FRANCHISE DISCLOSURE DOCUMENT
Al Manakeesh Franchising, LLC
10303 Oxford Avenue
Chicago Ridge, IL 60415
(708) 741-7997
info@almanakeesh.com

The franchisor, Al Manakeesh Franchising, LLC ("Al Manakeesh," "us" or "we"), is in the business of operating and franchising restaurants under the "Al Manakeesh" name that feature manakeesh, bagels, sandwiches, pizza, desserts, coffee, tea, and other beverages and other food products. The franchisee will operate an Al Manakeesh Restaurant.

The total investment necessary to begin operation of a Al Manakeesh franchise ranges from **$261,430 to $402,900.** This includes a total of $35,500 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact us at Al Manakeesh Franchising, LLC, **10303 Oxford Avenue, Chicago Ridge, IL 60415.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

ISSUED: April 29, 2026

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Al Manakeesh business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Al Manakeesh franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit B.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Ohio. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Ohio than in your own state.

2. **Mandatory Minimum Payments**. You must make minimum royalty, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

3. **Start Up Franchisor.** The franchisor is new to the business of franchising and has less experience than other, more established, franchisors.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

TABLE OF CONTENTS

Item **Page:**

ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES 7

ITEM 2 BUSINESS EXPERIENCE 10

ITEM 3 LITIGATION 10

ITEM 4 BANKRUPTCY 10

ITEM 5 INITIAL FEES 11

ITEM 6 OTHER FEES 12

ITEM 7 ESTIMATED INITIAL INVESTMENT 20

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 24

ITEM 9 FRANCHISEE'S OBLIGATIONS 27

ITEM 10 FINANCING 28

ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.....29

ITEM 12 TERRITORY 36

ITEM 13 TRADEMARKS 38

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION 40

ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....41

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 42

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION 43

ITEM 18 PUBLIC FIGURES 48

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS 49

ITEM 20 OUTLETS AND LICENSEE INFORMATION 50

ITEM 21 FINANCIAL STATEMENTS.....52
ITEM 22 CONTRACTS
.....52
STATE EFFECTIVE DATES PAGE
……...105
ITEM 23 RECEIPTS
..... LAST PAGES

TABLE OF EXHIBITS

Exhibit A	State Addenda to Disclosure Document
Exhibit B	State Franchise Administrators/Agents for Service of Process
Exhibit C	Table of Contents of Operating Manual
Exhibit D	Franchise Agreement
Exhibit E	Audited Financial Statements
Exhibit F	Receipts

Item 1:
The Franchisor, and any Parents, Predecessors and Affiliates

Franchisor, Parent, and Affiliates

The Franchisor is Al Manakeesh Franchising, LLC, which will be referred to as "**AL MANAKEESH**", "**we**", "the franchisor," or "us". The principal address of the franchisor is **10303 Oxford Avenue, Chicago Ridge, IL 60415**. The franchisor has no parents or affiliates that offer franchises in any line of business.

The franchisor has not conducted business in any other line of business. It has not offered franchises in any other line of business.

The franchisor has not offered any franchises for sale prior to the issuance date of this FDD.

The term "**you**" means the person, corporation, limited liability company, partnership or other legal entity that is granted the franchise (as well as the direct and indirect owners of any corporation, limited liability company, partnership, or other legal entity that becomes a franchisee).

We are an Ohio limited liability company. We currently do business under the name "Al Manakeesh."

Predecessors

Our predecessor is Al Manakeesh, Inc., an Illinois corporation, which owns and operates the Chicago restaurant. The Dublin, Ohio restaurant is operated by Al Manakeesh Ohio, LLC. Other than Al Manakeesh, Inc. and Al Manakeesh Ohio, LLC we have no other predecessors.

Franchisor's Date of Formation

Al Manakeesh Franchising, LLC was formed as an Ohio limited liability company on June 5, 2025.

The Business We Offer

We grant franchises for restaurants operating under the "Al Manakeesh" name and using our proprietary operations systems. (For reference purposes in this Franchise Disclosure Document, we call the restaurants in our system "Al Manakeesh Restaurants"; we use the term "Restaurant" to describe the Al Manakeesh Restaurant that you will operate.)

Food products are prepared according to specified recipes and procedures and use high quality ingredients, including specifically formulated and specially produced proprietary lines of manakeesh, bagels, sandwiches, pizza, desserts, coffee, tea, and other beverages and other food products that are branded, trademarked, and/or packaged exclusively for

our system and franchise owners. We create the standards for our food products and non-food products. If you acquire a franchise, you must operate your Restaurant according to our business formats, methods, procedures, designs, layouts, and specifications.

Al Manakeesh was established with the purpose of honoring and preserving our cultural heritage and culinary traditions from Palestine. Our concept is rooted in the authentic preparation techniques and flavors we grew up with, passed down through generations. Central to our menu is the Manakeesh—a beloved Middle Eastern flatbread known for its light, flavorful dough, and fresh, vibrant toppings. At Al Manakeesh, we stay true to traditional methods while ensuring our ingredients meet the highest standards of quality and freshness. While Manakeesh is the heart of our offering, our menu also features a selection of complementary items, including pizza, sandwiches, Ka'ak bagels, and a variety of teas and coffees. Each item is thoughtfully prepared to reflect both authenticity and a modern approach to Middle Eastern comfort food.

Through Al Manakeesh, we aim to create a welcoming space where guests can experience the rich flavors of Palestine in a contemporary and accessible setting.

Prior Experience

The officers of Al Manakeesh Franchising, LLC have owned and operated Al Manakeesh Franchising, LLC since June 5, 2025 and have experience operating other restaurants.

Agent For Service of Process

Our agents for service of process are listed in Exhibit B.

The Al Manakeesh Franchise

We may periodically make changes to the systems, standards, signage, and equipment requirements. You may have to make additional investments in the franchised business periodically during the term of the franchise if those kinds of changes are made or if your Restaurant's equipment or facilities wear out or become obsolete, or for other reasons (for example, as may be needed to comply with a change in the system standards or local, state, or federal law). All Al Manakeesh Restaurants must be developed and operated to our specifications and standards. Consistency of experience with Al Manakeesh is important, and you have no discretion to offer products or services other than those set forth in our Operating Manual, which may be amended by us from time to time. Nevertheless, we reserve the right to allow some Al Manakeesh Restaurants to sell different menu items from other Al Manakeesh Restaurants. The franchise agreement is limited to a single Al Manakeesh Restaurant, which will be set forth in the franchise agreement. However, we will not franchise or license others in your Territory (see Item 12). All of our franchised restaurants are exclusive to our first (and only) franchisee in that respective licensed Territory.

Industry-Specific Regulations

You must comply with all local, state, and federal laws that apply to your Restaurant operations, including health, sanitation, EEOC, OSHA, discrimination, employment, and sexual harassment laws. You should investigate the application of these laws further.

General Description of the Competition to the Franchisee's Business

Your Restaurant will offer products and services to the general public throughout the year and compete with pizza, fast food, fast casual food, and delivery chains (local, regional, and national), restaurants, and food service businesses. The market for our type of products and services generally is developed and very competitive. Nevertheless, we believe that Al Manakeesh Restaurants appeal to consumers because of our concept, product and service quality.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 2:
Business Experience

CEO: Mohammad Atieh

Mr. Atieh has been the CEO of Al Manakeesh Franchising, LLC, 10303 Oxford Avenue, Chicago Ridge, IL 60415, since its inception. Prior to that, he worked as a software engineer at Belvedere Trading, 10 South Riverside Plaza, Chicago, Illinois, 60606, since 2014.

Vice President: Alaa Darhamda

Mr. Darhamda has been Vice President for Al Manakeesh Franchising, LLC, 10303 Oxford Avenue, Chicago Ridge, IL 60415, since its inception. Prior to that, he was a sales representative at Westside Cash and Carry, 7401 W 87th St, Bridgeview, IL 60455 from 2019 until to 2024.

Vice President of Restaurant Operations: Zaki Amer

Mr. Amer has been Vice President for Al Manakeesh Franchising, LLC, 10303 Oxford Avenue, Chicago Ridge, IL 60415, since its inception. Prior to that, he owned multiple gas stations in Illinois, which he still continues to own.

Item 3:
Litigation

No litigation is required to be disclosed in this item.

Item 4:
Bankruptcy

No bankruptcy information is required to be disclosed in this Item.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 5:
Initial Fees

Initial Franchise Fees ("IFF"): The initial franchise fee for an Al Manakeesh Restaurant is Thirty Five Thousand Five Hundred Dollars ($35,500), which consists of the Thirty Thousand Dollar initial franchise fee, plus a Five Thousand Five Hundred Dollar ($5,500) expense for point of sale equipment that is payable to us.

If you do not open your Restaurant within twelve (12) months of the date you sign the franchise agreement, we, or you, may terminate the Franchise Agreement. If the Franchise Agreement is terminated, we will retain one half of the IFF, plus any expenses that we actually incurred on your behalf (including, but not limited to travel, marketing, etc.). We will return the remainder of the IFF to you after we deduct half of the IFF and the costs that we incurred on your behalf.

Notes:

We may offer other reduced or deferred IFFs in special circumstances, such as to franchisees who commit to and have the ability to develop a large number of territories. Additionally, we may have special incentive offers in certain markets, such as new and developing markets, which include reduced, waived or deferred IFFs. These special incentives may be offered to existing and/or new franchisees. These reduced fees only apply to those who are in compliance with all of our agreements and requirements. We reserve the right to cancel or modify any incentive program or discount at any time.

Deferral of Initial Franchise Fees in Minnesota and Illinois: In the states of Minnesota and Illinois, the payment of the Initial Franchise Fee from Franchisee to Franchisor shall be deferred until Franchisor has satisfied its pre-opening obligations to Franchisee and the Franchisee has commenced business operations. The Illinois Attorney General's Office and the Minnesota Department of Commerce imposed this deferral requirement due to Franchisor's financial condition.

Refunds:

Unless otherwise mandated by law, and, except as stated above, the IFF is not refundable to you under any circumstance and is paid in consideration of the costs incurred by us in connection with the execution of the Franchise Agreement and with our lost or deferred opportunity to enter into a Franchise Agreement with other prospects.

Initial Fees and Payments For Services or Goods Received From the Franchisor or its Affiliates Before the Business Opens:

Franchisee is responsible for paying franchisor the Initial Franchise Fee, which is Thirty Thousand Dollars ($30,000), before the business opens. This fee is not refundable, except as stated above.

Installment Payments: Installment payments are not available.

Item 6:
Other Fees

Type of Fee	Amount	Due Date	Remarks
Continuing Franchise Royalty	5% of Gross Sales, but not less than $750 per Week (Note 2)	Weekly, Payments will be drawn via ACH on each Wednesday for the prior Monday through Sunday. Franchisor may instead draw payments monthly at its sole discretion, upon written notice to Franchisee. (Note 2)	Gross Sales include all revenue from the franchise location actually received by Franchisee, minus sales tax, comps, and voids. Not refundable.
Advertising (Note 3)	1% of Gross Sales (May be increased to 3% of Gross Sales upon written notice.)	Drawn on the same basis as Continuing Franchise Royalty. Franchisor may instead draw payments monthly at its sole discretion, upon notice to Franchisee. (Note 2)	Gross Sales include all revenue from the franchise location actually received by Franchisee, minus sales tax, comps, and voids. Not refundable.
Transfer Fee (Note 4)	$3,000 if transfer is to an existing Al Manakeesh franchisee or $5,000 if transfer is to a non-affiliated third party	Prior to consummation of transfer	Payable when you sell your franchise. Not refundable.
Transferee Training Fee (Note 4)	Up to $5,000 (Note 4)	Prior to consummation of transfer	Payable when you transfer franchise. Not refundable.
Renewal Fee (Note 5)	$5,000	Upon executing a new franchise agreement.	Payable when you exercise your option to renew. Not refundable.

Audit	Cost of audit, plus twice the deficiency	Immediately upon invoice	Payable only if audit shows an understatement of at least 2% of Gross Sales for the period audited. Not refundable.
Late Royalty Payment (Note 2)	$100 for each seven day period that the Royalty is late.	When payment of royalty is overdue	Not refundable.
Financial Information Late Fee (Note 6)	$200 per week or any fraction thereof until franchisee has provided financial information	Immediately upon invoice	Not refundable.
Failure to Provide Documents Fee	$100 per week or any fraction theref until franchisee has provided requested Documents	Beginning 7 days after Al Manakeesh Franchising's written request for Documents	Not refundable.
Relocation Fee (Note 7)	Cost of Relocation Approval Expenses not to exceed $2,500.	$2,500 deposit is paid to us upon your request for relocation	Refundable to the extent that our out of pocket Relocation Approval Expenses are less than $2,500
Meeting Non-Attendance Fee (Note 8)	$500	Within 10 days after the seminar or program Franchisee failed to attend	Not refundable.
Meeting Fee (Note 8)	Currently $250 per person, but may be increased to as much as $350 per person.	Prior to the annual Al Manakeesh Owner Conference	Not refundable.
Insurance Late Fee (Note 6)	$200 per week after 7 day demand, plus 2% of Gross Sales Brand Standards Liquidated Damages if proof of insurance is not	Due immediately. Collected through Electronic Payments.	Not refundable.

	provided within fourteen (14) days of Al Manakeesh Franchising's written demand		
Termination as the result of default	$200 per week for each week remaining during the franchise agreement	Within 90 days after the termination as the result of a default	Amount of future minimum royalties which will not be paid. Not refundable.
Brand Standards Fee (Note 9)	$250 per violation, after first receiving written notice	Within three (3) business days after Franchisee received written notice of the Brand Standard not being met and has received an opportunity to cure it	Not refundable.
Brand Standards Liquidated Damages	2% of Gross Sales after Franchisee has failed to remedy the issue that led to the Brand Standards Fee for a period of three (3) business days	After three (3) business days of failure to cure the Brand Standards violation after the initial Brand Standards Fee has been charged. Continues until the violation is remedied.	Not refundable.
Franchisor Equipment Default Return Fees	$400 per day for each 8 hour day that Franchisor is required to travel or move equipment associated with surrender of secured equipment to Franchisor after Franchisee's breach	Upon invoice from Franchisor.	Not refundable.
Gift Card Program Fee	Franchisor reserves the right to charge reasonable fees	Drawn on the same basis as Continuing Franchise Royalty.	Not refundable.

	that approximate the amount it must pay for a gift card program.		
Operation Upon Death or Disability	Upon death or disability of Owner or majority owner of Franchisee, $600 per day that Franchisor has to operate your restaurant until a new Owner can be identified and trained, for up to 90 days.	Upon invoice from Franchisor.	Not refundable.
Assumption of Management Upon Default	Upon abandonment of the restaurant, failure to comply with the System and cure the breach noted within the time proscribed in the notice from Franchisor, or the expiration or termination of the Franchise Agreement, $600 per day that Franchisor has to operate your restaurant until a new Owner and Franchisee can be identified and trained, for up to 90 days.	Upon invoice from Franchisor.	Not refundable.
Grand Opening Without Al Manakeesh Franchising's Permission Fee	$5,000 per day for each day the Restaurant is open without obtaining written permission from Al	Upon invoice from Al Manakeesh Franchising. Drawn via ACH.	Not refundable.

	Manakeesh Franchising for the Grand Opening		
Unauthorized Employee Fee	$15,000 for each person (who was employed by any Al Manakeesh restaurant or Al Manakeesh Franchising within the last 365 days) that you or your affiliates hire during or after the term of your Franchise Agreement is over, unless franchisor agrees otherwise in writing.	Upon invoice from Al Manakeesh Franchising. Paid by Check or Wire Transfer.	Not refundable.
De-Identification Fee	If you fail to remove all Al Manakeesh signage at the conclusion of the Term of your Franchise Agreement, you must pay Al Manakeesh Franchising for its actual expenses in removing all Al Manakeesh branding from the restaurant, including engaging third parties and/or travel costs, including mileage, rentals, gas, parking, tolls, hotels, and food on the road as applicable.	Upon invoice from Al Manakeesh Franchising. Paid by Electronic Payments or other methods.	Not refundable.
Failure to Respond	If you fail to	Upon notice from	Not Refundable

Fee	respond within five (5) business days to emails, text messages, or phone calls from the Franchisor or its representatives that are sent to the phone number and/or email address that you provide to the Franchisor, you will be charged One Hundred Dollars ($100) per day after the fifth (5^{th}) business day has passed.	Al Manakeesh Franchising. Paid by Electronic Payments or other methods	

All fees are uniformly imposed, with the exception of the Continuing Franchise Royalty and the Advertising Fund.

The Continuing Franchise Royalty is charged to all franchisees. However, franchisees have varying royalty rates, depending on what the royalty rate was at the time that the franchisee opened the business.

The Advertising Fund is charged to all franchisees.

None of the fees above are refundable.

Note 1. Intentionally omitted.

Note 2. We currently use monthly royalty reporting. However, if we decide in our sole discretion to change to weekly, then you are required to adopt a 52/53 week year for income tax purposes. In such event, each week, Monday through Sunday, shall be a reporting period ("Reporting Period"). We reserve the right to change the Reporting Period to any less frequent accounting period or method (including monthly, bi-weekly) provided that any such change is communicated to you and that you are provided a commercially reasonable amount of time to prepare for said change. Franchisee shall pay the Royalty Fee following the Reporting Period in which Gross Sales were made on the Wednesday following the Sunday that ended the Reporting Period ("Payment Date"). We will require you to purchase and maintain a point of sale system ("POS"). We will calculate your royalty based upon sales reflected in the POS royalty report, or an estimated amount if we are unable to ascertain your actual Gross Sales. If the Royalty Fee is not paid timely, you must pay, in addition to the royalty fee, an amount equal to one hundred dollars ($100) for

each week (defined as a period of seven (7) days) that you are late on your royalty payment. Beginning the first day of the Reporting Period after the royalty is due, you must pay an additional late fee of One Percent (1%) per month until the royalty fee is paid. Some franchisees may have lower royalty fee rates, depending on what the royalty fee rate was at the time that they entered their respective franchise agreement, some of which were entered into before Al Manakeesh Franchising, LLC was the owner of the Al Manakeesh brand.

Note 3. You will pay one percent (1%) of your Gross Sales for regional and/or national advertising to be utilized in our sole discretion, provided that said funds are actually utilized for advertising, branding, or marketing expenses ("the Ad Charge"). The Ad Charge will be paid at the same time and in the same manner as the Royalty Fee. We reserve the right to increase the Ad Charge to a maximum of three percent (3%) of Gross Sales. If we increase the Ad Charge, we will provide you with written notice of the increase prior to implementing the increase. If the Ad Charge is not paid timely, you must pay, in addition to the Ad Charge, an amount equal to five percent (5%) of the royalty fee. Beginning the first day of the Reporting Period after the royalty is due, you must pay an additional late fee of One Percent (1%) per month until the royalty fee is paid. You must spend at least One Thousand Five Hundred Dollars ($1,500) on local advertising at the time your Restaurant opens. In the event of relocation or reopening, you must spend a minimum of Five Thousand Dollars ($5,000) on local advertising at the time of the relocation or reopening.

Note 4. If you transfer your franchise to a transferee who is not a Al Manakeesh franchisee or which is not owned (more than 50%) by a Al Manakeesh franchisee, the transfer fee will be $5,000. If you transfer your franchise to a transferee who is a Al Manakeesh franchisee or is owned (more than 50%) by a Al Manakeesh franchisee, the transfer fee will be $3,000. We must approve all transfers. We will not unreasonably withhold our consent. We may require your approved transferee to receive training from us on-site at your Al Manakeesh Restaurant. In such an event, in addition to the transfer fee, you may be required to pay the out of pocket costs of Al Manakeesh Franchising for the on-site training up to a maximum of Five Thousand Dollars ($5,000). We may require that you or your buyer deposit up to Five Thousand Dollars ($5,000) with us for the on-site training expenses before we approve the transfer from you to your buyer. If we incur less than Five Thousand Dollars ($5,000) in out of pocket costs related to on-site training of your buyer, and your buyer has in fact paid us Five Thousand Dollars ($5,000) we will reimburse your buyer for the amount that was overpaid to us.

Note 5. If you do not materially breach your franchise agreement, you will have the option to renew it for another ten (10) year term. If you exercise your option to renew the agreement, you will be required to pay a Five Thousand Dollar ($5,000) renewal fee.

Note 6. Intentionally omitted.

Note 7. Upon request for relocation, Franchisee shall pay a non-refundable deposit of Two Thousand Five Hundred Dollars ($2,500) to us to be applied by us to the Relocation

Approval Expenses, which include, but are not limited to, airfare, mileage, food, and lodging.

Note 8. You will be required to attend the annual Al Manakeesh Owner Conference, which is held in a different location within the United States each year. There will be a reasonable conference attendance fee per person, not to exceed Two Hundred Fifty Dollars ($250), unless raised to a maximum of Three Hundred Fifty Dollars upon written notice ($350). If you (or a representative of your Al Manakeesh Restaurant) fails to attend the annual Al Manakeesh Owner Conference, you will be charged with a $500 Meeting Non-Attendance Fee via ACH within ten (10) days of the missed conference. The annual Al Manakeesh Owner Conference is very important to your success as an owner. We reserve the right to waive the Meeting Non-Attendance Fee if the reason for your non-attendance is extremely compelling (e.g. birth of a child, death in the family, illness, etc.).

Note 9. If you fail to uphold the Al Manakeesh brand standards, you may be charged with a fee of $250 for each instance of brand non-compliance. However, we will not charge you with a Brand Standards Fee unless you have first received written notice (including email) of the nature of the non-compliance and specific steps for what you must do to cure the non-compliance, and you have had that notice for three business (3) days. After 3 business days, if you do not remedy the non-compliance, we may charge a Brand Standards Fee, or we may choose to deem the non-compliance a default.

