

STEAKHOUSE PARTNERS, INC.

STOCKHOLDER COMMUNICATIONS WITH DIRECTORS POLICY

Adopted as of July 7, 2006

Steakhouse Partners, Inc. (the “*Company*”) believes that it is good corporate practice to ensure that the views of the Company’s stockholders are communicated to the Company and that appropriate responses are provided to the stockholders. Stockholders can communicate with the Company by contacting Joseph L Wulkowicz at 800-570-9159, or by requesting an investor relations packet through our website at www.paragonsteak.com.

Stockholders may also communicate appropriately with any and all Company directors by sending written correspondence addressed as follows:

Chief Financial Officer
Steakhouse Partners, Inc.
10200 Willow Creek Road
San Diego, CA 92131

The Chief Financial Officer shall maintain a log of all correspondence so received and will deliver as soon as practicable such correspondence to the identified director addressee(s). The correspondence will not, however, be delivered if there are safety, security, appropriateness or other concerns that mitigate against delivery of the correspondence, as determined by the Chief Financial Officer in consultation with legal counsel. The Board or individual directors so addressed shall be advised of any correspondence withheld. The Board or individual director, as applicable, will generate an appropriate response to all validly received stockholder correspondence and will direct the Chief Financial Officer to send the response to the particular stockholder.

This Stockholder Communications with Directors Policy was approved by the Board on July 7, 2006.