

Flanders Paul R
 Form 4
 March 07, 2012

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Flanders Paul R

2. Issuer Name and Ticker or Trading Symbol
 CARROLS RESTAURANT GROUP, INC. [TAST]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 VP, CFO and Treasurer

(Last) (First) (Middle)
 C/O CARROLS RESTAURANT GROUP, INC., 968 JAMES STREET

3. Date of Earliest Transaction (Month/Day/Year)
 03/05/2012

(Street)
 SYRACUSE, NY 13203

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock, \$0.01 par value	03/05/2012		A ⁽¹⁾	15,981 A \$ 0 (1)	113,910	D	
Common Stock, \$0.01 par value					2,100	I	See Footnote (2)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Options (Right to Buy)	\$ 13	03/05/2012		<u>J(1)</u>	7,350	<u>(3)</u> 12/14/2013	Common Stock, par value \$0.01 per share	7,350
Options (Right to Buy)	\$ 15.6	03/05/2012		<u>J(1)</u>	7,350	<u>(3)</u> 12/14/2013	Common Stock, par value \$0.01 per share	7,350
Options (Right to Buy)	\$ 8.08	03/05/2012		<u>J(1)</u>	11,000	<u>(4)</u> 01/15/2015	Common Stock, par value \$0.01 per share	11,000
Options (Right to Buy)	\$ 2.6	03/05/2012		<u>J(1)</u>	3,825	<u>(5)</u> 01/15/2016	Common Stock, par value \$0.01 per share	3,825
Options (Right to Buy)	\$ 6.48	03/05/2012		<u>J(1)</u>	10,000	<u>(6)</u> 01/15/2017	Common Stock, par value \$0.01 per share	10,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director 10% Owner Officer Other

Flanders Paul R
C/O CARROLS RESTAURANT GROUP, INC.
968 JAMES STREET
SYRACUSE, NY 13203

VP, CFO
and
Treasurer

Signatures

/s/ Paul R. 03/07/2012
Flanders

__Signature of Date
Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

In connection with the spin-off of Fiesta Restaurant Group, Inc. by Carrols Restaurant Group, Inc. (the "Issuer") and in accordance with the Issuer's 2006 Stock Incentive Plan, as amended (the "Plan"), on March 5, 2012, all (i) outstanding vested stock options held by the Reporting Person under the Plan were converted into unrestricted shares of the Issuer's common stock using a conversion formula to preserve the intrinsic value of each option to the holder and (ii) outstanding unvested stock options held by the Reporting Person under the Plan were converted into restricted shares of the Issuer's common stock using a conversion formula to preserve the intrinsic value of each option to the holder

(2) These shares of Common Stock are held by the Reporting Person's children.

The Reporting Person's options were granted pursuant to the Plan and will vest and become exercisable over a period of five years, with one-fifth (1/5) of such options becoming exercisable on December 13, 2007, and an additional one-sixtieth (1/60) of such options vesting and becoming exercisable on the first day of each month after December 13, 2007.

The Options were granted to the Reporting Person pursuant to the Plan and will vest and become exercisable over a period of five years, with one-fifth (1/5) of such Options vesting on January 15, 2009 an additional one-sixtieth (1/60) of such options vesting and becoming exercisable on the first day of each month after January 15, 2009.

The Options were granted to the Reporting Person pursuant to the Plan and will vest and become exercisable over a period of five years, with one-fifth (1/5) of such Options vesting on January 15, 2010 an additional one-sixtieth (1/60) of such options vesting and becoming exercisable on the first day of each month after January 15, 2010.

The Options were granted to the Reporting Person pursuant to the Plan and will vest and become exercisable over a period of five years, with one fifth (1/5) of such Options vesting on January 15, 2011 an additional one-sixtieth (1/60) of such options vesting and becoming exercisable on the first day of each month after January 15, 2011.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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