Note 10. If you fail to uphold the Al Manakeesh brand standards, even after you have been charged a Brand Standards Fee, Al Manakeesh Franchising, LLC will provide you with an additional written notice and give you three (3) more business days to remedy the non-compliant issue. If you fail to remedy the brand non-compliance in that period of time, Al Manakeesh Franchising may charge the Brand Standards Liquidated Damages of 2% of Gross Sales for the period of your continuing non-compliance.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 7:
Estimated Initial Investment

Your Estimated Initial Investment

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$30,000 (Note 1)	Lump sum	At signing of Franchise Agreement (and, if applicable, upon obtaining financing)	Us (after the business has opened to the public)
Rent	$5,500 - $11,900	(Note 2)	(Note 2)	Landlord
Security Deposits	$5,500 - $11,900	Lump sum	Prior to opening	Landlord
Leasehold Improvements (Note 10)	$15,000 - $100,000	Lump sum	Prior to opening	Contractors
Architect	$0 – $8,000	Lump sum	Prior to opening	Approved Supplier
Equipment and Fixtures	$110,000 (Note 3)	Lump sum	Prior to opening	Approved Suppliers
Décor (Note 12)	$15,000	Lump sum	Prior to opening	Approved Suppliers
Point of Sale System	$5,500	Lump sum	Prior to opening	Us
TV Screens for Menus	$2,000	Lump sum	Prior to opening	Local Supplier
Opening Inventory	$30,000	Lump sum	Prior to opening, grand opening, and first week of business	Approved Supplier
Start Up Print Package	$1,500 - $2,000	Lump sum	Prior to opening	Approved Supplier
Local Advertising & Grand Opening	$1,500 - $2,500 (Note 5)	Lump sum	Prior to opening	Various Media and Advertising
Insurance (Note 6)	$3,000 - $7,500	Lump sum	Prior to opening	Insurance Company
Signs	$5,000 - $8,500	Lump sum	Prior to opening	Local Sign Installer, Local Print Company,

				Approved Neon Supplier
Employee Training Labor	$2,500 - $5,000	As incurred	Prior to opening	Employees
Travel and Living Expenses During Training (Note 7)	$1,500 - $2,500	As incurred	Prior to opening	Motels, restaurants, air travel, etc.
Professional Support (Attorneys and Accountants)	$1,000 - $2,500	As incurred	Prior to opening	Attorneys and accountants
Permits and Fees	$480 - $600	As incurred	Prior to opening	Governmental entities
Utility Deposits	$0 - $2,000	As incurred	Prior to opening	Electric, Gas, Water, etc.
Office Supplies	$250 - $1,500	As incurred	Prior to opening	Vendors
Phone System	$200-$1,000	As incurred	Prior to opening	To Approved Supplier
Security System and Cameras	$1,000 - $3,000	As incurred	Prior to opening	Vendors
Additional Funds for 3 Months of Operating Expenses (Note 8)	$25,000 - $40,000	As incurred	As incurred	Employees, vendors, utilities, etc.
TOTAL (Note 9)	**$261,430– $402,900**			

The above fees in this Item 7 are not refundable under any circumstances, except as otherwise set forth in this Disclosure Document. Specifically, the following fees are not refundable under any condition: Real Estate/Rent, Security Deposits, Leasehold Improvements, Equipment and Fixtures, Point of Sale System, Opening Inventory, Start Up Print Package, Local Advertising, Insurance, Signs, Travel and Living Expenses During Training, Professional Support, and Additional Funds for 3 Months of Operating Expenses.

Notes:

Note 1. The franchise fee for your first franchise will be $30,000. This amount will also be the initial franchise fee for each additional franchise. The Initial Franchise Fee is not refundable. The states of Minnesota and Illinois require that franchisor defers the acceptance of the initial franchise fee until after the restaurant is open for business and all contractually obligated services required to be provided by franchisor prior to franchisee's opening have been completed.

Note 2. You must secure suitable real estate for your Restaurant. Typical locations for traditional Al Manakeesh Restaurants are 1,500 to 2,200 square feet. Normally, the real estate is leased. The amounts indicated assume that real estate is leased and reflect a typical range of monthly rentals. The amount of your rent is dependent upon factors such as size, condition, market prices, and location. Neither Al Manakeesh Franchising, LLC, nor its affiliates if any, will lease real estate to you. The amount of rent, the time at which the rent is due and to whom the rent is paid is subject to negotiation by you and the landlord. Security deposits are payable to landlords and utility companies. We will review your lease to make sure that it is suitable for Al Manakeesh Franchising, LLC. We will not review your lease on your behalf. You are encouraged to retain a real estate attorney to represent your interests for lease review and negotiation.

Note 3. The amount shown is for the purchase of equipment and fixtures for a traditional restaurant.

Note 5. You must spend a minimum of One Thousand Five Hundred Dollars ($1,500) on local advertising at the time your Restaurant opens.

Note 6. You must maintain the following insurance coverage: workers' compensation and occupational disease; and general liability, including products liability; with a limit of not less than $1,000,000 per occurrence. Al Manakeesh Franchising, LLC must be listed as an additional insured on all policies. If you fail to obtain the required insurance, Al Manakeesh Franchising, LLC may purchase the insurance on your behalf and charge you for it. Al Manakeesh Franchising, LLC may increase the minimum required amounts of insurance in the future upon thirty (30) days written notice.

Note 7. You will participate in at least seven (7), but up to seventeen (17) days of hands-on training at an Al Manakeesh restaurant that will be approved by Al Manakeesh Franchising, LLC. You are responsible for paying for your own living and travel expenses. You will not be charged any additional fee to be trained. You will not be paid during your training. You may be required to pass a written or electronic test at the conclusion of your training to be permitted to open your Restaurant. The remainder of your training will be provided by us at your Restaurant and via the online video classes.

Note 8. This estimates your initial start-up expenses, including payroll costs. These estimates are for owner-operated stores and no owner's draw or salary is included in the estimate. These figures are our estimates. We cannot guarantee that you will not have additional expenses starting your business.

Note 9. We have relied on our experience in the restaurant business to complete these estimates. We do not offer financing.

Note 10. The opening costs listed in this Item 7 do not include the offset in potential revenue that many franchisees receive in the form of tenant improvement credits from commercial landlords. The amount of the expense for your leasehold improvements will vary depending upon the existing condition of the real estate, including but not limited to, whether demolition is required, whether additional plumbing or electrical work is required, the status of the HVAC system, and any additional requirements of governmental entities.

Note 11. Square is the iPad based point of sale software that is currently the only approved point of sale software for use by Al Manakeesh restaurants.

Note 12. Décor includes pictures, artwork, a hand painted center piece from a local artist, olive tree branches, and other specified décor as set forth by Al Manakeesh Franchising.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 8:
Restrictions on Sources of Products and Services

Square is currently the only Approved Supplier for the Point of Sale Software System that you will be required to purchase. We will not allow alternative suppliers for this item. Square is not an affiliate of Al Manakeesh Franchising, LLC. You must also use third party delivery services through Uber Eats and Door Dash, in addition to other third party delivery services, upon written notice from Al Manakeesh Franchising, LLC.

Required Purchases:

The consistency of taste and quality of all Al Manakeesh food products is at the core of the continued success of the Al Manakeesh brand and the future success of your Restaurant. Accordingly, to ensure quality across all Al Manakeesh Restaurants, you must purchase all of your food and beverage ingredients and supplies, including, but not limited to pizza boxes, cups, paper menus, pizza sauce, dough mix, zaatar, shaata, seasoning, water bottles, and any branded paper products required to be used by Franchisor as set forth in the System (collectively, "the Food Products") from a distributor who is an Approved Supplier by us in the area in which your Restaurant is located.

You will be required to use a food distributor that is approved by Al Manakeesh Franchising, LLC. Currently, Al Manakeesh Franchising, LLC has multiple approved distributors depending on the geographic region that you operate in. In exchange for administering regional or national distribution agreements, Al Manakeesh Franchising, LLC may derive revenue from your purchases from distributors.

You must buy your point of sale hardware from franchisor, which includes 2 square registers, a kitchen screen, a handheld tablet for a third register, delivery system screen, 3 receipt printers, and 2 cash drawers. The cost shall not exceed Five Thousand Dollars ($5,000).

We may require that you purchase from a designated supplier of other goods and services in the future. Such requirements will be communicated to you through the Operating Manual and System.

Insurance Requirements

Franchisee must acquire the following types of insurance coverage:

- Workers' compensation and occupational disease insurance with minimum limits as required by law, but not less than One Million Dollars ($1,000,000) per occurrence. Franchisee shall provide a waiver of worker's compensation subrogation and/or any rights of reimbursement or recovery allowed under any workers compensation law or any other legal basis in favor of Franchisor;

- General liability insurance, including products liability coverage, with a limit of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) overall; and

- If Franchisee has an umbrella insurance policy, it must add Al Manakeesh Franchising, LLC as an additional insured to the maximum amount of the umbrella.

Approval of Alternative Suppliers:

You may suggest a new distributor for approval by us. We may then require you to test the products of the proposed distributor to the extent we deem necessary, and may, subject solely to our discretion, approve the proposed distributor as a designated distributor for some or all items. You will pay the cost of any such testing of proposed alternative food products. Such testing must be in a form determined by us, which shall be relayed to you at the time you seek approval of an alternate distributor. We will approve or disapprove of the proposed alternative distributor within 30 days of our receipt of the product tests that we require. We do not charge any fee to approve an alternative distributor.

Approval of Alternate Food Items:

Franchisee may submit to Al Manakeesh Franchising local baked goods and other desserts for approval to be sold by Franchisee and shall pay the cost of any such testing of alternative food products as is required in the sole discretion of Al Manakeesh Franchising. Franchisee shall only sell such products with the written assent of Al Manakeesh Franchising, which may be withheld at the sole discretion of franchisor.

Ownership Interest in Suppliers:

We do not have an ownership interest in any distributors or manufacturers of the food products that you are required to purchase from Approved Suppliers.

Revenue from Franchisee Purchases:

Neither we nor our affiliates sell products or services directly to our franchisees. Therefore, we derive no revenue from those activities. However, we may receive payments from designated and approved suppliers on account of franchisees' purchases of required and approved items from those suppliers. We have not received any such payments to date.

Cooperatives:

We do not have any purchasing or distribution cooperatives at this time.

Negotiated Prices:

We negotiate purchase agreements with food manufacturers for meats, cheeses, boxes, beverages and other Food Products. We also negotiate purchase agreements for non-Food

Products, such as paper towels and cleaning products.

Material Benefits:

For food manufacturers, other than assurance of system wide quality control, we do not provide any material benefit to you if you buy from sources we approve. You will be notified if such material benefits are provided.

Estimated Proportion of Any Required Purchases and Leases in Relation to All Purchases and Leases to be Made by the Franchisee:

(A) The estimated proportion of required purchases and leases in relation to all purchases and leases to be made by the franchisee in establishing the business is approximately four fifths (4/5), or eighty percent (80%) of all purchases and leases to be made by franchisee.

(B) The estimated proportion of required purchases and leases in relation to all purchases and leases to be made by the franchisee in operating the business is approximately three fifths ($3/5^{ths}$), or sixty percent (60%) of all purchases and leases to be made by franchisee.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 9:
Franchisee's Obligations

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

Obligation	Section in Agreement	Disclosure Document Item
a. Site Selection and Acquisition/Lease	Franchise Agreement ("FA"): Sections 3(C), 14(B), (C)	Items 1 and 7
b. Pre-Opening Purchases	FA: Sections 8(E), 9(C), (H)	Item 7
c. Site Development and Other Pre-Opening Requirements	FA: Sections 3(C), 8, 9	Item 7
d. Initial and On-Going Training	FA: Section 3	Item 11
e. Opening	FA: Sections 4(A), 9(B), 11(D),	Item 11
f. Fees	FA: Section 4	Items 5 and 6
g. Compliance with Standards and Policies/Operating Manual	FA: Section 2	Item 11
h. Trademarks and Proprietary Information	FA: Section 13	Item 13
i. Restrictions on Products/Services Offered	FA: Sections 2, 9(D)	Item 16
j. Warranty and Customer Service Requirements	FA: Section 2	Item 11
k. Territorial Development and Sales Quotas	Not Applicable	Not Applicable
l. Ongoing Product/Service Purchases	FA: Section 9	Item 8
m. Maintenance, Appearance, and Remodeling Requirements	FA: Section 8(A-B), 8(D)	Not Applicable
n. Insurance	FA: Section 9(H)	Item 6
o. Advertising	FA: Section 11	Items 5 and 6
p. Indemnification	FA: Section 9(G)	Not Applicable
q. Owner's Participation in Management/Staffing	FA: Section 9(J)	Item 15
r. Records/Reports	FA: Section 4	Item 6
s. Inspections/Audits	FA: Sections 4, 11,	Items 6 and 11

	12	
t. Transfer	FA: Section 15	Item 17
u. Renewal	FA: Section 7(B)	Item 17
v. Post-Termination Obligations	FA: Sections 14, 15, 16	Item 17
w. Non-Competition Covenants	FA: Section 14	Item 17
x. Dispute Resolution	FA: Section 16(E)(vii)(2)	Not Applicable
y. Personal Guaranty of Franchisee's Obligations Security Interest	FA: Section14, Attachment B to FA FA: Section 5	Item 15 Not Applicable

Item 10:
Financing

We do not offer financing to any of our franchisees. We will not guaranty your note, lease, or other obligations.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 11:
Franchisor's Assistance, Advertising, Computer Systems and Training

Except as listed below, Al Manakeesh Franchising, LLC is not required to provide you with any assistance.

We may provide any of these services through our employees and representatives, through our affiliates or through any third party provider we designate.

Pre-Opening Assistance

The following are our obligations prior to or at the opening of your Restaurant:

1. Assist you with and approve the location that you select (Franchise Agreement, Section 6). We do not own or lease the building in which you will be operating your business. We will not assist you in negotiating your lease. The Location you select must be within the geographic area specified in Section 6 of the Franchise Agreement. In evaluating the site for approval, we take into account local competition, parking, whether there is an unobstructed view of the location from the street, the number of people and households within the geographic area of the proposed site, the median age of the area residents, the cultural demographics of the area, the average income of such residents, and the size of the store. Al Manakeesh Franchising shall act promptly to determine whether or not to approve Franchisee's proposed location, but shall provide an answer to Franchisee within ten (10) business days of the date when Franchisee submitted all of the information requested by Al Manakeesh Franchising as it relates to the proposed location. In the event that Al Manakeesh Franchising and Franchisee cannot agree on a Location, Franchisee must submit another location for Al Manakeesh Franchising's approval within the otherwise applicable. The failure of Al Manakeesh Franchising to approve a proposed location does not provide Franchisee with additional time to open. If the Restaurant is not open for business to the public within twelve (12) months of the date you sign the Franchise Agreement, the Agreement may be terminated at the option of either Al Manakeesh Franchising or Franchisee. In the event of such a termination, Al Manakeesh Franchising shall be entitled to keep one half of the Initial Franchise Fee paid by Franchisee, plus any costs Al Manakeesh Franchising actually incurred on behalf of Franchisee ("Failure to Open Remedy Amount"). Al Manakeesh Franchising shall return the Initial Franchise Fee actually paid by Franchisee, minus the Failure to Open Remedy Amount, within ten (10) business days of either party's notification in writing to the other party of its decision to terminate this Agreement. (Franchise Agreement Section 6).

2. Assist you with the layout of the Restaurant (Franchise Agreement, Sections 2 and 3).

3. Provide you with the Al Manakeesh Operating Manual (Franchise Agreement, Section 2). This manual contains the proprietary System for operating an Al Manakeesh Restaurant.

4. Assist you with the selection of fixtures, signs, opening inventory, supplies, and equipment for your Restaurant. The franchisor will not provide these items directly to the franchisee. Instead, the franchisor provides names of approved suppliers and written specifications. The franchisor does not deliver or install any signs, opening inventory, supplies, or equipment to your Restaurant. Specifications for fixtures and equipment are in the Operating Manual. You will be required to purchase all fixtures and equipment (Franchise Agreement, Section 9).

5. Specify approved sources of suppliers and distributors (Franchise Agreement, Sections 3 and 9).

6. Train you or the individual who will be personally involved in the conduct and operation of your Restaurant (Franchise Agreement, Section 3).

7. Travel to your Location and provide at least five (5) days of pre-opening assistance at your Restaurant. (Franchise Agreement, Section 3)

8. Set initial prices for Franchisee's menu. (Franchise Agreement, Section 9).

Opening Time

The typical length of time that it takes to open an Al Manakeesh Restaurant is two months to three months after you execute the Franchise Agreement and obtain financing. The factors that affect this time are the identification of a suitable location, the ability to obtain a lease, building permits, local ordinances and zoning, the oppressiveness (or lack thereof) of the local governmental entity, weather conditions, the skill of the contractor hired for build out, the extent of the buildout that is required, and installation of equipment, fixtures, signage – and, most importantly, your ability/wherewithal to continuously follow up with all parties. We must approve your Restaurant before opening. We will not unreasonably withhold our consent. The time for opening will be longer if you purchase the real estate.

We will designate the date you will open for business. If your Restaurant is not open and doing business within twelve (12) months after the Franchise Agreement is signed, either you or us may terminate the Franchise Agreement. In the event of such a termination, Al Manakeesh Franchising, LLC will be entitled to keep one half of the Initial Franchise Fee, plus any costs Al Manakeesh Franchising, LLC actually incurred on your behalf. (Franchise Agreement, Section 4).

Post-Opening Assistance

During the operation of the Restaurant, we will do all of the following:

1. We will travel to your Restaurant and provide on-site assistance following the grand opening of your Restaurant for a period of three (3) days. If you request our presence for any time after the grand opening, you must pay us the actual travel and labor expenses that we incur. We must receive a travel deposit to be provided prior to scheduling post-opening

travel. The amount of the travel deposit will depend upon the amount of days that you request for us to be on site. (Franchise Agreement, Section 3).

2. Periodically meet or consult with you concerning the operation of your Restaurant. We do not have an obligation to meet or consult with you at any specific time, rate, or frequency (Franchise Agreement, Section 3).

3. Loan you a copy of the Operating Manual, which currently contains 70 pages, but is regularly updated via the online intranet. The Operating Manual is strictly confidential and remains our property. We may modify the Operating Manual, but any alteration of the Operating Manual will not modify your status and rights under the Franchise Agreement (Franchise Agreement, Section 2).

Advertising/Marketing

The Ad Charge of one percent (1%) of Gross Sales will be debited on a weekly basis (or a less frequent period as directed by Franchisor) from your bank account. Restaurants owned by us (if any) or by our officers (if any) will be subject to the same Ad Charge as any other Al Manakeesh Restaurant.

The funds from the Ad Charge will be used for national advertising, marketing, and public relations campaigns, through a number of means, including, but not limited to Internet, video, print media, television, billboards, or any other advertising or marketing medium. The funds from the Ad Charge will be spent by and controlled by us. The Ad Charge funds will be held in a separate Ad Fund.

There is not currently an advertising council that is composed of franchisees.

We have not yet collected any Ad Charges as of the date of this Disclosure Document.

A franchisee may obtain an accounting of the Ad Fund on request. The Ad Fund is audited each year as part of the audited financial statements.

The franchisor is not required to spend any amount on advertising in franchisee's area or territory.

No advertising funds have been or will ever be used to solicit new franchise sales.

There is no minimum spending requirement for Local Advertising. You shall maintain for inspection by us all bills, invoices, canceled checks, and other proof of expenditures for Local Advertising. All Local Advertising and marketing materials (including coupons) that you desire to use shall be subject to our prior written approval, which approval shall not be unreasonably withheld. To obtain approval, you must send us samples of said Local Advertising by email. If you do not receive written disapproval from us regarding prospective Local Advertising or marketing materials within five (5) business days of our receipt of same, we shall be deemed to have approved the Local Advertising and marketing

materials. In the event that we disapprove of Local Advertising or marketing materials in writing, you shall immediately cease the use of the same.

Franchisee shall manage its own social media pages and follow the detailed policies of the System as set forth by Franchisor therein.

In the event that you use unapproved Local Advertising or marketing materials, you must pay a Brand Standards Fee of $250 per occurrence, which shall be debited from your account through Electronic Payments after you have been provided written notice and five days to cure. "Local Advertising" includes, but is not limited to, flyers, labor for delivering flyers, print media, Google Adwords, Facebook advertising, promotions, sponsorships, or any other commercially reasonable expenditure of money for the purpose of increasing the notoriety of your Restaurant.

No franchisee is currently required to participate in a cooperative program. However, we reserve the right to alter this policy in the future.

Computer System Requirements

We will require you to purchase and utilize an integrated computer system, including a point of sale system as designated by us. The current point of sale system is Square. We will designate the specifications of the computer hardware to be used, however, you are free to purchase the computer hardware from any vendor. The estimated cost of your point of sale system, including software, computer screens, credit card readers, and other equipment is $5,000.

The computer system consists of a point of sale computer system that will be located in your Restaurant. The system also includes computer servers that store the information in your point of sale system and links the point of sale system for your Restaurant to the online ordering system from almanakeesh.com. The types of information stored on the system includes customer phone numbers, addresses, and order histories, as well as overall inventory and sales reports. Al Manakeesh Franchising LLC owns all customer information that is compiled through the Point of Sale System, including names, phone numbers, email addresses, and social media handles.

The franchisor will have independent access to the information generated and stored in the computer system.

You must upgrade the system as designated by us. We will have access to all information and content of your computer system.

You are required to purchase and utilize a video surveillance system that will allow us to monitor the activity at the Restaurant from a site selected by us. (Please note that we do not require access to your video surveillance system unless we feel that there is a compelling business reason for us to have access (such as customer complaints). We may designate the manufacturer, model number, and other similar requirements for the video

surveillance system. (Franchise Agreement, Section 8).

