

FRANCHISE DISCLOSURE DOCUMENT



APPLEBEE'S FRANCHISOR LLC

A Delaware Limited Liability Company

10 W. Walnut St., 5th Floor

Pasadena, California 91103

(818) 240-6055

<https://www.applebees.com/en>

The franchisee will operate sit-down, table service Restaurants, including the service of food and alcoholic beverages, under the trade name of Applebee's Neighborhood Grill & Bar®.

The total investment necessary to begin operation of an Applebee's Neighborhood Grill & Bar® franchised business ranges from \$616,682 to \$5,822,933. This includes Initial Fees of \$35,000 to \$50,000 that must be paid to the franchisor or an affiliate. You might pay the franchisor more if you sign a Development Agreement to develop multiple Restaurants.

This Franchise Disclosure Document (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 or grant. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient to you. To discuss the availability of this document in different formats, contact Justin Ma, Associate General Counsel, 10 W. Walnut St., 5th Floor, Pasadena, California 91103, (818) 637-3127, justin.ma@dinebrands.com.

The terms of your contract will govern your franchise relationship. Do not 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 an 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, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or 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.

Date of Issuance: March 27, 2026, as amended April 7, 2026.

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 or Exhibit I-1 or Exhibit I-2.
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 A 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 Applebee's 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 an Applebee's franchisee?	Item 20 or Exhibit I-1 and Exhibit I-2 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 development agreement and franchise agreement require that all disagreements be litigated in the State of Kansas. Out of state litigation may force you to accept a less favorable settlement. It may also cost you more to sue us in Kansas than in your home state.
2. Governing Law. The development agreement and franchise agreement state that Kansas law governs the agreements, and this law may not provide the same protections and benefits as local law. You may want to compare these laws.

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.

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Disclosure Document, “Applebee’s,” “we,” “us” or “our” means Applebee’s Franchisor LLC, the franchisor, and when appropriate, our affiliates. “You” means the person or entity that buys the franchise, called the “Developer” under the Development Agreement and the “Franchisee” under the Franchise Agreement(s). When we refer to “Agreements,” we mean both the Development Agreement and Franchise Agreement(s).

Franchisor:

Applebee’s was formed in Delaware on July 28, 2014. Our principal business address is 10 W. Walnut St., 5th Floor, Pasadena, California 91103, and we do business only under our company name and the trade names Applebee’s Neighborhood Grill & Bar® and Applebee’s®.

Since October 1, 2014, we have offered franchises for restaurants utilizing the service marks Applebee’s Neighborhood Grill & Bar® and Applebee’s Grill®, using a system (the “System”) specializing in the sale of uniform, high quality, moderately priced food and alcoholic beverages in a distinctive, casual setting (“Restaurants”) in the U.S. and abroad. We may offer franchises for “Applebee’s” full-service Restaurants and new Applebee’s concepts being developed under the same or different names for fast-casual and/or quick-serve Restaurants to be located at another primary business or in conjunction with other businesses or at institutional settings such as schools, colleges and universities, military and other governmental facilities, hospitals, airports, highway rest stops, toll roads, hotels, motels, arenas, travel plazas, office or in-plant food facilities, supermarkets, grocery stores or convenience stores, casinos, stadiums, shopping malls and any other site, venue or location operated by a master concessionaire or contract food service provider (a “Non-Traditional Venue”). We may also offer optional online sales channels that offer a subset of Applebee’s menu items by delivery. In addition, we are developing and testing and may offer other virtual brands, new fast casual and quick serve concepts, as well as concepts, restaurants, and prototypes located in urban markets, which may operate under a name which may include “Applebee’s”. We may also develop and test and may engage with third parties regarding preparing Applebee’s food in ghost kitchens. Applebee’s has no businesses other than as described in this Disclosure Document. We have not offered franchises in any other line of business. Our registered agents for service of process are listed in Exhibit C.

Our Parents, Predecessors and Affiliates:

Our parent, Dine Brands Global, Inc. (“Dine Brands”) (formerly known as DineEquity, Inc.), acquired Applebee’s International, Inc. and its subsidiaries, the owner and franchisor of the Applebee’s Restaurant chain, on November 29, 2007. On or about September 30, 2014, Dine Brands and various of its existing direct and indirect subsidiaries closed a securitization transaction involving both the Applebee’s and the IHOP brands (the “Securitization”), as part of which various existing subsidiaries contributed their assets, including intellectual property, real and personal property and equipment and related leases and subleases (IHOP only), notes and indebtedness of franchisees, and the business and related agreements concerning manufacturing, sourcing and sales of goods and services, to newly-formed subsidiaries of Dine Brands, including us.

