660

Telephone: (949) 725-4000

April 5, 2002

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. "

SCHEDULE 13D

CUSIP No. 162809-10-7

Page 2 of 3 Pages

1 NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

CKE Restaurants, Inc. 33-0602639

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) "

(b) "

3 SEC USE ONLY

4 SOURCE OF FUNDS

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEM 2(d) or 2(e)

..

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON WITH

7 SOLE VOTING POWER

982,030

8 SHARED VOTING POWER

-0-

9 SOLE DISPOSITIVE POWER

982,030

10 SHARED DISPOSITIVE POWER

-0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

982,030

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES

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CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

Approximately 8.6% (1)

14 TYPE OF REPORTING PERSON

CO

(1) Based upon 10,933,069 shares of the issuer's common stock outstanding as stated on its Annual Report on Form 10-K for the fiscal year ended December 31, 2001 and an additional 435,673 shares of the issuer's common stock outstanding upon exercise of the warrant held by CKE as described in Item 4.

This Amendment No. 7 amends the Statement on Schedule 13D filed with the Securities and Exchange Commission (the SEC) on January 24, 1997, as amended by Amendment No. 1 to Schedule 13D filed with the SEC on March 5, 1997 (as amended), by Amendment No. 2 to Schedule 13D filed with the SEC on August 6, 1997, and by Amendment No. 3 to Schedule 13D filed with the SEC on December 30, 1997 (the Statement), and by Amendment No. 4 to Schedule 13D filed with the SEC on August 8, 2000, and by Amendment No. 5 to Schedule 13D filed with the SEC on December 1, 2000, and by Amendment No. 6 to Schedule 13D filed with the SEC on July 2, 2001 and relates to the common stock, par value \$0.001 per share (the Common Stock), of Checkers Drive-In Restaurants, Inc., a Delaware corporation (the Company), and is filed by CKE Restaurants, Inc., a Delaware corporation and one of the Reporting Lenders and Reporting Buyers identified therein pursuant to Rule 13d-2 under the Securities Exchange Act of 1934, as amended.

Item 4. Purpose of Transaction

On April 5, 2002, CKE Restaurants, Inc., a Delaware corporation (CKE), exercised in its entirety a warrant to purchase 612,536 shares of the Company's Common Stock pursuant to the net exercise provisions of the warrant, receiving 435,673 shares upon such net exercise. CKE intends to sell such shares for cash in open market transactions.

Item 5. Interest in Securities of the Issuer

As of April 5, 2002, after giving effect to the transaction described in Item 4 above, CKE beneficially owned 982,030 shares, or approximately 8.6% of the outstanding shares, of the Company's Common Stock. The percentage given is based upon the 10,933,069 shares of the Company's Common Stock outstanding, as stated on its Annual Report on Form 10-K for the fiscal year ended December 31, 2001 and an additional 435,673 shares of the Company's Common Stock outstanding upon exercise of the warrant by CKE as described in Item 4.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

On July 1, 1996, the Company entered into a ten-year operating agreement with Carl Karcher Enterprises, Inc., a subsidiary of CKE that operates the Carl's Jr. restaurant chain. Pursuant to the agreement, CKE began operating 29 Rally's Hamburger, Inc. (Rally's) owned restaurants located in California and Arizona, two of which were converted to a Carl's Jr. format. Including closures from prior periods, there were 23 remaining restaurants as of July 3, 2001 operating under the agreement when the Company repossessed all but the two operating as Carl's Jr. in accordance with the terms of the original operating agreement. The original agreement was cancelable after an initial five-year period, or July 1, 2001, at the discretion of CKE. The agreement was approved by a majority of the independent Directors of the Company. Prior to the agreement, the Company's independent Directors had received an opinion as to the fairness of the agreement, from a financial point of view, from an investment banking firm of national standing. Under the terms of the operating agreement, CKE was responsible for any conversion costs associated with transforming restaurants to the Carl's Jr. format, as well as, the operating expenses of all the restaurants. The Company had retained ownership of all the restaurants, two of which were Carl's Jrs. and was entitled to receive a percentage of gross revenues generated by each restaurant. CKE filed the agreement as Exhibit 10-43 to CKE's Quarterly Report on Form 10-Q for the quarterly period ended May 20, 1996, and the agreement is hereby incorporated by reference.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

Date: April 15, 2002

CKE RESTAURANTS, INC.

By: /s/ ROBERT A.
WILSON

Name: Robert A. Wilson
Title: Senior Vice President and
Assistant Secretary