Training (Franchise Agreement, Section 3)

The Al Manakeesh training program is mandatory. You or the individual who will be involved in the operation of your Restaurant must successfully complete the training program to our satisfaction. The owner or manager is required to travel to a designated Al Manakeesh Restaurant for a seven (7) day training. You or your representative who will be involved in the day to day operations of the Restaurant must complete the seven (7) day training. Al Manakeesh Franchising, in its sole discretion, may require up to an additional ten (10) days of training at another approved Al Manakeesh location, for a total of up to seventeen (17) days in store prior to opening your Al Manakeesh Restaurant.

There is no specific timeline that governs exactly how long after signing the Franchise Agreement or before opening the Restaurant you must complete your training. However, you must complete all training as required by Al Manakeesh Franchising prior to opening your Restaurant, which must occur at prior to twelve (12) months after signing the Franchise Agreement to avoid the possibility that the Franchise Agreement may be terminated for failure to timely open.

In the event that, you, or your representatives, fail to successfully complete the training program as directed by Al Manakeesh Franchising, Al Manakeesh Franchising may immediately terminate the Franchise Agreement by providing you with written notice of the failure to successfully complete the training program. After you have signed a mutual release of claims and acknowledgement of franchise agreement termination, you will be provided with a refund of fifty percent (50%) of the Initial Franchise Fee. In the event that you have paid less than fifty percent (50%) of the Initial Franchise Fee to Al Manakeesh Franchising at the time the notice of termination is provided, Al Manakeesh Franchising shall not be obligated to issue any refund to you to effectuate the termination of the Franchise Agreement. The determination of whether you have failed to successfully complete the training program shall be in the sole commercially reasonable discretion of Al Manakeesh Franchising, which may consider matters such as whether you missed scheduled training days, whether you were distracted and not fully engaged in training, whether you repeatedly failed to follow directions such that your ability to operate a Al Manakeesh restaurant is called into question, and any other similar matter that would be commercially reasonable to consider.

All training is overseen by Alaa Darhamda. However, your trainer may someone other than Alaa Darhamda. Alaa Darhamda has experience offering training to new employees, including managers, and kitchen workers based upon her prior experience as an owner and chef of a manakeesh restaurant in Palestine for about eight years.

The training program is conducted after you have executed the Franchise Agreement, paid any applicable fees, obtained all financing, and executed a lease for a suitable location that we approve for your Restaurant. The training program consists of three components: 1)7-17 Days of Al Manakeesh Immersion Training in a Designated Location; and 2) On Site

training at your Restaurant.

For the Al Manakeesh Immersion Training in, you will be required to pay for your own living and travel expenses. You will not be charged any additional fee to be trained. You will not be paid during your training.

TRAINING PROGRAM

Subject	**Hours of Classroom or Web-Based Training**	**Hours of In-Person Training**	**Location**
Operational Procedures	0	70	Approved Locations
Management Procedures/ Responsibility	0	10	Approved Locations + On Site Prior To Opening
Management Opening and Closing Procedures	0	20	On Site Prior To Opening
Operations, Laws that Affect Your Business, Tools and Ideas to Expand Your Business	0	4	On Site Prior To Opening
Marketing	0	2	On Site Prior To Opening
Leadership	0	1	On Site Prior To Opening
Financial and Business	0	1	On Site Prior To Opening
TOTAL	0	108	

You are responsible for personal expenses in connection with the training program, including costs and expenses of transportation, lodging, meals, and employee benefits. There is no additional cost for the initial training program. You will attend the first training program after you sign the franchise agreement and have paid the initial franchise fee. Upon completion of the training program, you will be required to pass an examination administered by us which tests you on the subjects covered during the training program.

We may require you to attend seminars and additional training programs during the term of your franchise agreement. The fees for such seminars are unknown at this time, but will not exceed the amount of one thousand dollars ($1,000) in any calendar year.

Operating Manual

We will provide you with a copy of (or access to) the Operating Manual within seven (7) days of your execution of the Franchise Agreement. The Operating Manual contains mandatory standards, operating procedures and specifications for the System. We can change the terms of, and add to, the Operating Manual whenever we believe it is appropriate (Franchise Agreement, Section 2). A copy of the table of contents of the Operations Manual, which contains 70 pages, as of the date of this Disclosure Document is attached as Exhibit C. The Operating Manual is also available online through the Al Manakeesh Intranet.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 12:
Territory

The franchisor is restricted from soliciting or accepting orders inside of your Territory. Neither the franchisor, nor its affiliates, reserve the right to use other channels of distribution, including the Internet, within the franchisee's territory.

Franchisee is prohibited from soliciting or accepting orders from consumers that are within any other franchisee's protected Territory, or the protected Territory of affiliates. Franchisee has the right to use any medium of distribution or promotion it desires within its Territory. Franchisee may use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of its Territory, so long as Franchisee does not advertise in the protected Territory of another franchisee or affiliate of franchisor.

The general area in which a traditional Restaurant will be located will be specified in Section 6 of your Franchise Agreement. The general area may be a City, Town, zip code, or an area defined by streets or roads. You will select the proposed specific Location of your Restaurant within the general area set forth in Section 6 of your Franchise Agreement. The Location must be approved by us (Franchise Agreement, Section 6).

You will be granted an exclusive territory, which is generally within a radius of **ten (10) miles** of your Restaurant (your "Territory"). The size of your exclusive territory will be based upon the population density of the city in which your Restaurant is located. If your Restaurant is located in a geographic area that has a large population, your Territory will be smaller than a Restaurant located in a geographic area with a smaller population. The extent of your Territory will be set forth in Section 6 of your Franchise Agreement.

We will approve relocation of the franchise business under the following conditions: The relocation must be within the geographic area that is within your Territory. Al Manakeesh Franchising, LLC will charge a fee that is the same as the actual travel costs incurred by Al Manakeesh Franchising, LLC to visit the new proposed location, including, but not limited to airfare, hotel, gas, rental vehicles, and meals of Al Manakeesh Franchising, LLC representatives ("Relocation Approval Expenses"). Said amount shall not exceed three thousand dollars ($3,000). At the same time that Franchisee submits the written request for relocation, Franchisee shall pay a deposit of Two Thousand Five Hundred Dollars ($2,500) to Al Manakeesh Franchising, LLC to be applied by Al Manakeesh Franchising, LLC to the Relocation Approval Expenses. If the Relocation Approval Expenses are actually less than Two Thousand Five Hundred Dollars ($2,500), we will return the difference to you within thirty (30) days. Al Manakeesh Franchising, LLC will not unreasonably withhold consent for relocation of the franchise business.

There are no other circumstances that permit the franchisor to modify franchisee's territorial rights.

We may grant franchises or operate a franchise for a Non-Traditional Restaurant. A "Non-

Traditional Restaurant" includes a Restaurant in amphitheaters, arenas, stadiums, airports, toll roads, amusement parks, convenience stores, and other similar retail facilities, gas stations, hotels, schools, shopping malls, and other non-traditional venues, which may offer a limited menu to customers.

We reserve the exclusive right to, directly or indirectly, sell and distribute, and license others to sell and distribute, prepackaged menu items under the Al Manakeesh trademarks to retail outlets (i.e. grocery stores, markets, and convenience stores) in and outside of your Territory.

You do not have the right to acquire additional Restaurants within your Territory, unless you have executed a Multi-Unit Development Agreement that provides you with such a right.

The continuation of your Territory does not depend upon a certain sales volume, market penetration, or other contingency.

Item 13:
Trademarks

We grant you the right to operate your Restaurant under the name "Al Manakeesh." You may also use our other current or future trademarks to operate your Restaurant. By "trademark," we mean trade names, trademarks, service marks, and logos used to identify your Restaurant.

All of the Al Manakeesh Marks below are registered with the United States Patent and Trademark Office and are owned by Al Manakeesh Franchising, LLC, Al Manakeesh Franchising, LLC's predecessor. Al Manakeesh Franchising, LLC has an exclusive license with Al Manakeesh Franchising, LLC to use and license others to use the Al Manakeesh Marks. Upon the completion of payments owed from Al Manakeesh Franchising, LLC to Al Manakeesh Franchising, LLC pursuant to the Franchise Asset Purchase and Sale Agreement, all of the Al Manakeesh Marks will be assigned to Al Manakeesh Franchising, LLC.

The following is a description of the principal trademarks that we offer to you (collectively "the Al Manakeesh Marks"):

Description of Mark	Registration Number	Registration Date
Al Manakeesh	Pending	Pending
Taste of Palestine	Pending	Pending

We have filed all of the above trademark registrations (and/or renewals as the case may be) as the same have become due. We have filed all required affidavits.

You must follow our rules when you use the Al Manakeesh Marks. You cannot use a name or mark as part of a corporate name or with modifying words, designs, or symbols, except for those which we license to you. You may not use the Al Manakeesh Marks in connection with the sale of any unauthorized product or service, or in a manner that we have not authorized in writing.

No agreement limits our right to use or license the use of the Al Manakeesh Marks. There are no material determinations, proceedings or litigation that would affect your right to use the trademarks other than as may be stated in this Disclosure Document. We do not know of any infringing use that could materially affect your use of Al Manakeesh Marks other than as may be stated in this Disclosure Document.

As of the date this Disclosure Document was prepared, there were no effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of this state or any court. There were no pending infringement, opposition or cancellation of the trademarks and no pending material litigation involving the principal trademarks.

You must notify us immediately when you learn about an infringement of or challenge to

your use of our trademark. We will take the action we think appropriate. We are not required to defend you against a claim against your use of our trademarks or to pay for any costs you incur as a result of such a claim.

You must modify or discontinue the use of the Al Manakeesh Marks if we modify or discontinue it. If this happens, we are not required to reimburse you for your tangible costs of compliance (for example, changing signs). You must not directly or indirectly contest our right to our trademarks (including, but not limited to the Al Manakeesh Marks) trade secrets or business techniques that are part of our business.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 14:
Patents, Copyrights, and Proprietary Information

We have no patents or registered copyrights that are material to the franchise. We do, however, claim copyright interests in our operating manuals, magazines, posters, pamphlets, brochures, Intranet, television advertisements and all other printed, video and pictorial materials that we produce, although these materials have not been registered with the Copyright Office of the Library of Congress. These materials are proprietary and confidential and are considered our property. They may be used by you only as long as you are a franchisee, and only as provided in your Franchise Agreement. We reserve the right to register any of our intellectual property with the Copyright Office if we deem the same to be appropriate.

You do not receive the right to use an item covered by a patent or copyright unless it is expressly incorporated as proprietary information in our operations manuals. You may use these materials, in the manner we approve, in the operation of your Restaurant during the term of your Franchise Agreement. However, you may not use these materials in any other way for your own benefit, or communicate or disclose them to, or use them for the benefit of, any other person or entity.

These materials include any trade secrets, knowledge or know-how, confidential information, advertising, marketing, designs, plans, or methods of operation. This includes information about our sources of supply and our recommendations on pricing. You may disclose this information to your employees, but only to the extent necessary to operate the Restaurant, and then only while your Franchise Agreement is in effect. You must also promptly tell us when you learn about unauthorized uses, or challenges to our uses, of this proprietary information. We are not obligated to take any action, but will respond to this information as we think appropriate. At this time, there are no infringing uses known to us, which could materially affect your use of the copyrights.

There is no effective decision, ruling or order of the United States Patent and Trademark Office, Copyright Office of the Library of Congress or any court, which could materially affect the ownership or use of any patents or copyrighted materials. Our right to use or license any patents and/or copyrighted items that we may acquire or register is not materially limited by any agreement or known infringing use.

There are no agreements currently in effect, which significantly limit our rights to use, or license the use of, such patents or copyrights in any manner material to you.

We may use and incorporate into our System, changes and improvements that you or your employees or contractors develop. We do not have an obligation to you or the developer of these changes or improvements in connection with such use.

Item 15:
Obligation to Participate in the Actual Operation of the Franchise Business

You, or a certified manager who has completed franchisee training, must personally be involved in the conduct and operation of your Restaurant. If you are not on the premises, a trained manager under your supervision must be at the Restaurant while it is open for business. The manager cannot have an interest or relationship with any of our competitors.

We may require the manager(s) to successfully complete training as specified by us. We may adopt a program by which managers must be "certified" by us. Such certification may require successfully completing training, passing tests, and a minimum amount of on the job experience. All managers must be certified after we establish the program. Manager(s) must be able to adequately communicate (oral and written) with customers, employees, representatives of relevant government agencies, and others.

While you are an Al Manakeesh franchisee, and for a period of time thereafter, you may not become involved in any business that is engaged in the sale of manakeesh, Middle Eastern food of any kind, bagels, pizza, or sandwiches.

The Owners must sign the Personal Guaranty set forth in Attachment B to the Franchise Agreement, agreeing to personally discharge all of your obligations under the Franchise Agreement and agreeing to be personally bound by some of your obligations in the Franchise Agreement relating to, among other items, competition and sale of interest in the entity owning the Restaurant.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 16:
Restrictions On What The Franchisee May Sell

We will prescribe a menu consisting of manakeesh, sandwiches, bagels, coffee, tea, other beverages, refreshers, desserts, and other approved items which you must offer for sale. A traditional restaurant must offer for sale all items listed on the traditional Restaurant menu and must offer no other items.

We may revise the menu periodically, adding or deleting items. You must revise your menu offerings accordingly. We will provide assistance to you with respect to the preparation and marketing of any new menu items. There is no limitation upon the customers to whom you may sell menu items.

You may not sell or allow the sale of any food product in your Restaurant that are not our menu items. A traditional Restaurant may not share its Restaurant with any other business. You may not engage in co-branding without the express written consent of Al Manakeesh Franchising, LLC. Only our menu items may be sold in your Restaurant (Franchise Agreement, Section 8(C)). (That means that you cannot sell cookies from the local bakery in your restaurant. You may only sell Al Manakeesh Food Products.)

Franchisor shall control the menu prices. You are permitted to change the prices on your menu with the written approval of Franchisor, which shall not be unreasonably withheld using standards of commercial reasonableness. You should be aware that collaboration with other franchisees in establishing prices may be considered a violation of the law.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

Item 17:
Renewal, Termination, Transfer, and Dispute Resolution

This table lists certain important provisions of the Franchise Agreement and related agreements pertaining to renewal, termination, transfer and dispute resolution. You should read these provisions in the agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise or Other Agreement	Summary
a. Length of the Franchise Term	Franchise Agreement, Section 7	10 years
b. Renewal or Extension of Term	Franchise Agreement, Section 7	One option of 10 years. To exercise the option, you must execute the renewal agreement within sixty (60) days of the end of the current Term.
c. Requirements for Franchisee to Renew or Extend	Franchise Agreement, Section 7	You must not have committed a material breach during the final five years of the initial term. You may be asked to sign an agreement with materially different provisions from your initial Franchise Agreement, but the boundaries of the Territory will remain the same. The continuing royalty on renewal will not be greater than the continuing royalty that we then require of franchisees signing the then current franchise agreement. You must pay a renewal fee of $5,000 upon renewal.
d. Termination by Franchisee	Not Applicable	You do not have the right to unilaterally terminate this Agreement.

e. Termination by Franchisor Without Cause	Not Applicable	We do not have the right to unilaterally terminate this Agreement without cause.
f. Termination by Franchisor With Cause	Franchise Agreement, Section 16	We can terminate the Franchise Agreement only if you default.
g. "Cause" Defined – Curable Defaults	Franchise Agreement, Section 15(C)	Unauthorized use of service marks or trademarks; operation under any name other than Al Manakeesh; the use of food products or other supplies that do not meet the standards and specifications of Al Manakeesh Franchising, LLC, or that were purchased from a supplier that was not approved by Al Manakeesh Franchising, LLC; the unauthorized use or disclosure of confidential or proprietary information; failure to pay any supplier or vendor; failure to comply with laws material to the operation of the Restaurant; entry of a judgment which is not satisfied or indemnified against; default under other agreements with us
h. "Cause" Defined – Non-Curable Defaults	Franchise Agreement, Section 15(B)	Abandonment of the Restaurant; material misrepresentation in connection with the acquisition of the franchise; conduct which reflects unfavorably on the reputation of Al Manakeesh; conviction of or pleading guilty to a felony or other misconduct relevant to the operation of the Restaurant; conduct which constitutes an

		imminent danger to public health; dissolution, merger, or reorganization; insolvency or commencement of bankruptcy proceedings; failure to pay royalties; failure to furnish financial statements and/or financial information; failure to operate the Restaurant; violation of Section 14; failure to maintain insurance; and unauthorized transfer or assignment
i. Franchisee's Obligations on Termination/Non-Renewal	Franchise Agreement, Section 15(E)	Immediately cease operating the Restaurant; pay all sums owed to us; return all property belonging to us; cease using the Al Manakeesh Marks or any variations thereof that could mislead the public into believing that you are still a Al Manakeesh franchisee; cease use of the telephone number or other numbers; cease use of any social media accounts; we may enter the Restaurant and remove any of our belongings or signage; acquire your assets based on the terms of Section 15(E)(vii); non-compete obligations (see r, below)
j. Assignment of Contract by Franchisor	Franchise Agreement, Section 20	No restriction on our right to assign
k. Transfer by Franchisee – Defined	Franchise Agreement, Section 15	Includes transfer of contract, assets, lease, or ownership change
l. Franchisor Approval of Transfer by Franchisee	Franchise Agreement, Section 15	You are not permitted to transfer any interest in the Franchise Agreement or in

		the proprietorship, partnership, corporation or LLC that owns any interest in the franchise, without our prior written consent. We will not unreasonably withhold such consent.
m. Conditions for Franchisor Approval of Transfer	Franchise Agreement, Section 15	New franchisee qualifies, completes training program, transfer fee paid, any outstanding royalties paid by you, transfer forms signed, release and subordination agreement signed by you, new franchisee will be required to sign our then current franchise agreement. Also, see r, below.
n. Franchisor's Right of First Refusal to Acquire Franchisee's Business	Franchise Agreement, Section 15	We may match any offer for your Restaurant or the ownership interest of any Owner
o. Franchisor's Option to Purchase Franchisee's Business	Franchise Agreement, Section 16(E)(vii)	Upon termination or expiration of the Franchise Agreement, we have the option to acquire your Restaurant or the assets you used in your Restaurant
p. Death or Disability of Franchisee	Franchise Agreement, Section 15(E)(xii)	In the event of death, disability, or permanent incapacity of Franchisee, who is an individual, such individual or his personal representative shall have one (1) year in which to dispose of the Franchise, subject to the terms of this Agreement. If the Franchise is not disposed within one (1) year of the death, disability, or permanent incapacity of Franchisee, the Franchise shall automatically

		terminate. Subject to this Agreement, the Franchise may be transferred to the spouse or heirs of the deceased, disabled, or permanently incapacitated individual.
q. Non-Competition Covenants During the Term of the Franchise	Franchise Agreement, Section 14	No involvement whatsoever in competing business, which is defined as any business that sells manakeesh, (ka'ak) bagels, pizza, or sandwiches.
r. Non-Competition Covenants After the Franchise is Terminated or Expires	Franchise Agreement, Section 14	No competing business for a consecutive 24 month period within 10 miles of your former Restaurant, or any Al Manakeesh Restaurant.
s. Modification of Agreement	Franchise Agreement, Sections 2 and 18	No modifications except as caused by change in law, but the Operating Manual and the System is subject to change. The policies or quality control standards may be revised by us in our sole discretion concerning any aspect of the System.
t. Integration/Merger Clause	Franchise Agreement, Section 28	The Franchise Agreement is the complete agreement between you and us and supersedes all prior agreements, understandings or representations. Only the terms of the franchise agreement and disclosure document are binding (subject to state law). Any representations or promises outside of the disclosure document or franchise agreement may not be enforceable.
u. Dispute Resolution by Arbitration or Mediation	Franchise Agreement, Section 16(E)(vii)	Limited to determining the fair market value of your assets.

v. Choice of Forum	Franchise Agreement, Sections 23 and 24	All litigation, except for injunctive relief initiated by Al Manakeesh Franchising, LLC must be commenced and litigated exclusively in Franklin County, Ohio, whether in municipal court, common pleas, or the United States District Court for the Southern District of Ohio. If Al Manakeesh Franchising, LLC seeks injunctive relief, it has the right to file suit in the jurisdiction and venue of your Al Manakeesh Restaurant.
w. Choice of Law	Franchise Agreement, Section 23	The Franchise Agreement is governed by the laws of Ohio.

Some states have statutes which may supersede the franchise agreement in your relationship with us, including the areas of termination and renewal of your franchise. Some states may have court decisions which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise, venue for disputes and governing law.

The provision of the Franchise Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

See the state addenda to the Franchise Agreement and disclosure document for special state disclosures.

Item 18:
Public Figures

We currently do not use any public figure to promote our franchises.

Item 19:
Financial Performance Representations

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

This historic financial performance representation below relates to the only Al Manakeesh restaurants that were open during 2025, of which there were a total of two. Bridgeview, Illinois is a company-owned restaurant. Dublin, Ohio is owned by a franchisee. During the 2025 calendar year, these were the only units in operation.

The following Table 1 represents the Gross Sales for the Bridgeview, Illinois Al Manakeesh Restaurant ("Bridgeview") for each respective month that the restaurant was open in 2025. Gross Sales means all sales of any nature made from the Restaurant, regardless of the nature of the products sold, including off site and online sales and all fees and charges received for deliveries, less any applicable sales tax, voids, or comps.

Table 1 – Bridgeview (Company-Owned) Restaurant Gross Sales for 2025

Month	Gross Sales
January	$105,551
February	$89,903
March	$117,070
April	$121,142
May	$138,961
June	$145,951
July	$146,396
August	$152,372
September	$142,697
October	$149,206
November	$153,317
December	$151,541
TOTAL	$1,614,107

The average monthly Gross Sales for Bridgeview was $134,508. The median Gross Sales for the same period was $144,324.

The following Table 2 represents the Gross Sales for the Dublin, Ohio Al Manakeesh Restaurant ("Dublin") for each respective month that the restaurant was open in 2025, which was a total of ten months. Gross Sales means all sales of any nature made from the

Restaurant, regardless of the nature of the products sold, including off site and online sales and all fees and charges received for deliveries, less any applicable sales tax, voids, or comps.

Table 2 – Dublin (Franchisee) Restaurant Gross Sales for 2025

Month	Gross Sales
March	$103,048
April	$156,963
May	$151,607
June	$130,193
July	$112,143
August	$121,892
September	$102,358
October	$103,109
November	$98,745
December	$97,822
TOTAL	$1,177,880

The average monthly Gross Sales for Bridgeview was $117,788. The median Gross Sales for the same period was $107,626.

The following Table 3 represents the combined average gross sales for Dublin and for Bridgeview, combined. Gross Sales means all sales of any nature made from the Restaurant, regardless of the nature of the products sold, including off site and online sales and all fees and charges received for deliveries, less any applicable sales tax, voids, or comps.

Table 3 – System-wide Al Manakeesh Restaurant Gross Sales for 2025

	Average Monthly Gross Sales
Bridgeview	$134,508
Dublin	$117,788
Average	$126,148

Some outlets have earned this amount. Your individual results may differ. There is no assurance you'll earn as much.

Written substantiation of the historic financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Al Manakeesh Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or

projections of your future income, you should report it to the franchisor's management, the Federal Trade Commission, and the appropriate state regulatory agencies.

[This section left intentionally blank.]

Item 20:
Outlets And Franchise Information

Table No. 1
Systemwide Outlet Summary for 2023-2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	No Change
	2024	0	0	No Change
	2025	0	1	+1
Company Owned	2023	0	0	No Change
	2024	0	1	+1
	2025	1	1	No Change
Total Outlets	2023	0	0	No Change
	2024	0	1	+1
	2025	1	2	+1

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor) for years 2023-2025

None

Table No. 3
Status of Franchise Outlets
for years 2023-2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Re-acquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
Ohio	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Totals	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1

Table No. 4
Status of Company Owned Outlets
for years 2023-2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Illinois	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1
TOTALS	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1

Table No. 5
Projected Openings as of December 31, 2025

State	Franchise Agreements Signed, but Outlet Not Opened	Projected New Franchise Outlet in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Florida	1	1	0
Illinois	3	3	0
Indiana	1	1	0
Louisiana	0	0	1
Michigan	2	2	0
Missouri	1	1	0
New Jersey	1	1	0
Ohio	1	1	0
TOTAL	**10**	**10**	**1**

Current Franchisee Contact Information

Florida

Tampa	Ayesh Alhamayel	708-247-4160

Illinois

Orland Park	Ehab Salem	708-979-3231
Peoria	Mohmad Mohamad	309-712-2066
Lombard	Zaki Amer	773-619-2376

Indiana

Fishers	Ali Albanna	615-540-8410

Michigan

Canton	Hameed Awaad	567-322-0913
Sterling Heights	Ali Said	313-742-5802

Missouri

Ballwin	Mustafa Esheh	Mustafa Esheh

New Jersey

Paterson	Abdul Hamdan	201-304-2261

Ohio

Cincinnati	Suhab Abukhas	937-716-9316
Dublin	Ibrahim Almahaireh	614-389-0046

Former Franchisee Contact Information

There have not been any franchisees to date.

There are no franchisees with whom we have not communicated with 10 weeks prior to the issuance date of this Disclosure Document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Franchisees Who Have Signed Agreements, But Not Yet Opened for Business

There have not been any franchisees to date.

Confidentiality Agreements

During the last three fiscal years, we have not signed any confidentiality clauses with a current or former franchisee in a Franchise Agreement, settlement agreement or any other contract restricting their ability to speak to you openly about their experience with us.

Franchisee Associations

There are no trademark-specific franchisee organizations associated with the franchise system. There are no trademark-specific franchisee organizations associated with the franchise system which are incorporated or otherwise organized under state law and have asked us to be included in the our disclosure document during the next fiscal year

Item 21:
Financial Statements

Attached to this Disclosure Document as Exhibit E is our Audited Opening Balance Sheet, which reflects the condition of the franchisor as of June 30, 2025. Franchisor's fiscal year ends on December 31.

Item 22:
Contracts

The following agreements and other required exhibits are attached to this Disclosure Document in the pages immediately following:

Exhibit A	State Addenda to Disclosure Document
Exhibit B	State Franchise Administrators/Agents for Service of Process
Exhibit C	Table of Contents of Operating Manual
Exhibit D	Franchise Agreement
Exhibit E	Audited Financial Statements
Exhibit F	Receipts

Exhibit A
State Addenda to Disclosure Document

The following paragraphs are added to Item 17 of the Disclosure Document for each respective state:

ILLINOIS ADDENDUM

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision, purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of a franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA ADDENDUM

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA ADDENDUM

1. With respect to franchisees governed by Minnesota law, the following shall apply:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise

Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1)that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

- Franchisee has a financial condition imposed upon it by the State of Minnesota due to the audited financial statements of Franchisor. Franchisor shall defer the receipt of all Initial Franchise Fees until after Franchisor has fulfilled all of its pre-opening obligations under the Franchise Agreement.

Exhibit B
State Franchise Administrators/Agents for Service of Process

Listed here are the names, addresses, and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

Illinois: (State agency and service of process)

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Maryland:

State Agency	**Service of Process**
Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-6360	Maryland Securities Commissioner At the Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-6360

New York:

State Agency	**Service of Process**
New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Fl. Albany, New York 10005 (212) 416-8222	New York Department of State Division of Corporations, State Records, & Uniform Commercial Code One Commerce Plaza Washington Ave., 6th Floor Albany, New York 12231 (518) 474-4770

Virginia:

State Agency	**Service of Process**
State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, Ninth Floor Richmond, Virginia 23219 (804) 371-9051	Clerk, State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371-9733

Minnesota:

State Agency	**Service of Process**

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

Minnesota Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101
(651) 539-1600

Exhibit C

70 Pages Total

Al Manakeesh Operating Manual

Table of Contents

1. Introduction
2. Brand Overview & Mission
3. Store Design & Atmosphere
4. Menu & Product Standards
    - 4.1 Manakeesh
    - 4.2 Sandwiches
    - 4.3 Ka'ak Bagels
    - 4.4 Tea
    - 4.5 Refreshers
    - 4.6 Coffee
5. Kitchen Operations
    - 5.1 Food Preparation
    - 5.2 Ingredient Sourcing
    - 5.3 Storage & Inventory
6. Health & Safety Standards
7. Customer Service Guidelines
8. Point of Sale (POS) & Payment Procedures
9. Staffing & Training
10. Marketing & Community Engagement

11. Cleaning & Maintenance Schedule

12. Daily Opening & Closing Procedures

13. Troubleshooting & Emergencies

14. Brand Compliance & Audits

15. Contact & Support Resources

EXHIBIT D

Al Manakeesh Franchising, LLC
Franchise Agreement

LOCATION: _____

TABLE OF ATTACHMENTS

A. Registered Trademarks
B. Personal Guaranty**+**
C. ACH Authorization Form*****
D. Lease Addendum#

*** = Attachment must be signed and returned with the Franchise Agreement (if applicable).**

+ = Attachment must be signed and returned with the Franchise Agreement if Franchisee is not an individual (i.e., if Franchisee is a corporation, limited liability company, or other business entity).

 # = Attachment must be executed prior to or in conjunction with the signing of your lease.

Al Manakeesh Franchising, LLC
Franchise Agreement

Location: _____

This Franchise Agreement ("Agreement") is made and entered into by and between Al Manakeesh Franchising, LLC, an Ohio limited liability company ("Al Manakeesh Franchising") and the undersigned franchisee ("Franchisee,") and is effective as of the last date it is signed by Franchisee and Al Manakeesh Franchising, LLC's authorized representative ("Effective Date").

PREAMBLES

WHEREAS, Al Manakeesh Franchising is engaged in the business of franchising unique restaurant systems under the trade name "Al Manakeesh®;"

WHEREAS, The distinguishing characteristics of the Al Manakeesh Franchising system include, but are not limited to, the trade names and service mark, "Al Manakeesh®," together with any other marks and symbols used in the Al Manakeesh Franchising system;

WHEREAS, Franchisee recognizes the benefits to be derived from being identified with and licensed by Al Manakeesh Franchising and from utilizing the system, which it makes available to its franchisees;

WHEREAS, Franchisee desires to establish, own, and operate a "Al Manakeesh®" restaurant at the location described in this Agreement, upon the terms and conditions of this Agreement, which are necessary to maintain Al Manakeesh Franchising's standards of quality and service and to protect and enhance the goodwill and public image of our system;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Grant of Franchise. Subject to the provisions of this Agreement and for the term hereinafter specified, Al Manakeesh Franchising hereby grants to Franchisee the right to establish, own, and operate a Al Manakeesh® restaurant (the "Restaurant"), but only in the location set forth in Section 6. Franchisee shall have the right to use the Al Manakeesh Franchising system at the Restaurant and to be identified as a member of the Al Manakeesh® system, subject to the terms and conditions of this Agreement.

2. Quality Control And System.

A. The Al Manakeesh Franchising system (the "System") is a unique style of restaurant operation for the sale of food products and beverages of uniform quality. The System is based on the tested and proven best practices of the most successful Al Manakeesh restaurants. The most fundamental aspect of the System is the adherence by Franchisee to the standards and policies of Al Manakeesh Franchising for ensuring the

uniform operation of all Restaurants using the System, including, but not limited to, the service of only designated foods and beverages, the utilization of only designated prescribed equipment, building layouts and design, and the emphasis upon prompt and courteous service in a clean and inviting atmosphere. The System is set forth in the Operating Manual, which is located on the Al Manakeesh Intranet. Franchisee will receive access to the Al Manakeesh Intranet upon the execution of this Agreement.

B. Al Manakeesh Franchising may periodically revise the Operating Manual and the System by communicating any such revisions to Franchisee, whether by posting revisions to a password protected website for which Franchisee will be granted access (such as the Al Manakeesh Intranet), electronic mail, regular mail, or otherwise. Franchisee shall regularly monitor the Al Manakeesh Intranet for any revisions or updates to the Operating Manual and implement such revisions and updates pursuant to the timeline (which shall be commercially reasonable) provided by Al Manakeesh Franchising.

C. Franchisee shall operate the Restaurant according to the System, including the Operating Manual and all standards, policies, and specifications periodically established or revised by Al Manakeesh Franchising. This is a material term. In the event that Franchisee fails to strictly comply with any part of the System, Franchisee agrees to pay a one-time Two Hundred Fifty Dollars ($250) fee for each non-complying aspect of the System ("Brand Standards Fee"). A Brand Standards Fee may be issued only after Al Manakeesh Franchising has first provided Franchisee with written notice of the nature of the non-compliance and what Franchisee must do to be in compliance with the System. For the purpose of this Section, electronic mail notice shall constitute written notice. If Franchisee remains in non-compliance after three (3) business days of receiving said written notice, Al Manakeesh Franchising may collect the Brand Standards Fee through Electronic Payments. If Franchisee fails to remedy its non-compliance within three (3) business days of Al Manakeesh Franchising charging the Brand Standards Fee to Franchisee, Al Manakeesh Franchising may either: 1) charge an additional weekly royalty fee of two percent (2%) (in addition to the royalty set forth in Section 4(C)) ("Brand Standards Liquidated Damages") for the remainder of the duration of Franchisee's non-compliance, or 2) deem Franchisee to be in in Default of this Agreement pursuant to Section 16. Al Manakeesh Franchising may also charge the Brand Standards Liquidated Damages fee for Franchisee's failure to provide proof of compliance with Insurance requirements within fourteen (14) days of the date of written demand by Al Manakeesh Franchising for same. Actual damages likely to result from Franchisee's continued non-compliance that resulted in the Brand Standards Fee are difficult to estimate on the date of this Agreement and would be difficult for Al Manakeesh Franchising to prove. The parties intend that Franchisee's payment of the Brand Standards Liquidated Damages would serve to compensate Al Manakeesh Franchising for any continuing breach by Franchisee that resulted in the Brand Standards Fee under this Agreement, and/or the Brand Standards Liquidated Damages, do not intend to serve as punishment for any such breach by Franchisee. Al Manakeesh Franchising may collect the Brand Standards Liquidated Damages through Electronic Payments.

D. Franchisee acknowledges that all standards and policies established by Al Manakeesh Franchising and all information related to the System is confidential and proprietary information belonging to Al Manakeesh Franchising. Franchisee shall not use any such information or disclose any such information to any third party, either while this Agreement is in effect or following its termination or expiration, except as expressly permitted in this Agreement. Franchisee shall use its best efforts to protect the confidentiality of such information from appropriation by its employees.

E. The Operating Manual (including all online only content from the Al Manakeesh Intranet) shall, at all times, remain the property of Al Manakeesh Franchising and shall be returned to Al Manakeesh Franchising immediately upon request or upon the termination of this Agreement. All physical copies and digital copies of the Operating Manual shall be immediately destroyed and/or deleted in the event of the termination of this Agreement.

F. Franchisee is hereby granted a license to use the System, including Al Manakeesh Franchising's trademarks, service marks, goodwill, standard operating procedures and policies, and to benefit from the foregoing at the single location specified in Section 6 and subject to the terms of this Agreement. Nothing in this Agreement shall be construed to authorize Franchisee to use such trademarks, service marks, goodwill, standard operating procedures and policies at any other location or for any other purpose. Franchisee does not have the right to sub-license the use of the system, trademarks, service marks, goodwill, or standard operating procedures to any other party. Al Manakeesh Franchising retains the exclusive ownership of all rights, title and interest in and to Al Manakeesh Franchising's trademarks, service marks, goodwill, standard operating procedures and policies and the System.

3. <u>Training and Obligations of Al Manakeesh Franchising to Franchisee</u>.

A. For any Franchisee's first Al Manakeesh restaurant, prior to the opening of the Restaurant, Al Manakeesh Franchising will provide, and Franchisee must successfully complete, a training program consisting of: (1) seven (7) to seventeen (17) days (working eight (8) to twelve (12) hours per day) of in-store "immersion" training at an approved Al Manakeesh location and at least eight (8) days of on-site training at your Location. Franchisee will not be compensated for training time. For the immersion training, Al Manakeesh Franchising, in its sole discretion, will determine whether you or your representative require the additional ten (10) days of training. Al Manakeesh Franchising may look to any commercially reasonable business consideration to determine if additional training is required, including, but not limited to, the skills of the trainee, trainee's ability to execute the System, and trainee's prior history of food service work. If Franchisee is not an individual, training will be provided to the Owner and a General Manager/Assistant General Manager specified by Franchisee. All expenses related to participation in the training program (including all individuals being trained on behalf of the Franchisee), including travel, meals, and lodging, shall be paid by Franchisee.

B. In the event that, Franchisee, or the representatives Franchisee sends for training, fails to successfully complete the training program as directed by Al Manakeesh Franchising, Al Manakeesh Franchising may immediately terminate the Franchise Agreement by providing Franchisee with written notice of the failure to successfully complete the training program. In such an event, after Franchisee has executed an acknowledgement of termination of the franchise agreement and a release of claims against Al Manakeesh Franchising (which will include a mutual release of claims against Franchisee), Al Manakeesh Franchising shall provide a refund of fifty percent (50%) of the Initial Franchise Fee to Franchisee. The determination of whether Franchisee has failed to successfully complete the training program shall be in the sole commercially reasonable discretion of Al Manakeesh Franchising, which may consider matters such as whether the Franchisee missed scheduled training days, whether Franchisee was distracted and not fully engaged in training, whether Franchisee repeatedly failed to follow directions such that Franchisee's ability to operate a Al Manakeesh restaurant is called into question, and any other similar matter that would be commercially reasonable to consider.

C. Al Manakeesh Franchising shall assist Franchisee with: site selection, layout of the Restaurant, selection of fixtures and equipment, training, opening, marketing, identifying approved suppliers and distributors, and providing the System for operations at the Restaurant. Al Manakeesh Franchising shall periodically meet and consult with Franchisee concerning the operations of the Restaurant. Al Manakeesh Franchising shall not, however, have any obligation to meet or consult with Franchisee at any specific times, rate, or frequency. Franchisee acknowledges that it would be impossible for Al Manakeesh Franchising to meet and consult with each of its franchisees for an identical amount of time, and that the extent of Franchisee's meetings and consultations with Al Manakeesh Franchising may be more or less than other franchisees. Al Manakeesh Franchising will regularly provide best practices and procedures for Restaurant operations and quality control standards consistent with the Al Manakeesh® System, as set forth in this Agreement.

D. Al Manakeesh Franchising shall provide five (5) days of pre-opening on-site assistance and three (3) days of post-opening on-site assistance with one trainer at no additional cost. In the event that Franchisee elects to have the assistance of Al Manakeesh Franchising beyond those eight (8) days, Franchisee shall be responsible for paying for the reasonable travel expenses and Al Manakeesh Franchising representative compensation costs of Al Manakeesh Franchising's representatives to travel to the Restaurant. Franchisee shall provide a deposit towards the travel and compensation expenses, which shall be in an amount to be determined by Al Manakeesh Franchising based on the amount of time that you request for Al Manakeesh Franchising to be onsite. ("Additional Opening Travel Deposit"). Al Manakeesh Franchising shall have no obligation to provide more than eight (8) days of on-site training at your Location, unless Franchisee has paid the Additional Opening Travel Deposit. Within thirty (30) days after the Restaurant has opened for business, Al Manakeesh Franchising shall provide a written statement to Franchisee which sets forth an explanation of Additional Opening Travel Deposit. To the extent the expenses are less than the amount that Franchisee paid as a deposit, Al Manakeesh Franchising shall provide a refund of the Additional Opening Travel Deposit to Franchisee at the same time

as the written statement is sent to Franchisee. To the extent the expenses exceed the deposit, Franchisee shall pay the outstanding balance within seven (7) days.

4. <u>Franchise Fees, Royalty Fees, Financial Reporting, Audit</u>.

A. Franchisee shall pay Al Manakeesh Franchising a franchise fee of Thirty Thousand Dollars ($30,000) for the first franchise acquired ("Initial Franchise Fee"). There shall be a franchise fee of Thirty Thousand Dollars ($30,000) for each additional franchise that Franchisee (or its owners) may acquire. The franchise fee shall be paid in full upon the execution of this Agreement.

B. If the Restaurant is not open for business to the public, pursuant to this Agreement, within twelve months (12 months) of the Effective Date, this Agreement may be terminated at the option of either Al Manakeesh Franchising or Franchisee. In the event of such a termination, Al Manakeesh Franchising shall be entitled to keep one half of the IFF paid by Franchisee, plus any costs Al Manakeesh Franchising actually incurred on behalf of Franchisee ("Failure to Open Remedy Amount"). In the event of such termination, Al Manakeesh Franchising shall return the remaiming amount of the IFF that is due to Franchisee, if any, within thirty (30) days of either party's notification in writing to the other party of its decision to terminate this Agreement. For the sake of clarity, in the event of a termination under this paragraph by Franchisee, Al Manakeesh Franchising shall retain a minimum of Twenty Thousand Dollars ($15,000) plus the Failure to Open Remedy Amount. Further, Franchisee shall continue to be bound by all covenants set forth in paragraph 14 of this Agreement.

C. Franchisee shall pay Al Manakeesh Franchising a continuing royalty fee equal to **five percent (5%)** of Gross Sales as defined below (the "Royalty Fee"). In no event shall the Royalty Fee for any given week be less than One Thousand Dollars ($1,000) (the "Minimum Royalty"). The term Gross Sales shall include sales of any nature made from the Restaurant, regardless of the nature of the products sold, including off site and online sales and all fees and charges received for deliveries, less any applicable sales tax, voids, or comps. Gross Sales shall also include amounts received by Franchisee for gift cards redeemed by Franchisee.

D. Al Manakeesh Franchising collects the Royalty Fee on a weekly basis. Al Manakeesh Franchising will collect the Royalty Fee from Franchisee via ACH electronic collection each Wednesday for the prior Monday through Sunday ("Payment Date"). The amount to be paid is calculated from Franchisee's point of sale system. Al Manakeesh Franchising may instead draw payments monthly at its sole discretion, upon written notice to Franchisee**.**

E. If the ACH electronic collection of the Royalty Fee fails for any reason (i.e. there are not enough funds in the account), such that the Royalty Fee is not paid by the Payment Date (due to the failure of Franchisee to keep funds in its operating account), Franchisee shall pay, in addition to the Royalty Fee, an amount equal to one hundred dollars

($100) for each week (defined as a consecutive seven (7) day period) that Franchisee is late on paying the Royalty (the "Late Fee").

F. Al Manakeesh Franchising may incur miscellaneous charges on Franchisee's behalf in connection with items required by the System that Franchisee failed to purchase. For example, items such as Facebook and other online advertising, extra chairs, tables, telephones, answering machines, signage, marketing materials, and other similar required items of the System that Franchisee failed to timely purchase may be purchased on Franchisee's behalf by Al Manakeesh Franchising. Al Manakeesh Franchising will invoice Franchisee in writing with itemized expenses for any such charges ("Miscellaneous Opening Expenses"). In no event shall Al Manakeesh Franchising incur more than One Thousand Dollars ($1,000) in Miscellaneous Opening Expenses on Franchisee's behalf. Al Manakeesh Franchising may collect Miscellaneous Opening Expenses via Electronic Payments after providing Franchisee with written notice of the nature of the Miscellaneous Opening Expenses.

G. Franchisee consents to and authorizes Al Manakeesh Franchising to automatically transfer to Al Manakeesh Franchising the Royalty Fee, the Late Fee (if applicable), the Miscellaneous Opening Expenses, the Brand Standards Fee, the Brand Standards Liquidated Damages, and all other fees or amounts Franchisee owes or is obligated to pay Al Manakeesh Franchising under this Agreement from Franchisee's bank account by electronic payment, including electronic funds transfer ("EFT") and automated clearing house transfer ("ACH") ("Electronic Payments"). Franchisee shall execute and deliver to Al Manakeesh Franchising such documents and instruments as may be necessary to establish and maintain Electronic Payments pursuant to this Agreement. Franchisee irrevocably and unconditionally appoints Al Manakeesh Franchising its attorney-in-fact for purposes of implementing and effectuating the Electronic Payments, including the right to execute all necessary wire instructions and authorizations relative thereto. Any bank charges relative to Electronic Payments attributable to Franchisee shall be borne solely by Franchisee.

H. Al Manakeesh Franchising reserves the right to require Franchisee to use Quickbooks Online or other accounting software approved by Al Manakeesh Franchising ("Approved Accounting Software"). Franchisee may be required to link its Approved Accounting Software to the account of Al Manakeesh Franchising so that Al Manakeesh Franchising will have a view of the finances of Franchisee at all times. Franchisee shall be diligent in keeping all of its financial records up to date in the Approved Accounting Software. In the event that Franchisee fails to utilize the Approved Accounting Software or fails to link Al Manakeesh Franchising on the Approved Accounting Software, Al Manakeesh Franchising shall have the right to inspect at any time upon ten (10) days prior notice all books, records, tax returns, and other financial information of Franchisee, and of Franchisee's stockholders, officers, directors, members, or partners (collectively, "Franchisee's Principals") as such information relates to the business operations of the Restaurant, if applicable (the "Financial Information"). Within ten (10) days after written notice is sent by Al Manakeesh Franchising, Franchisee (and Franchisee's Principals if applicable) shall furnish the Financial Information to Al Manakeesh Franchising at such

location as Al Manakeesh Franchising designates and shall certify the accuracy of the Financial Information on a form provided by Al Manakeesh Franchising. If Franchisee fails to furnish the Financial Information as required by this Agreement, Franchisee shall pay Al Manakeesh Franchising a late fee (the "Financial Information Late Fee") of two hundred dollars ($200) per week or the pro-rata fraction thereof until Franchisee has furnished all Financial Information.

I. Franchisee authorizes Al Manakeesh Franchising to obtain information regarding purchases made by Franchisee from any vendor. If requested by Al Manakeesh Franchising, Franchisee shall sign an authorization directing any such vendor to furnish Al Manakeesh Franchising with any information regarding purchases by Franchisee from such vendor, payments from Franchisee to the vendor, and the outstanding balance due to the vendor. The term "vendor" includes any party providing computer or consulting services to Franchisee (other than an attorney or accountant).

J. Al Manakeesh Franchising may audit Franchisee's books and records at any time, upon five (5) days notice in writing. If such audit discloses any underpayment of Royalty Fees by Franchisee, Franchisee shall immediately pay the deficiency to Al Manakeesh Franchising, and if the deficiency exceeds two percent (2%) of the amount of the Royalty Fee as represented by Franchisee, Franchisee shall reimburse Al Manakeesh Franchising for the cost of the audit. Franchisee authorizes Al Manakeesh Franchising to utilize Electronic Payments to collect all amounts owed.

K. Franchisee shall pay all reasonable attorney's fees, court costs, and related costs incurred by Al Manakeesh Franchising to collect any fees due it pursuant to the terms of this Agreement or to enforce any of its rights under the terms of this Agreement, to the full extent allowed by law.

L. Al Manakeesh Franchising shall have access to Franchisee's sales and financial information as maintained in Franchisee's point of sale system, regardless of the brand or nature of the point of sale system. Franchisee expressly authorizes Al Manakeesh Franchising to access all information, regardless of the nature of the information, contained in Franchisee's point of sale system.

M. Franchisee shall promptly provide to Al Manakeesh Franchising all Documents that are requested in writing (including email) by Al Manakeesh Franchising. Franchisee's failure to provide the requested Documents within seven (7) days of Al Manakeesh Franchising's written request, shall result in a Failure To Provide Documents Fee of One Hundred Dollars ($100) Per Week, or pro-rata period thereof. The Failure to Provide Documents Fee may be collected through Electronic Payments. The Failure to Provide Documents Fee is a remedy available to Al Manakeesh Franchising in addition to other remedies, including, but not limited to, termination of the Franchise Agreement. For the purpose of this paragraph, Documents include, but are not limited to, vendor documents, financial documents, insurance documents, lease documents, documents related to governmental agencies, corporate entity documents, or any other document related to the Al Manakeesh business that Franchisee is authorized to operate pursuant to

this Franchise Agreement. Al Manakeesh Franchising will not charge both the Failure to Provide Documents Fee and the Financial Information Late Fee at the same time.

5. Security Agreement.

A. As security for the payment of Royalty Fees and other charges under this Agreement, Franchisee hereby grants Al Manakeesh Franchising a security interest in all (i) accounts, documents, instruments, contract rights, general intangibles, chooses in action; (ii) inventory and goods now owned or hereafter acquired; (iii) all equipment, fixtures, machinery, furniture, furnishings and vehicles, together with all accessions, parts and all substitutions, improvements and replacements thereof and additions thereto now owned or hereafter acquired; and (iv) proceeds of hazard insurance and eminent domain or condemnation awards. The properties and interest in properties described in this Section are hereinafter individually and collectively referred to as the "Collateral."

B. Franchisee hereby authorizes Al Manakeesh Franchising to file and record such UCC financing statements and related documents (the "Financing Statements") in such locations, and with such persons and governmental offices as Al Manakeesh Franchising deems appropriate, desirable, or necessary to perfect, effectuate, complete, preserve, and/or continue the security interest of Al Manakeesh Franchising in the Collateral. Franchisee hereby irrevocably appoints Al Manakeesh Franchising, its agents and employees, as Franchisee's lawful attorney-in-fact and agent with full power, authority, and right to execute and file the Financing Statements, upon written notice to Franchisee, in the name and on behalf of Franchisee. Except as specifically provided herein, this power of attorney is irrevocable, continuing and coupled with an interest.

C. Al Manakeesh Franchising expressly agrees to subordinate its Security Interest in the Collateral to a lender in connection with Franchisee obtaining the Opening Funds. Al Manakeesh Franchising may elect to authorize subordination of its Security Interest in the Collateral for funds other than the Opening Funds at its own discretion and on a case-by-case basis.

6. Location.

A. The physical address of the Restaurant shall be within one and one half (1.5) miles of the following intersection, city, or other attraction: _____ (the "Location"). Al Manakeesh Franchising will assist Franchisee in finding a suitable Location. The Location shall be selected by Franchisee, with assistance from Al Manakeesh Franchising or its representative, but is subject to the written consent of Al Manakeesh Franchising. Such consent shall not be unreasonably withheld. Franchisee shall use the services of a local commercial real estate broker selected by Franchisee and approved by Al Manakeesh Franchising, which approval shall not be unreasonably withheld. In evaluating the site for approval, Al Manakeesh Franchising takes into account local competition, parking, whether there is an unobstructed view of the Location from the street, the median age of the area residents, the average income of such residents, the size of the store, and the demographics of the area. Al Manakeesh Franchising shall act

promptly to determine whether or not to approve Franchisee's proposed location, but shall provide an answer to Franchisee within ten (10) business days of the date when Franchisee submitted all of the information requested by Al Manakeesh Franchising as it relates to the proposed location. In the event that Al Manakeesh Franchising and Franchisee cannot agree on a Location, Franchisee must submit another location for Al Manakeesh Franchising's approval within the otherwise applicable. The failure of Al Manakeesh Franchising to approve a proposed location does not provide Franchisee with additional time to open. The opening time requirements are set forth in Section 4(B).

B. As long as this Agreement is in effect, and Franchisee is fully in compliance with this Agreement and not in default, Al Manakeesh Franchising shall not establish, operate or enfranchise any other traditional Al Manakeesh® restaurant within a **ten (10)** mile radius of the Restaurant (the "Territory").

C. Al Manakeesh Franchising reserves the exclusive right to, directly or indirectly, sell and distribute, and license others to sell and distribute, prepackaged menu items under the Marks to retail outlets (i.e. grocery stores, markets, and convenience stores) in and outside of the Territory.

D. Franchisee shall not change the Location of the Restaurant without the prior written consent of Al Manakeesh Franchising. If Al Manakeesh Franchising elects to travel to the proposed new location, Franchisee agrees to pay to Al Manakeesh Franchising the actual travel costs incurred by Al Manakeesh Franchising to visit the proposed location, including, but not limited to airfare, hotel, gas, rental vehicles, and meals of Al Manakeesh Franchising representatives ("Relocation Approval Expenses"). Said amount shall not exceed two thousand five hundred thousand dollars ($2,500). If Al Manakeesh Franchising in its sole discretion deems travel necessary, at the same time that Franchisee submits the written request for relocation, Franchisee shall pay a deposit of two thousand five hundred dollars ($2,500) to Al Manakeesh Franchising to be applied by Al Manakeesh Franchising to the Relocation Approval Expenses. The remaining Relocation Approval Expenses due, if any, will be collected by Al Manakeesh via Electronic Transfer within thirty (30) days of the Relocation Approval Travel.

E. Al Manakeesh Franchising will not unreasonably withhold consent for relocation; provided, however, that Al Manakeesh Franchising may withhold consent based on Franchisee's failure to demonstrate appropriate relocation funds sufficient to complete construction and buildout of the new location based on the required expenses for construction and buildout in Item 7 of the then-current Franchise Disclosure Document. In the event of such a relocation, the new location must follow the same interior design and construction standards as are required in the then-current Franchise Agreement.

7. <u>Term</u>.

A. This Agreement shall remain in effect for a term of ten (10) years, beginning on the earlier of 1) the date that the Restaurant is first open for business to the public, or 2) the date that is twelve (12) months after the Effective Date (the "Restaurant Opening

Date"), except that this Agreement may terminate sooner upon Default by Franchisee as provided in Section 16, or Al Manakeesh Franchising's acquisition of the Restaurant pursuant to a right of first refusal as provided in Section 15. For the sake of clarity, the Effective Date is not the start of the ten (10 year Term. The Restaurant Opening Date is the first day of the Term.

B. If Franchisee requests in writing during the last year of the initial ten (10) year term of the Agreement, Al Manakeesh Franchising will renew the Franchise for a term of ten (10) years; provided that the Franchisee has not committed a material breach of this Agreement during the final five (5) years of the initial ten (10) year term of this Agreement. In the event of any extension or renewal, Franchisee shall execute the then current form of Al Manakeesh Franchising's Franchise Agreement (the "New Agreement") no later than sixty (60) days prior to the end of the Term of this Agreement. Franchisor requires the sixty (60) day notice period to prepare plans for the market in the event that Franchisee does not renew. Franchisee shall pay to Al Manakeesh Franchising a renewal fee of Five Thousand Dollars ($5,000) at the time the New Agreement is signed.

C. Franchisee shall immediately remove all Al Manakeesh signage or trade dress that identifies Al Manakeesh upon the conclusion of the Term, whether the natural Term has ended or whether the Franchise Agreement was terminated. In the event that Franchisee fails to remove all Al Manakeesh signage at the conclusion of the Term, Al Manakeesh Franchising will remove all such items. In such an event, Franchisee shall pay Al Manakeesh Franchising for its actual expenses in removing all Al Manakeesh branding from the restaurant, including engaging third parties and/or travel costs, including mileage, rentals, gas, parking, tolls, hotels, and food on the road as applicable.

8. <u>Restaurant Appearance And Equipment</u>.

A. Franchisee shall install and erect at the Restaurant such signs, emblems, and caricatures, as are prescribed by Al Manakeesh Franchising from time to time, subject to local ordinances. Franchisee shall not display any signs, emblems, or caricatures at the Restaurant other than those approved by Al Manakeesh Franchising. Signs shall be purchased from Al Manakeesh Franchising or from a vendor approved by Al Manakeesh Franchising.

B. Franchisee shall maintain the Restaurant and all equipment and signs in good repair, sound operating condition, and in a clean and attractive appearance according to the standards of cleanliness, neatness, and sanitation established by Al Manakeesh Franchising through the System.

C. Except with the prior written consent of Al Manakeesh Franchising, Franchisee shall not sell any food products from its Restaurant that are not approved Al Manakeesh Franchising menu items. Franchisee shall not share its Restaurant with any other business, nor shall Franchisee engage in co-branding without the prior written approval of Al Manakeesh Franchising. Only Al Manakeesh Franchising's franchised business may be conducted in the Restaurant.

D. Al Manakeesh Franchising may require Franchisee to periodically remodel the Restaurant, but not more frequently than every five (5) years, and at a cost not to exceed Ten Thousand Dollars ($10,000) in each respective five (5) year period. If such a requirement exists, Franchisee will be notified in writing of the requirements at least one year prior to the deadline for such remodeling.

E. Franchisee shall purchase and utilize integrated computer equipment, including a point of sale system and associated software. Franchisee is required to use the "Square" point of sale system. Al Manakeesh Franchising may require Franchisee to replace computer equipment to the then-current computer equipment being used by new franchisees every five (5) years.

F. Al Manakeesh Franchising shall have access to all data produced by the computer via high-speed Internet connection or the fastest data exchanger available in the designated market. Al Manakeesh Franchising shall own all data created by and contained within the point of sale system, including, but not limited to, customer names, customer phone numbers, customer email addresses, and sales information.

G. Franchisee is required to provide Al Manakeesh Franchising with an email address that Franchisee shall regularly review. Al Manakeesh Franchising will send correspondence and communications to Franchisee through email or through the Al Manakeesh Intranet.

H. Franchisee is required to purchase and utilize a video surveillance system with online access. Al Manakeesh Franchising shall be granted access to the online video surveillance system within five (5) days after providing a written request to Franchisee. Al Manakeesh Franchising will remotely monitor the activity of Franchisee's Restaurant only after providing a written request for access and a written explanation of the reason why remote viewing access is being requested. Al Manakeesh Franchising may designate the manufacturer, model number, and other similar requirements for the video surveillance system. Al Manakeesh Franchising may require Franchisee to replace the video surveillance equipment every ten (10) years.

I. Franchisee shall promptly pay all distributors, suppliers, or vendors for all purchases made by Franchisee.

9. <u>Obligations of Franchisee</u>.

A. Franchisee agrees to fully and completely comply with the Operating Manual, the System, and all updates to it, as set forth in Section 2. Franchisee acknowledges that its permission to use the Al Manakeesh® marks and System are expressly conditioned upon Franchisee's strict compliance with the Operating Manual, and the System. Al Manakeesh Franchising, through its System, shall control the days of operation, hours of operation, menu, advertising, marketing, food items, vendors, suppliers, décor, signage, and any other item that is addressed by the System or this Agreement.

Franchisee and Al Manakeesh Franchising shall mutually agree on the Location. Al Manakeesh Franchising shall control the menu prices, to the maximum extent allowable by law. Franchisee may change the menu prices with the written assent of Al Manakeesh Franchising, which assent shall not be unreasonably withheld using standards of commercial reasonableness.

B. Franchisee shall not open the Restaurant for business without the prior express consent of Al Manakeesh Franchising. Al Manakeesh Franchising shall designate the date on which Franchisee may open the Restaurant for business ("Grand Opening"). In the event that Franchisee opens the Restaurant for business without the prior express consent of Al Manakeesh Franchising, there shall be a charge of five thousand dollars ($5,000) per day for each day where, during any portion of that day, the Restaurant is open without the express written consent of Al Manakeesh Franchising ("Unauthorized Grand Opening Fee"). The Unauthorized Grand Opening Fee may be collected via Electronic Payments and is subject to the Late Fee.

C. Franchisee must acquire equipment and fixtures as specified by Al Manakeesh Franchising. The cost of such acquisitions are solely the responsibility of Franchisee. The current opening costs are listed in Item 7 of the current Franchise Disclosure Document.

D. Franchisee shall not purchase, utilize, dispense, or sell any item or product that does not conform to the standards and specifications required by Al Manakeesh Franchising concerning portions, appearance, quality, coloring, flavoring, and other ingredients or characteristics. Al Manakeesh Franchising shall prescribe these standards and specifications after the Agreement is signed, and periodically thereafter as the standards and specifications are changed, consistent with the System.

E. Franchisee shall purchase all of its ingredients and supplies from a distributor approved by Al Manakeesh Franchising in the area in which the Restaurant is located. The purpose of this requirement is to ensure consistency across all Al Manakeesh restaurants and to keep food cost as low as possible by purchasing items in higher volumes than if each Al Manakeesh restaurant independently chose a food distributor or shopped for food items independently. Franchisee may suggest a new distributor for approval by Al Manakeesh Franchising. Al Manakeesh Franchising may then require Franchisee to test the products of the proposed distributor to the extent Al Manakeesh Franchising deems necessary, and may, subject solely to Al Manakeesh Franchising's discretion, approve the proposed distributor as a designated distributor for some or all items. Franchisee may submit to Al Manakeesh Franchising local baked goods and other desserts for approval to be sold by Franchisee and shall pay the cost of any such testing of alternative food products as is required in the sole discretion of Al Manakeesh Franchising. Franchisee shall only sell such products with the written assent of Al Manakeesh Franchising, which may be withheld at the sole discretion of Al Manakeesh Franchising. Al Manakeesh Franchising will approve or disapprove of the proposed alternate product or distributor within 30 days of Al Manakeesh Franchising's receipt of the product tests set forth by Al Manakeesh Franchising.

F. All employees of Franchisee, while engaged in the operation of the Restaurant, shall wear uniforms conforming in color and design to those standard in the System and approved by Al Manakeesh Franchising. Franchisee shall purchase uniforms from a vendor designated by Al Manakeesh Franchising, unless another vendor is approved by Al Manakeesh Franchising. Such employees shall present a neat and clean appearance and shall render competent, sober, professional and courteous service to the patrons of the Restaurant.

G. To the furthest extent allowed under the applicable law, Franchisee shall indemnify, defend, and hold harmless Al Manakeesh Franchising from any such claims, losses, or damages, including exemplary and punitive damages, attorney's fees and other costs or expenses incurred by Al Manakeesh Franchising except to the extent that such claims, losses, or damages result from the intentional acts of Al Manakeesh Franchising or its employees. In the event of such indemnity, Al Manakeesh Franchising shall provide a written notice to Franchisee of the nature of the claim, losses, or damages and the extent and amount of the indemnity required by Franchisee ("Indemnity Notice"). Franchisee shall make said payment to Al Manakeesh Franchising within thirty (30) days of the Indemnity Notice. If any portion of this Section is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Section shall not be affected, and such remaining portions shall remain in full force and effect as if this Section had been executed without the invalid portion. Franchisee agrees to assume the entire liability for all personal injury claims suffered by its own employees and waives any limitation of liability defense based upon the Worker's Compensation Act and cases decided there under. Franchisee agrees to indemnify and defend the Franchisor from and against all such loss, expense, damage or injury, including reasonable attorney's fees, which the Contractor may sustain as a result of personal injury claims by Subcontractor's employees.

H. Franchisee shall at all times maintain the following policies of insurance, each of which shall name Al Manakeesh Franchising LLC, as an additional insured on a primary, non-contributory basis, with respect to sections H(ii)-(iv) only:

i. Workers' compensation and occupational disease insurance with minimum limits as required by law, but not less than One Million Dollars ($1,000,000) per occurrence. Franchisee shall provide a waiver of worker's compensation subrogation and/or any rights of reimbursement or recovery allowed under any workers compensation law or any other legal basis in favor of Franchisor;

ii. General liability insurance, including products liability coverage, with a limit of not less than Two Million Dollars ($2,000,000) per occurrence; and

iii. If Franchisee has an umbrella insurance policy, it must add Al Manakeesh Franchising, LLC as an additional insured to the maximum amount of the umbrella.

iv. Franchisee shall provide Al Manakeesh Franchising with acceptable documentation to prove that it has been named as an additional insured as required by this Agreement, including but not limited to, Form CG 2029 (Grantor of Franchise Additional Insured Form).

(Collectively, "the Insurance"). All premiums for the Insurance shall be paid by Franchisee. Each insurance policy shall list Al Manakeesh Franchising as an additional insured, on a primary, non-contributory basis, shall provide for thirty (30) days notice to Al Manakeesh Franchising prior to cancellation of such insurance policy, and shall give Al Manakeesh Franchising the right to pay any premium due to avoid cancellation of such insurance. Franchisee expressly authorizes Al Manakeesh Franchising to pay premiums on behalf of Franchisee in the event that Franchisee fails to obtain the Insurance (whether such failure is to renew the Insurance or to obtain the Insurance initially) within five (5) days of written notice provided by Al Manakeesh Franchising. Franchisee shall reimburse Al Manakeesh Franchising immediately upon demand for any amount paid by Al Manakeesh Franchising on behalf of Franchisee to maintain an insurance policy. Al Manakeesh Franchising may collect any amounts paid on Franchisee's behalf through Electronic Payments**.** Upon demand, Franchisee shall furnish Al Manakeesh Franchising with certificates of insurance, proof of payment of premiums, and copies of insurance policies, which evidence Franchisee's compliance with this Agreement within seven (7) days of the written demand from Al Manakeesh Franchising. After that, for each seven (7) day period or fraction thereof where Franchisee fails to fully meet the requirements of this Section, Franchisee shall pay to Al Manakeesh Franchising a late fee (the "Insurance Fee") of two hundred dollars ($200) per week until Franchisee has fully complied with the requirements of this Section. Further, the failure to comply with the provisions of this paragraph shall trigger the Brand Standards Liquidated Damages provision set forth in Section 2(C) if proof of insurance that is compliant with this Agreement is not provided to Al Manakeesh Franchising within seven (7) days of when the first two hundred dollar ($200) weekly Insurance Fee is charged (which is fourteen days after the initial written demand from Al Manakeesh Franchising). Al Manakeesh Franchising shall have the power to use Electronic Payments to collect the Insurance Fee.

I. Neither Al Manakeesh Franchising nor Franchisee shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage, or any resulting loss of income and benefits (even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees) if such loss or damage is covered by insurance benefiting the party suffering such loss or damage or is required to be covered by insurance pursuant to this Franchise Agreement. Al Manakeesh Franchising and Franchisee agree that deductibles under Franchisee's insurance policies and other amounts that are self-insured by Al Manakeesh Franchising or Franchisee shall be deemed covered by insurance and all claims for recovery thereof are hereby waived. Franchisee and Al Manakeesh Franchising shall require their respective insurance companies to include a standard waiver of subrogation provision in their respective policies.

J. Franchisee shall comply with all state, federal, or local laws and regulations. Franchisee shall timely pay all taxes assessed by any taxing authority, federal, state, or local, against the Restaurant or the personal property used in the operation of the Restaurant. Franchisee shall keep up to date with any changes in law across all jurisdictions. Al Manakeesh Franchising is not responsible for keeping franchisee up to date on any legal developments.

K. Franchisee, its owner (if Franchisee is not an individual), or a certified manager who has completed Franchisee training with Al Manakeesh Franchising, shall be personally involved in the conduct and operation of the Restaurant. The Owner and, if applicable, the certified manager, and the Guarantors of this Agreement, shall promptly provide photo identification or other information reasonably requested by Al Manakeesh Franchising to verify their identities.

L. Either the Owner or a certified manager who has been trained in the System by Al Manakeesh Franchising ("the Manager(s)") shall be at the Restaurant when the Restaurant is open for business. Al Manakeesh Franchising may require the Owner or the Manager(s) to successfully complete training as specified by Al Manakeesh Franchising. Al Manakeesh Franchising may adopt a program by which Managers must be "certified" by Al Manakeesh Franchising. Such certification may require successfully completing training, passing tests, and a minimum amount of on the job experience. Owner and Manager(s) must be able to adequately communicate (oral and written) with customers, employees, representatives of relevant government agencies, and others. **Al Manakeesh Franchising SHALL NOT have ANY control, whether direct or indirect, over the hiring and firing of employees, the scheduling of individual employees, the compensation of employees, or any human resources issue within Franchisee's business. Franchisee shall have sole control and liability for all such issues.**

M. Franchisee shall notify Al Manakeesh Franchising in writing within ten (10) days of the commencement of any action, suit, or proceeding or of the issuance of any order, writ, injunction, award or decree, of any court, agency, or other governmental instrumentality that may adversely affect the financial condition of Franchisee or its ability to meet its obligations under this Agreement.

N. Franchisee, and, if Franchisee is not an individual, the Owner(s), shall diligently devote their best efforts to the operation of the Restaurant.

O. The telephone number or numbers of the Restaurant shall be listed under the name "Al Manakeesh" or "Al Manakeesh [City Name]". Franchisee shall pay all telephone charges, costs, and deposits when due.

P. Franchisee, the Owner, or a manager designated on behalf of Franchisee, shall attend the Al Manakeesh Conference periodically held by Al Manakeesh Franchising. Al Manakeesh Franchising shall provide Franchisee with adequate notice of the time, date, and location of each franchise meeting. Franchisee shall bear all expenses related to attendance at such meetings, including, but not limited to, travel, meals, and lodging. Al

Manakeesh Franchising shall charge a reasonable fee to pay for the actual costs of any franchise meeting, not to exceed Three Hundred Fifty Dollars ($350) per person. Franchisee shall pay to Al Manakeesh Franchising Five Hundred Dollars ($500) for each Al Manakeesh Conference that Franchisee, Owner or a manager designated by Franchisee or the Owner fails to attend ("the Meeting Fee"). Franchisee shall pay the Meeting Fee within ten (10) days after the meeting was not attended. Al Manakeesh Franchising shall have the right to to collect the Meeting Fee through Electronic Payments.

Q. Upon written request by Al Manakeesh Franchising, if Franchisee is a legal entity such as a limited liability company or corporation it shall provide the most recent signed and executed copy of Franchisee's operating agreement, corporate by-laws, or regulations, as may be applicable to Al Manakeesh Franchising within five (5) days of the written request by Al Manakeesh Franchising.

R. Upon the death or disability of the Owner (or, if Franchisee is a legal entity, the majority owner of Franchisee), the Owner or majority owner of Franchisee's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a new Owner, who must immediately schedule in-store training with Al Manakeesh Franchising at the expense and within the timeframe we specify. If, in Al Manakeesh Franchising's judgment, the Restaurant is not being managed properly any time after the death or disability of the Owner (or, if Franchisee is a legal entity, the majority owner of Franchisee), Al Manakeesh Franchising may, but need not, assume the Restaurant's management (or appoint a third party to assume its management). All funds from the Restaurant's operation while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. Al Manakeesh Franchising may charge Franchisee (in addition to the Royalty Fee, Ad Charge, and other amounts due under this Agreement), Six Hundred Dollars ($600) per person per day, plus Al Manakeesh Franchising's (or its third party's) direct out-of-pocket costs and expenses, including travel expenses such as hotel, airfare, meals on the road, mileage, and rental cars, if applicable, if Al Manakeesh Franchising (or a third party) assume the Restaurant's management under this Section. Al Manakeesh Franchising (or a third party we choose) has a duty to utilize only reasonable efforts and, provided Al Manakeesh Franchising is not grossly negligent and does not commit an act of willful misconduct, Al Manakeesh Franchising will not be liable to you or your owners for any debts, losses, or obligations the Restaurant incurs, or to any of your creditors for any products, other assets, or services the Restaurant purchases, while we (or a third party) manage it. If we assume the Restaurant's management (or appoint a third party to assume its management), we will operate the Restaurant for up to ninety (90) days. We will periodically evaluate whether or not a new Owner is capable of resuming the Restaurant's operation and will periodically discuss the Restaurant's status with Franchisee or, if applicable, Owner or majority Franchisee owner's heirs or personal representative. For purposes of this Section, the term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent Owner or the majority Owner of Franchisee from supervising the Restaurant's management and operation.

S. Al Manakeesh Franchising reserves the right to require Franchisee to utilize an artificial intelligence phone answering system, which will require additional costs that are currently not known, so long as Al Manakeesh Franchising uses good faith commercial reasonableness in the selection of the artificial intelligence vendor. Al Manakeesh Franchising shall have no ownership interest in the artificial intelligence vendor. In the event that the cost for artificial intelligence phone answering services exceeds One Dollar ($1) per call, Franchisee shall not be required to use the artificial intelligence phone answering service otherwise required by the Franchisor; provided, however, that Franchisee may not use a different or unapproved artificial intelligence phone answering service without Franchisor's express permission.

T. Franchisee shall respond to all communications from Al Manakeesh Franchising that are sent to the email address or phone number that Franchisee has on file with Al Manakeesh Franchising by no later than five (5) business days from the date of the communication from Al Manakeesh Franchising. After a five (5) business days have passed, Franchisee shall pay the amount of One Hundred Dollars ($100) per day to Al Manakeesh Franchising for a Failure to Respond fee. This amount may be collected by Al Manakeesh Franchising by Electronic Payments.

U. Al Manakeesh Franchising reserves the right to either contract with a third party on your behalf, or to require you to contract with an approved vendor, to assist you with real estate selection and construction management. If Al Manakeesh Franchising enters an agreement on your behalf, you shall promptly repay Al Manakeesh Franchising for the charges incurred within 10 days of when Al Manakeesh Franchising sends you an invoice for the services.

10. <u>Representations of Franchisee</u>. In connection with its execution of this Agreement, Franchisee warrants and represents as follows:

A. Franchisee acknowledges that Al Manakeesh Franchising may have entered into Franchise Agreements with provisions different from those in this Agreement and may enter into Franchise Agreements in the future with provisions different from those in this Agreement.

B. Franchisee warrants that it has sufficient Opening Funds or it has sufficient liquid capital and credit history to obtain Opening Funds from a lender. Franchisee warrants and represents that all proof of funds documentation, personal financial statements, and any other information submitted by Franchisee to Al Manakeesh Franchising are true and accurate.

C. Franchisee has conducted its own independent investigation of Al Manakeesh Franchising, the System, the risks, burdens, and nature of the business Franchisee will operate under this Agreement.

11. <u>Advertising</u>.

A. Franchisee shall be obligated to pay one percent (1%) of Gross Sales to Al Manakeesh Franchising for the advertising, marketing, public relations programs and materials for the System, as Al Manakeesh Franchising may deem appropriate from time to time ("the Ad Charge"). The Ad Charge shall not exceed three percent (3%). Al Manakeesh Franchising will advise Franchisee in writing prior to any increase in the Ad Charge. The Ad Charge will be drawn from Franchisee's account through Electronic Payments at the same time and in the same manner as the Royalty Fee. If the Ad Charge is not paid by the Payment Date, Franchisee shall pay, in addition to the Ad Charge, the Late Fee. The funds from the Ad Charge shall be used for advertising, marketing, promotion of the Al Manakeesh Brand and public relations programs to increase the good will towards Al Manakeesh restaurants from the relevant demographic ("the Ad Fund"). Al Manakeesh Franchising may instead draw Ad Fund payments monthly at its sole discretion, upon written notice to Franchisee**.**

B. Al Manakeesh Franchising will direct all programs that the Ad Fund finances, with sole control over the creative concepts, graphics, materials, communications media, and endorsements used and their geographic, market, and media placement and allocation. The Ad Fund may pay for preparing and video, audio, and written materials and electronic media (including conducting on-line Internet and mobile advertising and marketing); developing, implementing, and maintaining an electronic commerce Website and/or related strategies; administering national, regional, and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising, and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Ad Fund periodically may give you samples of advertising, marketing, and promotional formats and materials at no cost. Al Manakeesh Franchising may sell you multiple copies of these materials at our direct cost of producing them, plus any related shipping, handling, and storage charges. Al Manakeesh Franchising will account for the Ad Fund separately from our other monies and not use the Ad Fund for any of our general operating expenses. However, we may use the Ad Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Ad Fund and work on Ad Fund business/activities; the Ad Fund's other administrative costs; travel expenses of personnel while they are on Ad Fund business; meeting costs; overhead relating to Ad Fund business; and other expenses that we incur in activities reasonably related to administering or directing the Ad Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Fund contributions. Al Manakeesh Franchising intends the Ad Fund to maximize recognition of the Marks, enhance system protection of the Marks, and increase patronage of Al Manakeesh® Restaurants. Although we will try to use the Ad Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Al Manakeesh® Restaurants, we need not ensure that Ad Fund expenditures in or affecting any geographic area are proportionate or equivalent to Ad Fund contributions by Al Manakeesh® Restaurants operating in that geographic area or that any Al Manakeesh® Restaurant benefits directly or in proportion to its Ad Fund contributions from the development of advertising and marketing materials or the placement of

advertising and marketing. The Ad Fund will not be used principally to develop materials and programs to solicit franchisees. However, media, materials, and programs prepared using Ad Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads.

C. In addition to the Ad Charge, Franchisee may spend its own money on Local Advertising. There is no minimum spend required for Local Advertising. Franchisee shall maintain for inspection by Al Manakeesh Franchising all bills, invoices, canceled checks, and other proof of expenditures for Local Advertising. (Digital payment records and emails are sufficient.) All Local Advertising and marketing materials (including coupons) that Franchisee desires to use shall be subject to the prior written approval of Al Manakeesh Franchising, which approval shall not be unreasonably withheld. Samples of said Local Advertising shall be sent by Franchisee to Al Manakeesh Franchising. If Franchisee does not receive written disapproval from Al Manakeesh Franchising regarding prospective Local Advertising or marketing materials within five (5) business days of Al Manakeesh Franchising's receipt of same, Al Manakeesh Franchising shall be deemed to have approved the Local Advertising and marketing materials. In the event that Al Manakeesh Franchising disapproves of Local Advertising or marketing materials in writing, Franchisee shall immediately cease the use of the same, even if after five (5) business days. In the event that Franchisee uses unapproved Local Advertising or marketing materials, Franchisee may be charged a fee of $250 per occurrence as a Brand Standards Fee subject to the notice provisions in Section 2(C) of this Agreement.

D. Franchisee shall spend a minimum of Five Thousand Dollars ($5,000.00) for Local Advertising at the time the Restaurant opens for business as directed by Al Manakeesh Franchising.

E. If Restaurant (i) relocates or (ii) closes for any reason and then reopens, the Franchisee shall spend a minimum of Three Thousand Dollars ($3,000.00) for Local Advertising at the time the Restaurant relocates or reopens. Al Manakeesh Franchising may require Franchisee to deposit such amount with Al Manakeesh Franchising to be held in escrow with Al Manakeesh Franchising as a condition to relocating or before re-opening.

F. The System will establish rules and guidelines for use by Franchisee of any social media. Such rules may be changed from time to time by Al Manakeesh Franchising through the System.

G. Al Manakeesh Franchising may create a gift card program whereby Franchisees shall honor gift cards from other participating locations. In the event that Al Manakeesh Franchising incurs expenses related to such gift card program, you shall promptly pay Al Manakeesh Franchising the amount of the gift card program fee that it incurred on behalf of the Restaurant. You must participate in the gift card program once Al Manakeesh Franchising has implemented it.

12. <u>Inspection</u>. To ensure compliance with the terms and conditions of this Agreement and to verify compliance with the System and standards and policies of Al Manakeesh

Franchising, Al Manakeesh Franchising's representatives may, at any time the Restaurant is open for business, inspect the Restaurant and test Franchisee's equipment, products, supplies, methods of production and merchandising, and may confer with the employees and customers of Franchisee. Any such interaction with Franchisee's employees in the nature of an inspection shall not be deemed to be indirect control of Franchisee's employees.

13. Trademarks and Service Marks.

A. Franchisee acknowledges that the name Al Manakeesh®, as well as all of the trademarks and service marks listed on Attachment A to this Agreement are owned exclusively by Al Manakeesh Franchising ("the Marks"). Al Manakeesh Franchising and its franchisees have the right to use the Al Manakeesh Marks, as well as any other trade names, service marks, or trademarks, owned by Al Manakeesh Franchising or developed or acquired in the future. For purposes of this Agreement, all such trade names, service marks and trademarks, whether currently existing or developed or acquired in the future shall be referred to as the Marks, and shall include the Marks on Attachment A, as well as any other trademark or service mark used in connection with any Al Manakeesh® restaurant, including Marks that have not yet been registered with the United States Patent and Trademark Office. Franchisee shall use the Marks only in the manner and to the extent specifically permitted by this Agreement and the System. Franchisee does not acquire any ownership interest in the Marks as a result of this Agreement, as a result of Franchisee's use of the Marks, or otherwise.

B. Franchisee acknowledges and agrees that its right to use the Marks is non-exclusive and that Al Manakeesh Franchising, in its sole discretion, has the right to grant similar rights to others under such terms and conditions as Al Manakeesh Franchising deems fit, and to operate restaurants itself under the Marks.

C. Franchisee expressly covenants that during and after the term of this Agreement, Franchisee shall not directly or indirectly contest or aid in contesting the validity or ownership of the Marks.

D. Franchisee shall promptly notify Al Manakeesh Franchising of any claim, demand, or suit against it, based upon or arising from the use of any of the Marks and/or any variation of the Marks by any other person or entity. Al Manakeesh Franchising shall have the exclusive right and sole discretion regarding actions to be taken to protect against infringement of the Marks, including, but not limited to decisions to defend against or prosecute any lawsuits.

E. In no event shall Franchisee use, cause to be used, or attempt to use the words "Al Manakeesh" as part of its business name or assumed name. Franchisee may file an assumed or fictitious name statement with the relevant authority to clarify that it is operating under the name "Al Manakeesh."

F. Franchisee shall not purchase or acquire any property or incur any obligation or debt under the name of "Al Manakeesh" or any name other than Franchisee's entity name or individual name (if not an entity).

G. Franchisee shall not create or cause to be created any website or mobile application on behalf of the Restaurant.

14. <u>Covenants</u>.

A. Franchisee shall not, without the prior written consent of Al Manakeesh Franchising, directly or indirectly (each of the following obligations is also secured by the Personal Guaranty, if applicable, as attached as Attachment B and fully incorporated herein):

i. During the term of this Agreement, (a) engage in any activity in competition with the System, including, but not limited to, involvement, whether as an owner, officer, director, employee, lender, or otherwise, of any business engaged in the sale of manakeesh, bagels (Ka'ak), pizza, or sandwiches (collectively, a "Competing Restaurant"), other than at the Restaurant, or (b) employ any person or furnish or permit any person who is engaged or who has arranged to become engaged in any activity in competition with the System, including, but not limited to, involvement, either as an owner, officer, director, employee, lender, or otherwise, of any Competing Restaurant;

ii. For a period of twenty four (24) months following the expiration, termination, or transfer of this Agreement, regardless of the cause of such expiration, termination or transfer, engage in the operation, whether directly or indirectly, of a Competing Restaurant within ten (10) miles of (a) the Restaurant, or (b) any Al Manakeesh Restaurant (including both Al Manakeesh Restaurants that are currently open and any new Al Manakeesh Restaurant that may open in the future, even if the opening of such Al Manakeesh Restaurant is after Franchisee first opened a Competing Restaurant in the market).

iii. During the term of this Agreement and for a period of three (3) years after its expiration, termination, or transfer, regardless of the cause of such expiration, termination, or transfer, divert or attempt to divert any business or customer from any Al Manakeesh restaurant.

iv. During the term of this Agreement and for a period of three (3) years after the expiration, termination, or transfer of this Agreement, regardless of the cause of such expiration, termination, or transfer, recruit, employ, or seek to employ any person who, at any time, and for any period of time, within the immediately preceding three hundred sixty five (365) days was employed by any Al Manakeesh restaurant or by Al Manakeesh Franchising or its affiliates. In the event that Franchisee violates this provision, Franchisee shall pay a one time Unauthorized Employee Fee in the amount of Fifteen Thousand Dollars ($15,000), which is due when invoiced to Franchisee by Al Manakeesh Franchising. ("the Unauthorized Employee Fee"). During the term of this Agreement only,

Franchisee may obtain the permission of the person's previous employer and employ that person with no Unauthorized Employee Fee due in the event that the person's previous employer has agreed in writing. If Franchisee is not an individual, then the owners, shareholders, partners, or members of Franchisee shall be bound by this Section, and shall sign the guaranty attached hereto as Attachment B.

v. Franchisee acknowledges that under the terms set out above, Al Manakeesh Franchising is entitled to a period of three (3) years immediately following the termination of the Agreement during which Franchisee will not violate the covenants set forth in this Paragraph 14(A) above. Franchisee agrees that if Franchisee breaches any such obligation to Al Manakeesh Franchising during the three (3) year period immediately following termination of the Agreement, then the time period of the restrictive covenants shall be extended for the length of time that Franchisee fails to fulfill its obligations. This tolling provision shall not limit Al Manakeesh Franchising right to other legal or equitable relief.

B. If any court determines that this agreement not to compete is too broad, the scope of this agreement not to compete shall be deemed to be automatically restricted to the extent necessary to be enforceable by such court.

C. Franchisee shall not cancel, terminate, or assign the lease governing its occupation of the Restaurant or sublet the Restaurant or attempt to take any such action, without providing Al Manakeesh Franchising with at least thirty (30) days notice prior to taking or attempting such action. Such notification shall not diminish any other rights or remedies available to Al Manakeesh Franchising under this Agreement.

D. Franchisee shall provide written notice to Al Manakeesh Franchising within fifteen (15) days *prior to* the time that it exercises any option to extend its lease for the Restaurant or becomes a party to any action, either as a defendant or a plaintiff, which in any way relates to the Restaurant or Franchisee's lease for the Restaurant.

15. <u>Transfer of Franchise</u>.

A. Al Manakeesh Franchising shall have a right of first refusal (the "Option") to acquire any or all of the following assets upon the terms and conditions set forth below:

i. From the Franchisee: the Franchise, the Restaurant, the Franchisee's interest in or rights to the premises occupied by the Restaurant, and any or all of the equipment, fixtures, equipment leases, and/or inventory used in connection with or located at the Restaurant (the "Option Assets"), and

ii. From an Owner: the stock, partnership, or membership interest of such Owner (the "Ownership Interest").

B. If Franchisee or any Owner (the "Seller") desires to sell or transfer any or all of the Option Assets or Ownership Interest to a third party, the Seller shall first obtain

from the third party a written offer (the "Offer") setting forth all material terms and conditions of the proposed sale or transfer. The Seller shall forward a copy of the offer to Al Manakeesh Franchising. In addition, Franchisee shall forward to Al Manakeesh Franchising whatever information pertinent to the business and operations of the Restaurant that Al Manakeesh Franchising requests, including, but not limited to, a financial statement as of the end of Franchisee's most recent fiscal year, in order to enable Al Manakeesh Franchising to evaluate the Offer. Franchisee and Seller shall warrant the accuracy of all such information concerning the business and operation of the Restaurant. Al Manakeesh Franchising shall then have the Option to purchase the Option Assets or Ownership Interest listed in the Offer. In order to accept the Offer, Al Manakeesh Franchising must notify the Seller in writing of its exercise of the Option within thirty (30) days following the receipt by Al Manakeesh Franchising of a copy of the Offer together with the requested financial information.

C. If Al Manakeesh Franchising does not exercise its Option, and Al Manakeesh Franchising does not prohibit the transfer, the Seller may accept the Offer and consummate the sale or transfer to the third party upon the same terms and conditions as set forth in the Offer. The consummation of said sale or transfer shall include the execution of the appropriate assignment forms containing terms satisfactory to Al Manakeesh Franchising. At the option of Al Manakeesh Franchising, the proposed transferee shall be required to execute the New Agreement. The New Agreement shall not increase royalties, nor shall the New Agreement extend the term of the Franchise Agreement that was last executed by the Seller.

D. Following the sale or transfer of the Franchise to a third party, the third party shall succeed to all of the Franchisee's rights, obligations, and liabilities under this Agreement, and the Franchisee shall be released from further liability under this Agreement. The purchaser or transferee, if not a person, the stockholders, members, or partners of such purchaser or transferee, of any Option Assets or Ownership Interest, must execute the guaranty attached hereto as Attachment B.

E. In addition to the right of first refusal described in Sections 15(A)-(D), a transfer of any Option Assets or Ownership Interest shall be subject to the following conditions:

i. The proposed transferee must meet Al Manakeesh Franchising's then-current qualifications or standards, including, but not limited to the following:

1. The proposed transferee must have sufficient financial resources to operate a Al Manakeesh restaurant.

2. The proposed transferee must have a satisfactory credit rating and business reputation, sufficient business experience, and proper moral integrity to successfully operate a Al Manakeesh restaurant.

3. The proposed transferee must execute appropriate transfer or assignment forms containing terms and conditions satisfactory to Al Manakeesh Franchising. Such assignment forms may include a New Franchise Agreement. Al Manakeesh Franchising may require that the transferee sign the then-current version of the Franchise Agreement, which may include higher royalty rates or higher fees than the transferor's franchise agreement.

4. The proposed transferee must not be a competitor of Al Manakeesh Franchising or any Al Manakeesh restaurant, as decided by Al Manakeesh Franchising in its commercially reasonable discretion.

5. The Seller or the proposed transferee must pay all amounts due to Al Manakeesh Franchising, distributors, suppliers, and vendors through the date of transfer, and cure any other default under this Agreement existing at the time of the proposed transfer.

6. The Seller or the proposed transferee must pay all federal, state, and local income, service, sales, payroll, or other taxes due as a result of the Restaurant's operations.

7. The Seller must execute a release of all claims and causes of action that it has or may have against Al Manakeesh Franchising on a form containing terms and conditions satisfactory to Al Manakeesh Franchising.

8. If the transfer of the Franchise involves installment payments or other owner financing by the proposed transferee to the Seller, the Seller must execute a subordination agreement under which the Seller subordinates its right to receive any installment from the proposed transferee to Al Manakeesh Franchising's right to receive any and all amounts due it from Franchisee under this Agreement through the due date of such installment and any and all amounts due to Al Manakeesh Franchising which are accrued by the proposed transferee during its operation of the Restaurant. The subordination agreement shall be in a format and contain such additional terms and conditions as are satisfactory to Al Manakeesh Franchising.

9. If the Seller/Franchisee transfers the Franchise to a transferee other than Al Manakeesh Franchising, the Seller/Franchisee must pay, in addition to any other amounts that Seller/Franchisee may owe Al Manakeesh Franchising, the sum of Three Thousand Dollars ($3,000) if the sale is to an existing owner of a Al Manakeesh restaurant, or the sum of Five Thousand Dollars ($5,000) if the sale is to a third party who is not an existing owner of a Al Manakeesh Restaurant (the "Transfer Fee"). An "existing owner" is a person or entity that has a twenty-five percent (25%) or more ownership interest in a Al Manakeesh restaurant at the time of the Offer.

10. The proposed transferee shall successfully complete any and all training that Al Manakeesh Franchising deems necessary for the proposed transferee, whether on-site in the Restaurant, online, or 20 day in-person immersion training. Because

the experience levels of proposed transferees will vary substantially, Al Manakeesh Franchising reserves the right to require some proposed transferee's to receive training and to not require other proposed transferee's to receive training. The proposed transferee must pay for any and all out of pocket training expenses actually incurred by Al Manakeesh Franchising in traveling to train the proposed transferee, including, but not limited to, hotel, airfare, and meals. The total amount of out of pocket training expenses incurred by Al Manakeesh Franchising shall not exceed Five Thousand Dollars ($5,000). If Al Manakeesh Franchising requests, the proposed transferee must deposit such Five Thousand Dollars ($5,000) in escrow with Al Manakeesh Franchising prior to the consummation of the transfer to be used for out of pocket expenses in training the proposed transferee at the Restaurant.

ii. Neither the Franchisee, nor an Owner, shall have the power to transfer the Franchise or an Ownership Interest unless the Restaurant is conducting business in complete and absolute compliance with this Agreement. Al Manakeesh Franchising shall not unreasonably refuse to approve a proposed transferee. No transfer of the Option Assets or an Ownership Interest shall be effective without the prior written consent of Al Manakeesh Franchising.

iii. If Franchisee is an individual, after the execution of this Agreement, Franchisee may sell, assign, or transfer his or her rights under this Agreement to a corporation or limited liability company of which Franchisee is the sole member or shareholder. In the event of any such sale, transfer, or assignment, the assignee shall become liable for the performance of all the obligations of this Agreement and Franchisee shall personally guaranty all such obligations by executing a form satisfactory to Al Manakeesh Franchising.

iv. In the event of death, disability, or permanent incapacity of Franchisee or Owner, such individual or his personal representative shall have one (1) year in which to dispose of the Franchise, subject to the terms of this Agreement. If the Franchise is not disposed within one (1) year of the death, disability, or permanent incapacity of Franchisee, the Franchise shall automatically terminate. Subject to this Agreement, the Franchise may be transferred to the spouse or heirs of the deceased, disabled, or permanently incapacitated individual. In the event of the death, disability, or incapacity of Franchisee or Owner, Al Manakeesh Franchising may take over the operations of the Restaurant in the event that there is not a replacement Owner within one (1) week of the death, disability, or incapacity of the Owner. Al Manakeesh Franchising may pay for its travel costs incurred in the management of the Restaurant and for a reasonable hourly wage for its representative manager.

v. Within five (5) business days of written request by Al Manakeesh Franchising, Franchisee shall furnish Al Manakeesh Franchising with an affidavit under penalties of perjury that sets forth (a) the name of each Owner, (b) the number of shares and class of shares owned by each Owner if Franchisee is a corporation, (c) the percentage of ownership and class of interest if Franchisee is a limited liability company or

partnership, (d) the officers and directors of Franchisee, and (e) such other information necessary to identify ownership and control of Franchisee.

16. <u>Default and Termination</u>.

A. Franchisee shall be in default under this Agreement upon the occurrence of any of the following:

i. Any breach of any of the terms of this Agreement by Franchisee or any guarantor; provided, however, that if such breach is not expressly listed under any other provision in this Section 16 that Al Manakeesh Franchising shall first charge a Brand Standards Fee to Franchisee and provide Franchisee with notice and an opportunity to cure as set forth in Section 2(C) of this Agreement;

ii. Franchisee makes a material misrepresentation in connection with its acquisition of the Franchise;

iii. Franchisee or any guarantor engages in conduct which reflects materially and unfavorably upon the operation or reputation of the System;

iv. Franchisee is convicted of or pleads guilty to a felony or other criminal misconduct relevant to the operation of the Franchise;

v. Franchisee engages in conduct that Al Manakeesh Franchising reasonably determines to constitute an imminent danger to public health or safety;

vi. The dissolution, merger, or reorganization of Franchisee;

vii. The insolvency of Franchisee, the commencement of any proceedings under any federal bankruptcy or state insolvency law, the assignment of assets for the benefit of creditors, or the appointment of a receiver, trustee or similar person to oversee the business affairs of the Franchisee or any of its assets;

viii. The failure of Franchisee to strictly follow the System as set forth by Al Manakeesh Franchising; and

ix. The entry of any judgment against Franchisee, or any judgment which affects any of the assets of Franchisee or the operation of the Restaurant, that is not satisfied or indemnified against to the satisfaction of Al Manakeesh Franchising within ten (10) days of its entry.

For the purpose of this Section 16(A), the conduct of Franchisee's Principals shall be the conduct of Franchisee.

B. Al Manakeesh Franchising may terminate this Agreement immediately upon written notice to Franchisee, without an opportunity to cure, following any of the following defaults by Franchisee:

i. The abandonment of the Franchise by Franchisee, which shall be deemed to have occurred if Franchisee fails to operate the Restaurant for any consecutive three day period during which it is required to operate the Restaurant under the terms of this Agreement, or a combination of any five days (regardless of whether the days are consecutive) during a calendar year that it was required to operate the Restaurant. The failure to operate the Restaurant due to fire, flood, earthquake, or similar cause beyond Franchisee's control shall not be deemed abandonment of the Restaurant, nor shall the failure to operate the Restaurant during any holiday recognized by the federal government be deemed abandonment.

ii. Any default under Section 16(A)(ii), (iii), (iv), (v), (vi), or (vii).

iii. Franchisee, after curing any default during the prescribed cure period under Section 16(C), again defaults in the same manner, without regard to whether the subsequent default is cured following notice by Al Manakeesh Franchising.

iv. Franchisee defaults under this Agreement three (3) times, without regard to whether Franchisee's conduct constitutes the same type of default or whether the default is corrected after notice by Al Manakeesh Franchising.

v. The failure to pay Royalty Fees or any other amounts due to Al Manakeesh Franchising.

vi. Any violation of Section 14.

vii. The failure to furnish Financial Information as required by Section 4(F).

viii. The failure to maintain insurance as required by Section 9(F).

ix. The unauthorized (attempted or actual) transfer or assignment of any Option Assets or Ownership Interests as defined in Section 15; and

x. The termination of any other Franchise Agreement between Franchisee (or the owners of fifty percent or more of Franchisee) and Al Manakeesh Franchising, LLC.

C. Al Manakeesh Franchising may terminate this Agreement at any time if Franchisee defaults in any manner listed in this Section 16(C) and, following written notice of such default from Al Manakeesh Franchising, fails to cure such default, within the following applicable periods of time:

i. Five (5) business days for any of the following defaults:

1. The unauthorized use of the Marks;

2. The operation of the Restaurant under any name other than "Al Manakeesh";

3. The use of food products or other supplies that do not meet the standards and specifications of Al Manakeesh Franchising, or that were purchased from a supplier that was not approved by Al Manakeesh Franchising; or

4. The unauthorized use or disclosure of confidential or proprietary information.

ii. Ten (10) business days in all other cases. However, notwithstanding the foregoing provisions of this Section 16(C), if a default is curable, but cannot be cured within the period of time specified above, Al Manakeesh Franchising may not terminate this Agreement if Franchisee begins to cure such default within such period of time and continues thereafter to take such remedial action as is necessary to cure the default at the earliest feasible date.

D. The termination of this Agreement by Al Manakeesh Franchising shall not in any way limit its right to recover damages or obtain other legal or equitable relief.

E. Upon the termination or expiration of this Agreement:

i. The Franchise shall terminate and Franchisee shall immediately cease being a franchisee of Al Manakeesh Franchising.

ii. Franchisee shall promptly pay all sums owed to Al Manakeesh Franchising.

iii. All property of Al Manakeesh Franchising in the possession of Franchisee shall be promptly returned to Al Manakeesh Franchising, including, but not limited to, the operating manuals and any other documents manifesting any part of the System.

iv. Franchisee must cease using the Marks and any variations thereof by which the public could be confused, deceived, or misled.

v. Franchisee shall immediately cease using the telephone or facsimile number or numbers identified with or assigned to the Restaurant and shall assign such telephone or facsimile numbers to Al Manakeesh Franchising.

vi. Al Manakeesh Franchising or its agents may enter the Restaurant and remove or permanently cover all signs or advertising identifiable in any way with the Al Manakeesh Franchising image or System.

vii. In the case of the termination of this Agreement following the default of Franchisee, Al Manakeesh Franchising shall have the option to acquire any or all of the following assets upon the terms and conditions of this paragraph: Franchisee's interest in or rights to the Restaurant premises or any or all of Franchisee's assets used in the operation of the Restaurant.

1. The purchase price for the assets and equipment of Franchisee shall be their fair market value, assuming use in a fast food business similar to the business conducted prior to the termination of this Agreement. There shall be no allowance for goodwill or other similar intangible asset. If Franchisee's interest in the Restaurant premises is a leasehold interest, the consideration for the assignment of the lease shall be limited to the assumption by Al Manakeesh Franchising of Franchisee's obligations under the lease with respect to the period of time commencing on the date of the lease assignment.

2. If Al Manakeesh Franchising desires to exercise this option, it shall notify Franchisee in writing of its intent to exercise this option within thirty (30) days following the termination of this Agreement. In such notice, Al Manakeesh Franchising shall set forth its estimate for the fair market value of the assets it desires to purchase. Al Manakeesh Franchising may use the damages set forth in paragraph 16(E)(viii) as a credit towards the purchase of the assets without being required to pay any cash payments to Franchisee, except to the extent that the value of the assets exceeds the amount of the damages set forth in paragraph 16(E)(viii). If Franchisee and Al Manakeesh Franchising cannot agree upon the fair market value of the assets, that Al Manakeesh Franchising desires to purchase, either Al Manakeesh Franchising or Franchisee may request the American Arbitration Association to select a sole arbitrator, who in turn shall appoint an independent appraiser to determine the fair market value of such assets. This determination shall be binding upon the parties, except that Al Manakeesh Franchising shall have ten (10) days to decline to purchase such assets for the value determined by the appraiser, by written notice to Franchisee. The manner of determining the fair market value of such assets shall be determined without regard to Franchisee's desire to continue to operate the Restaurant or occupy the premises. Al Manakeesh Franchising and Franchisee shall each bear fifty percent (50%) of the cost of such arbitration.

3. In connection with the purchase of any assets pursuant to this Section 16(E), Al Manakeesh Franchising may audit the books and records of Franchisee concerning the Restaurant, and solicit all known creditors and suppliers to determine the balance due and owing to Al Manakeesh Franchising, if any, from Franchisee. Al Manakeesh Franchising may then advise Franchisee as to any amounts due and owing to creditors and suppliers. If it is determined that there are such creditors, Franchisee shall promptly furnish adequate evidence that such creditors have been paid in full. If any such amounts remain unpaid, Al Manakeesh Franchising may pay the amounts due to such

creditors and deduct such amounts from the purchase price for the assets otherwise due to Franchisee under this Section 16(E). The balance of the purchase price, if any, shall be paid to Franchisee at the closing. The closing shall take place within ten (10) days following the agreement of Al Manakeesh Franchising and Franchisee regarding the fair market value of the assets to be purchased, or, if the fair market value of the assets is determined by an independent appraiser, within ten (10) days following the expiration of the ten (10) day period during which Al Manakeesh Franchising may decline to purchase the assets as the appraised value (i.e., within twenty (20) days after the independent appraiser determines the fair market value of the assets).

viii. In the event of the termination of this Agreement following Franchisee's default, Franchisee shall be liable to Al Manakeesh Franchising for damages suffered by Al Manakeesh Franchising. The parties acknowledge that the amount of actual damages suffered by Al Manakeesh Franchising includes Royalty Fees and the Ad Charge during the remaining term of this Agreement, which may be difficult or impossible to measure. Therefore, the parties agree that, as to future Royalty Fees due under Section 4 of this Agreement and as to future Ad Charges due under Section 11 of this Agreement, but not for any other damages suffered by Al Manakeesh Franchising, Franchisee shall pay an amount equal to the Minimum Royalty, as set forth in Section 4, for each week for the remainder of the Term of this Agreement. These damages may be used as a credit towards purchasing the assets, such that Al Manakeesh Franchising shall not be required to pay any cash to Franchisee for the assets except to the extent that the value of the assets exceeds the amount of the damages calculation hereunder. In the event that any court or arbitration tribunal interprets the payment required in this Section as liquidated damages and determines the same to be invalid or unenforceable because it is found to be either a penalty or not a reasonable estimate of actual damages, the amount of such payment shall be automatically amended to the extent necessary to be found to be valid and enforceable by such court or arbitration tribunal. In the event that Al Manakeesh Franchising seizes or is given equipment to satisfy the damages it is owed, Al Manakeesh Franchising may charge to Franchisee and Guarantor a commercially reasonable administrative fee for Al Manakeesh Franchising's time in selling the equipment, plus any actual expenses incurred by Al Manakeesh Franchising in obtaining, moving, transferring, storing, or selling the Equipment, including rental vehicles and hotel costs. It is agreed that Al Manakeesh Franchising may charge a minimum rate of Four Hundred Dollars ($400) per person for each 8 hour day that its employees or contractors are required to spend moving or traveling with the equipment. This fee shall be paid by Franchisee or Guarantor within five (5) days of receiving an invoice in writing from Al Manakeesh Franchising.

ix. This list of consequences of termination of this Agreement set forth in this Section is not intended to limit, exclude, or act as a waiver of any other rights or remedies available to Al Manakeesh Franchising, including the recovery of damages or equitable relief.

F. Al Manakeesh Franchising has the right (but not the obligation), under the circumstances described below, to enter the Restaurant and assume the Restaurant's management (or to appoint a third party to assume its management). If Al Manakeesh

Franchising (or a third party) assume the Restaurant's management under this Section, you agree to pay Al Manakeesh Franchising (in addition to the Royalty Fee, Ad Charge, and other amounts due under this Agreement) Six Hundred Dollars ($600) per person per day, plus Al Manakeesh Franchising's (or the third party's) direct out-of-pocket costs and expenses, including travel expenses such as hotel, airfare, meals on the road, mileage, and rental cars, if applicable, for up to ninety (90) days after we assume management. If Al Manakeesh Franchising (or a third party) assumes the Restaurant's management, Franchisee acknowledges that Al Manakeesh Franchising (or the third party) will have a duty to utilize only reasonable efforts and, provided we are not grossly negligent and do not commit an act of willful misconduct, will not be liable to you or your owners for any debts, losses, or obligations the Restaurant incurs, or to any of your creditors for any supplies, products, or other assets or services the Restaurant purchases, while Al Manakeesh Franchisings (or the third party) manages it. If Al Manakeesh Franchising (or a third party) assumes the Restaurant's management under this Section, Al Manakeesh Franchising (or the third party) may retain all, and need not pay you or otherwise account to you for any, Gross Sales generated while we (or the third party) manage the Restaurant. Al Manakeesh Franchising (or a third party) may assume the Restaurant's management under the following circumstances: (1) if you abandon or fail actively to operate the Restaurant; (2) if you fail to comply with any provision of this Agreement, including strictly following the System, and do not cure the failure within the time period we specify in our notice to you, but only for as long as it takes us, using reasonable commercial efforts, to correct the failure that you failed to cure; or (3) if this Agreement expires or is terminated, Al Manakeesh Franchising may operate the Restaurant during the period of time when we are deciding whether to exercise our option to purchase the Restaurant under Section 16(E)(vii). If we assume the Restaurant's management (or appoint a third party to assume its management), we will operate the Restaurant for up to ninety (90) days. The assumption of the Restaurant's management shall not be deemed to preclude Al Manakeesh Franchising from pursuing any other damages under this Agreement. In the event that Al Manakeesh Franchising assumes the management of the Restaurant, Franchisee shall not raise objections to its landlord regarding Franchisor's presence. Further, Franchisee shall execute any documentation required to transfer the applicable lease agreement from Franchisee to Franchisor. In such an event, the security deposit shall be retained by landlord for the benefit of Franchisor and Franchisee shall have no further recourse against landlord regarding the security deposit.

17. <u>Personal Guaranty</u>. If Franchisee is not an individual, each Owner must execute a personal guaranty identical to that attached as Attachment B at the time this Agreement is signed. If the Franchise is assigned to a corporation, limited liability company, or partnership, the individuals having an Ownership Interest in the assignee must execute personal guaranties identical to that attached as Attachment B at the time of the assignment. **Any individual who acquires an ownership interest in Franchisee after this Agreement is signed must execute the personal guaranty at the time he or she acquires such Ownership Interest**. Only Al Manakeesh Franchising may release any individual from his or her obligations under a personal guaranty.

18. Remedies/Attorney's Fees. The provisions of this Agreement may be enforced by either party, by actions at law or in equity, or by any other judicial remedy which may be available. If any suit or action is instituted by Al Manakeesh Franchising for the recovery of royalties or any other amount due under this Agreement, or because of the breach of any other covenant contained herein on the part of Franchisee to be kept or performed, Franchisee shall pay to Al Manakeesh Franchising all expenses incurred Al Manakeesh Franchising, including actual attorney's fees and court costs. All rights and remedies of Al Manakeesh Franchising shall be cumulative and none shall be exclusive of any other rights allowed by law.

19. Successors/Assigns. This Agreement shall inure to the benefit of the successors and assigns of Al Manakeesh Franchising. The Franchise may not be transferred or assigned by Franchisee, in whole or in part, except as specifically permitted in this Agreement. All or any part of Al Manakeesh Franchising's rights under this Agreement are fully assignable. This Agreement shall not be construed to have any third party beneficiaries.

20. Notice. Any notice required or permitted under this Agreement to be given to Franchisee and/or the Guarantor(s) shall be written and shall be either delivered personally or mailed via registered or certified mail to the person at the address designated on Attachment B, which may be changed by Franchisee and/or Guarantor(s) by written notice to Al Manakeesh Franchising signed by the Franchisee and/or Guarantor(s) as is applicable. In the event that Al Manakeesh Franchising is unable, after a good faith attempt, to reach Franchisee by certified mail, Al Manakeesh Franchising shall be deemed to have provided notice to Franchisee by sending an electronic mail communication to the electronic mail address that was most recently used by Franchisee. Franchisee and all Owners of Franchisee agree that notice to any individual Owner shall be deemed notice to all of them and that Al Manakeesh Franchising shall have no obligation to send notices to any address other than the address set forth in Attachment B. Any notice required under this Agreement to be given to Al Manakeesh Franchising shall be written and shall be either personally delivered or mailed via registered or certified mail to Al Manakeesh Franchising's registered address in the state of Ohio.

21. Waiver. The failure of Al Manakeesh Franchising to take any action in response to any default of Franchisee in the performance of any of the terms, covenants, and conditions of this Agreement shall not constitute a waiver of any rights of Al Manakeesh Franchising to insist upon the full performance of all such terms, covenants, and conditions, and a waiver by Al Manakeesh Franchising of a breach or a series of breaches of this Agreement by Franchisee shall not constitute a waiver of any subsequent breach.

22. Jurisdiction and Venue. This Agreement and any other issue arising out of to the relationship between Franchisee and Al Manakeesh Franchising shall be governed by Ohio law. Franchisee irrevocably and unconditionally (i) agrees that it will only bring any action or proceeding against Al Manakeesh Franchising arising out of or relating in any way to the terms of this Agreement, in the courts of Ohio and not in any other state or federal court in the United States of America or any court in any other country; (ii) subject to the

injunctive relief provisions of Section 24, consents to the exclusive jurisdiction and venue of state and federal courts located in Franklin County, Ohio for the purpose of any action or proceeding arising out of or relating in any way to this Agreement, including, without limitation, actions challenging the legal validity or enforceability thereof; and (iii) waives and agrees not to plead or to make any claim that the Ohio courts lack personal jurisdiction to over him, her, or Franchisee, or that any such action or proceeding brought in any Ohio court has been brought an improper or otherwise inconvenient forum.

23. Injunctive Relief. Al Manakeesh Franchising may file suit in the jurisdiction and venue of Franchisee's Location in the event that Al Manakeesh Franchising deems it appropriate to seek the entry of a temporary or preliminary injunction. Franchisee acknowledges that the Restaurant is one of a number of restaurants identified by the Marks and similarly situated and selling to the public similar products, and the failure on the part of a single franchisee to comply with the terms of its agreement will cause irreparable damage to Al Manakeesh Franchising or to some or all other Franchisees for which there is no adequate remedy available at law. It is mutually agreed that in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, Al Manakeesh Franchising will be entitled to an injunction restraining such breach or to a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining said equitable relief, without any obligation to post a bond or other security. The foregoing equitable remedies are in addition to, and not in lieu of, all other remedies or rights that the parties might otherwise have by virtue of any breach of this Agreement by the other party.

24. Statute of Limitations. Except for payments owed by Franchisee to Al Manakeesh Franchising and unless prohibited by applicable law, any and all claims and actions arising out of or relating to this Agreement shall be commenced within one (1) year from the discovery of facts giving rise to any such claim or action. If such claim or action is not brought within one (1) year from the discovery of facts giving rise to any such claim or action, such claim or action shall be barred.

25. Class Action Lawsuits. Franchisee waives, to the fullest extent permitted by law, the right to bring or be a class member in, any class action suit relating to any dispute, controversy or claim arising out of or related to this Agreement or arising out of any breach or alleged breach of this Agreement.

26. Invalidity. If any portion of this Agreement is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Agreement shall not be affected, and such remaining portions shall remain in full force and effect as if this Agreement had been executed without the invalid portion.

27. Relationship of the Parties. Franchisee understands and agrees that, under this Agreement Franchisee is and shall be an independent contractor. No employee of Franchisee shall be deemed to be an employee of Al Manakeesh Franchising. Nothing in this Agreement shall be construed so as to create a partnership, joint venture, or agency

relationship between Franchisee and Al Manakeesh Franchising. Franchisee shall not obligate Al Manakeesh Franchising for any expenses, liabilities, or other obligations.

28. **Entire Agreement/Survival**. This Agreement and the Operating Manual contain all of the covenants and agreements of the parties with respect to this subject matter, and supersede any and all prior or contemporaneous agreements, whether oral, written, express, or implied, between the parties with respect to this subject matter. Nothing in this Agreement or any related agreement is intended to disclaim the representations of Al Manakeesh Franchising in the Franchise Disclosure Document. The attached Addendums are hereby incorporated in and made a part of this Agreement. The continuing obligations of Franchisee and Owner(s) shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement on the day and year set forth below.

FRANCHISOR: **AL MANAKEESH FRANCHISING, LLC**	**FRANCHISEE**
By: _____	By: _____
Its:	Its: _____
Date: _____	Date: _____

ADDENDUM TO FRANCHISE AGREEMENT

If Franchisee's Restaurant is not located in Illinois, New York, Maryland, or Virginia, the provisions of this Addendum do not apply to the Franchise Agreement. Moreover, the respective addendums are applicable only to franchisees with Restaurants located in the respective states referenced.

2. With respect to Franchises governed by Illinois law:

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision, purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of a franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Attachment A – Registered Trademarks

Mark	Reg No
Al Manakeesh	Pending
Taste of Palestine	Pending

Attachment B
PERSONAL GUARANTY

WHEREAS, the undersigned individuals (the "Owner(s)") are the [shareholders] [partners] [members] of **(company name)** _____, a [corporation] [limited liability company] [partnership] located at **(address)** _____("Franchisee").

WHEREAS, Franchisee has entered into a Franchise Agreement with Al Manakeesh Franchising, LLC ("Al Manakeesh Franchising"), an Ohio limited liability company, dated the same date as this Guaranty.

WHEREAS, to induce Al Manakeesh Franchising to enter into the Franchise Agreement and as security for Franchisee's performance of the Franchise Agreement, the Owner(s) are executing this Guaranty.

NOW, THEREFORE, the Owner(s) hereby agree(s) as follows:

1. For value received, the Owner(s) hereby jointly and severally guaranty the payment of any and all amounts, and the performance of any and all other actions, which Franchisee is or may become liable to pay or perform under the Franchise Agreement (the "Obligations"). If Franchisee fails to pay or perform any Obligation when due, the Owners, jointly and severally, shall pay or perform such Obligation immediately upon demand by Al Manakeesh Franchising.

2. Al Manakeesh Franchising shall not be required to pursue or exhaust any of its rights or remedies against Franchisee or any other person for the collection or performance of any Obligation prior to demanding payment or performance from the Owners under this Guaranty.

3. The Owners acknowledge and agree that any of the following events shall not affect or discharge any of the Owner(s)'s Obligations under this Guaranty:

   a. The extension of time for payment or performance of any Obligation.

   b. The change in any term of the Franchise Agreement.

   c. The acceptance by Al Manakeesh Franchising of any Promissory Note or security of any kind with respect to any Obligation.

   d. The surrender, release, exchange, or alteration of any collateral or other security held by Al Manakeesh Franchising with respect to any Obligation.

4. The Owner(s) hereby waive notice of the following:

   a. Acceptance of this Guaranty by Al Manakeesh Franchising.

b. The sale and delivery of any portion of any collateral held by Al Manakeesh Franchising with respect to any Obligation, to the extent allowed by law.

c. The amount of the Obligations.

d. Any extension of time for the payment or performance of any Obligation.

e. Demand for payment, default, non-payment, presentment, and protest as to any Obligation.

5. This Guaranty shall continue in effect until all Obligations are paid or performed in full, and shall be binding upon the heirs, personal representatives, successors, and assigns of Owner(s).

6. The Owner(s) shall pay or reimburse Al Manakeesh Franchising for any and all expenses incurred by Al Manakeesh Franchising in enforcing this Guaranty, including reasonable attorney fees.

7. The Owner(s) shall be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement, including, but not limited to, the terms of Sections 14, 15, 16, and 19.

8. The Owner(s) acknowledge that notices will be sent only as set forth in Section 21 of the Franchise Agreement and to the address listed at the top of this Guaranty.

9. This Guaranty shall be deemed to have been entered into in the state of Ohio and shall be construed according to the laws of the state of Ohio. Any action involving this Guaranty or any of the terms or obligations hereof shall be commenced in the state of Ohio.

10. Except for payments owed to the Owner(s) by Al Manakeesh Franchising and unless prohibited by applicable law, any and all claims or actions arising out of or relating to this Guaranty shall be shall be commenced within one (1) year from the discovery of facts giving rise to any such claim or action, or such claim or action will be barred.

11. Owner(s) waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suit relating to any dispute, controversy, or claim arising out of or related to this Guaranty or arising out of any alleged breach of this Guaranty.

12. If any portion of this Guaranty is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Guaranty shall not be affected, and such remaining portions shall remain in full force and effect as if this Guaranty had been executed without the invalid portion.

OWNER(S)

Signed: _____ Date: _____

Print: _____

Signed: _____ Date: _____

Print: _____

Signed: _____ Date: _____

Print: _____

Signed: _____ Date: _____

Print: _____

Attachment C
ACH Authorization

I hereby authorize Al Manakeesh Franchising, LLC to initiate automatic withdrawals from my account at the financial institution set forth below. Specifically, Al Manakeesh Franchising, LLC is authorized to make any such automatic withdrawals as are authorized in the Franchise Agreement, which is incorporated into this Authorization as if fully restated. This authorization shall remain in effect until all payments that I am obligated to make pursuant to the Franchise Agreement have been made in full to Al Manakeesh Franchising, LLC.

I agree not to hold Al Manakeesh Franchising, LLC responsible or liable for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing the funds into my account.

Name of Financial Institution: _____

Routing Number: _____

Account Number: _____

Authorized Signature: _____

Print Name: _____ Date: _____

Please attach a voided check or deposit slip and promptly return this signed form to Al Manakeesh Franchising, LLC.

Attachment D
LEASE ADDENDUM

WHEREAS, _____ ("Franchisee") has entered into, or will soon be entering into, a Franchise Agreement with Al Manakeesh Franchising, LLC ("Al Manakeesh Franchising"). _____ ("Landlord") owns the property located at _____ ("the Property").

WHEREAS, Franchisee wishes to enter into a lease with Landlord for the Property ("the Lease").

WHEREAS, Al Manakeesh Franchising, for the protection of itself, Franchisee, and the Al Manakeesh brand, requires certain terms to be included in the Lease Agreement between Franchisee and Landlord.

NOW, THEREFORE, Landlord, Al Manakeesh Franchising, and Franchisee agree as follows:

1. Pre-Approval of Assignment. Al Manakeesh Franchising shall have the right to receive an assignment of the Lease upon termination or expiration of the Franchise Agreement between Al Manakeesh Franchising and Franchisee. The assignment to Al Manakeesh Franchising shall become effective upon 1) Franchisee's default of the Lease and failure to timely cure the default and 2) Al Manakeesh Franchising's election to cure the default by making the applicable payment to Landlord and Landlord accepting the same. Landlord further agrees that Al Manakeesh Franchising may assign this lease to any Bona Fide Franchisee. A "Bona Fide Franchisee" is defined as a person or legal entity who has 1) entered into a Franchise Agreement with Al Manakeesh Franchising, and 2) has a net worth of at least One Hundred Thousand Dollars ($100,000) as documented by a personal financial statement. The assignment to a Bona Fide Franchisee shall become effective upon Al Manakeesh Franchising providing notice of said assignment, as well as the associated personal financial statement to Landlord.

2. Opportunity for Al Manakeesh Franchising to Cure Default. Landlord agrees to send to Al Manakeesh Franchising a copy of any written notice of Lease default sent to Franchisee by Landlord. Landlord grants Al Manakeesh Franchising the right (without any obligation) to cure any Lease default within fifteen (15) business days after expiration of the applicable cure period (if Franchisee fails to cure). Default notices should be send via email to info@almanakeesh.com . In the event that Al Manakeesh Franchising exercises its option to cure the default of Franchisee, Al Manakeesh Franchising shall be deemed to have been assigned the rights to the Lease on the same terms as the Franchisee who defaulted. In such an event, the security deposit held by Landlord for Franchisee's benefit, if applicable, shall become the property of Franchisor. Franchisee expressly approves of this assignment.

3. Pre-Approval of Usage. Landlord agrees that the Premises may be used solely for the operation of a Al Manakeesh Restaurant (including its affiliated Ghost Kitchen concepts that are offered for online order and delivery service only, if applicable), and shall be used for no other purpose during the term of the Lease.

4. Franchisor Entrance Upon Termination. Upon the expiration or termination of the Franchise Agreement, in the event that Franchisor does not elect to cure Franchisee's past due payments and take over the lease, Landlord grants Al Manakeesh Franchising permission to enter the Premises to remove signage (including outdoor signage) and other items bearing the Marks of Al Manakeesh Franchising.

5. No Similar Restaurants in Shopping Center. If the Premises is part of a shopping center, plaza or mall with other commercial tenants, Landlord agrees that it will not lease space to any restaurant that sells pizza, or to any restaurant that offers delivery after Midnight.

6. No Restrictions on Hours. Landlord acknowledges that Al Manakeesh restaurants have very late business hours and agrees that there will be no restrictions on the hours of operation of Franchisee's Restaurant.

7. Grand Opening Signage. Landlord shall temporarily permit Franchisee to place additional temporary signage in or around the Property, including, but not limited to balloons, banners, roadside flags, and other signage for a period of not less than ten (10) days, which shall occur during the Grand Opening hosted by Franchisee; provided, however, that said signage shall not cause a business disruption to other tenants (if any) and shall not violate any local ordinance or regulation.

8. Signage. Landlord grants to Franchisee during the term of the Lease a non-exclusive right and easement over that portion of the property as may be required by Franchisee to improve, renovate, repair, replace and maintain the Premises or replace its signage or its panel on the pylon sign for the property. The Tenant has the right to change or alter the signage at any time during the term of the Lease provided the signage is in compliance with all applicable governmental codes and regulations. The signage may include: (a) signage on the exterior front wall of the Premises; (b) signage on another exterior portion of the Premises; (c) a separate pylon sign on the property; (d) separate signage on the property, (e) a panel on the pylon sign for the property; and (f) other signage which may be required by the Franchisor or agreed upon by the Landlord and the Tenant.

9. Conflict Between Addendum and Lease. In the event of a conflict between the Lease and this Addendum, this Addendum shall control.

AL MANAKEESH FRANCHISING, LLC

FRANCHISEE

By: _____

By: _____

Its:

Date: _____

Its: _____

Date: _____

LANDLORD

By: _____

Its: _____

Date: _____

Exhibit E
Audited Financial Statements

AL MANAKEESH FRANCHISING, LLC

FINANCIAL REPORT

December 31, 2025

AL MANAKEESH FRANCHISING, LLC

Table of Contents

Page

Independent Auditors' Report 1-2

Financial Statement

- Balance Sheet 3
- Statement of Operations and Changes in Members' Equity 4
- Statement of Cash Flows 5
- Notes to Financial Statements 6-8

MALONEY + NOVOTNY LLC

1105 Schrock Road, Suite 510, Columbus, Ohio 43229
p 614-781-6174 | f 614-781-8243
www.maloneynovotny.com

INDEPENDENT AUDITORS' REPORT

To the Members
Al Manakeesh Franchising, LLC
Chicago Ridge, Illinois

Opinion

We have audited the financial statements of Al Manakeesh Franchising, LLC, (the "Company")(a limited liability company), which comprise the balance sheet as of December 31, 2025 and the related statement of operations and changes in members' equity and cash flows for the period June 5, 2025 (inception) through December 31, 2025 and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Al Manakeesh Franchising, LLC as of December 31, 2025 in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Cleveland | Canton | Clearwater | Columbus | Delaware | Elyria

Member of Nexia

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but it is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Columbus, Ohio
April 29, 2026

AL MANAKEESH FRANCHISING, LLC

BALANCE SHEET

December 31, 2025

ASSETS	
Current Assets	
Cash	$ 12,704
Accounts receivable	4,891
Inventory	197,315
Total current assets	214,910
Furniture and Equipment	21,643
Accumulated depreciation	(2,164)
	19,479
Intangibles	3,250
Accumulated amortization	(651)
	2,599
Total assts	$ 236,988
LIABILITIES AND MEMBERS' EQUITY	
Current Liabilities	
Accounts payable	$ 1,817
Accounts payable - related party	118,462
Total liabilities	120,279
Members' Equity	116,709
Total liabilities and members' equity	$ 236,988

The accompanying notes are an integral part of this financial statements.

AL MANAKEESH FRANCHISING, LLC

STATEMENT OF OPERATIONS AND CHANGES IN MEMBERS' EQUITY

For the period June 5, 2025 through December 31, 2025

Revenues		
Royalty fees	$	9,828
Operating Expenses		
Amortization		651
Bank fees		632
Depreciation		2,164
Legal		15,480
Management fees		62,313
Office		4,841
Rent		12,136
Supplies		8,391
Travel		6,161
Utilities		739
Total operating expenses		113,508
Net loss		(103,680)
Members' Equity		
Beginning of period		-
Member contributions		220,389
End of period	$	116,709

The accompanying notes are an integral part of this financial statements.

AL MANAKEESH FRANCHISING, LLC

STATEMENT OF CASH FLOWS

For the period June 5, 2025 through December 31, 2025

Cash Flows from Operating Activities	
Net loss	$ (103,680)
Adjustments to reconcile net loss to net cash used in operating activities	
Amortization and depreciation	2,815
Increase in accounts receivable	(4,891)
Increase in inventory	(197,315)
Increase in accounts payable	1,817
Increase in accounts payable - related party	118,462
Net cash used in operating activities	(182,792)
Cash Flows from Investing Activities	
Purchases of furniture and equipment	(21,643)
Purchases of intangibles	(3,250)
Net cash used in operating activities	(24,893)
Cash Flows from Financing Activities	
Member contributions	220,389
Net change in cash	12,704
Cash	
Beginning of period	-
End of period	$ 12,704

The accompanying notes are an integral part of this financial statements.

NOTE A - NATURE OF OPERATIONS

Al Manakeesh Franchising, LLC (the "Company") is engaged in the business of licensing certain trademarks and franchise systems to franchisees of Al Manakeesh restaurants. The franchises specialize in providing a taste of Palestine through various quality food offerings.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Company's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. *Basis of Accounting*

   The accompanying financial statement has been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

2. *Cash*

   Cash includes all of the Company's checking account with a financial institution. The Company's cash account is insured by the Federal Deposit Insurance Corporation up to specified limits. The cash balance may exceed insured limits at certain times. The Company believes it is not exposed to any significant credit risk on its cash balances and has not experienced any loss in such accounts.

3. *Accounts Receivable*

   Accounts receivable consists of franchise royalty fees from franchisees which are typically received monthly. Accounts receivable are carried at their estimated collectible amounts, net of an allowance for credit losses. Management's estimate of the allowance for credit losses is based on historical sales and loss levels, the current economic environment, and the Company's expectations of future economic conditions. The Company will apply adjustments for specific factors and economic conditions as needed at each reporting date. As of December 31, 2025, the Company determined that no allowance for credit losses was needed.

4. *Inventory*

   Inventory consists of equipment and paper products for sale to franchisees. Inventory is stated at the lower of cost or net realizable value and is accounted for using the first-in, first-out method.

5. *Furniture and Equipment*

   Acquisitions of furniture and equipment are capitalized at cost. Depreciation is recognized using the straight-line method over the item's estimated useful life, which is 5 years.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. *Intangibles*

Intangibles consist of trademarks and are amortized over 5 years using the straight-line method.

7. *Revenue Recognition*

Ongoing royalty fee revenues are based on a percentage of a franchisee's sales and are due by the fifteenth of the following month. Royalty fee revenue is recognized monthly.

8. *Income Taxes*

The Company, a limited liability company, is treated as a partnership for federal, state, and local income tax purposes. Therefore, the income of the Company is included in the federal, state, and local income tax returns of the members. Accordingly, no provision for federal, state, or local income taxes is included in the financial statements.

The Company evaluates tax positions taken, or expected to be taken, in their tax return. The Company's evaluation on December 31, 2025, revealed no uncertain tax positions that would have a material impact on the financial statement. The Company does not believe that any reasonably possible changes in income tax positions will occur within the next twelve months that will have a material impact on the financial statements.

9. *Use of Management's Estimates*

The preparation of the financial statement in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE C - RELATED PARTY TRANSACTIONS

The Company received funds to assist with operations from an entity that is related by common ownership. The Company is expected to repay this related entity and the amount due to the related entity is reported as accounts payable – related party on the balance sheet.

The same related entity as noted above was paid a management fee by the Company to assist with operations of the Company. These fees are reported as management fees on the statement of operations and changes in members' equity for the period.

The Company operates from a building that the related entity noted above leases. The Company will pay rent at times but is not included on the lease and is not contractually obligated to pay rent. See the statement of operations and changes in members' equity for rent expense for the period.

NOTE D - SUBSEQUENT EVENTS

The Company has evaluated subsequent events through the date of the independent auditors' report, the date on which the financial statements were available to be issued.

State Effective Dates

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
Illinois	October 27, 2025
Michigan	July 16, 2025
Wisconsin	September 3, 2025
Virginia	April 16, 2026
Minnesota	December 8, 2025
California	January 16, 2026

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Exhibit F
Item 23:

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Al Manakeesh Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York law requires the franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Al Manakeesh Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency.

The Al Manakeesh Franchising, LLC sales agent for this offering is Mohammad Atieh: **10303 Oxford Avenue, Chicago Ridge, IL 60415**; **(815) 517-2178**

Issuance Date: April 29, 2026

I received a disclosure document dated April 29, 2026, that included the following exhibits:

Exhibit A	State Addenda to Disclosure Document
Exhibit B	State Franchise Administrators/Agents for Service of Process
Exhibit C	Table of Contents of Operating Manual
Exhibit D	Franchise Agreement
Exhibit E	Audited Opening Balance Sheet
Exhibit F	Receipts

Date:_____ Your name (Please print): _____

Your signature: _____

You should return one copy of the signed receipt either by signing, dating, and mailing it to Al Manakeesh Franchising, LLC at **10303 Oxford Avenue, Chicago Ridge, IL 60415**, or by emailing a scanned copy of the signed receipt to info@almanakeesh.com. You may keep the second copy for your records.

Exhibit F
Item 23:

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Al Manakeesh Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York law requires the franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Al Manakeesh Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency.

The Al Manakeesh Franchising, LLC sales agent for this offering is Mohammad Atieh: **10303 Oxford Avenue, Chicago Ridge, IL 60415**; **(815) 517-2178**

Issuance Date: April 29, 2026

I received a disclosure document dated April 29, 2026, that included the following exhibits:

Exhibit A	State Addenda to Disclosure Document
Exhibit B	State Franchise Administrators/Agents for Service of Process
Exhibit C	Table of Contents of Operating Manual
Exhibit D	Franchise Agreement
Exhibit E	Audited Opening Balance Sheet
Exhibit F	Receipts

Date:_____ Your name (Please print): _____

Your signature: _____

You should return one copy of the signed receipt either by signing, dating, and mailing it to Al Manakeesh Franchising, LLC at **10303 Oxford Avenue, Chicago Ridge, IL 60415**, or by emailing a scanned copy of the signed receipt to info@almanakeesh.com. You may keep the second copy for your records.