Following September 30, 2014, Applebee’s International, Inc. ceased offering and selling new domestic franchises and contributed all then-existing U.S. Applebee’s franchise agreements and related franchisee notes and guarantee agreements, among other assets, to newly formed Applebee’s Restaurants LLC, which continued to serve as the “franchisor” for those franchisees. Applebee’s International, Inc. also contributed all then-existing U.S. area development agreements to us, and we became responsible for all new domestic franchise sales commencing October 1, 2014. Prior to January 4, 2016, Applebee’s International, Inc. offered and sold Applebee’s franchises internationally. On January 4, 2016, our parent, Dine Brands,

conducted a reorganization of its international operations such that substantially all the assets of Applebee's International, Inc. were transferred to Dine Brands International, Inc. (formerly known as DineEquity International, Inc.). Dine Brands International, Inc. serves as the franchisor for all international Applebee's franchisees and franchisees with restaurants in the U.S. territories.

Our parent companies, all organized under Delaware law, are: Applebee's Funding LLC; Applebee's SPV Guarantor LLC; Applebee's International, Inc.; and Dine Brands. The principal business address of Dine Brands and our other parent companies is 10 W. Walnut St., 5th Floor, Pasadena, California 91103.

We have no predecessors; however, several of our existing and formerly affiliated entities previously offered franchises under the Applebee's Neighborhood Grill & Bar® and Applebee's Grill® brand names since the chain began in 1988. Applebee's International, Inc. offered domestic franchises from March 1988 to November 2007 (and continued to offer franchise agreements for the Restaurants abroad until January 3, 2016); Applebee's Franchising, LLC ("Applebee's Franchising") offered domestic franchises from November 2007 to December 2011, and Applebee's International, Inc. again offered franchises both domestically and internationally (from December 2011 through September 2014, for domestic franchisees, and from December 2011 through January 3, 2016, for international franchises).

As of December 28, 2025, there were a total of 1,421 Applebee's brand franchised Restaurants in the U.S. and U.S. Territories (25 of which are Dual Branded Restaurants, as defined below), and 59 company-owned Applebee's brand Restaurants that were operated by Applebee's Restaurants Mid-Atlantic LLC, our affiliate (2 of which are Dual Branded Restaurants, as defined below).

Our affiliates that provide products or services to our franchisees, all organized under Delaware law unless otherwise noted, are:

Dine Brands, whose activities include administering collections, franchising, marketing, real property, intellectual property, and providing certain pre-opening and post-opening services to franchised Restaurants.

Applebee's Services, Inc. (formerly known as AII Services, Inc.) ("Applebee's Services"), who may provide certain services to you on our behalf, including for example, training, site selection, and Restaurant inspections. See Item 11 of this Disclosure Document for more information. Applebee's Services maintains its principal place of business at 10 W. Walnut St., 5th Floor, Pasadena, California 91103. It has not owned or operated a Restaurant and has not offered franchises in any other line of business.

ACM Cards, Inc., a Florida corporation, who administers the Applebee's gift card program. ACM Cards, Inc.'s principal business address is 10 W. Walnut St., 5th Floor, Pasadena, California 91103. ACM Cards, Inc. has not conducted a business of the type to be operated by you nor has it offered franchises in this or any other line of business.

We have two affiliates that offer franchises in the U.S. in any line of business, which are IHOP Franchisor LLC for *IHOP* restaurants and Fuzzy's Taco Opportunities, LLC for *Fuzzy's Taco Shop* restaurants, as further described below.

IHOP franchise system. Our affiliate, IHOP Franchisor LLC, has offered U.S. franchises for IHOP and International House of Pancakes restaurants since October 1, 2014. IHOP Franchisor LLC's principal place of business is 10 W. Walnut St., 5th Floor, Pasadena, California 91103. Several of Dine Brands' then-affiliated entities previously offered franchises in the U.S. under the "IHOP" and "International House of Pancakes" brand names since the chain began in 1958, namely:

International House of Pancakes, Inc. from 1960 until February 2007;

IHOP Franchising, LLC from March 2007 to February 2009;

IHOP Franchise Company, LLC from April 2009 through December 2011; and

International House of Pancakes, LLC from December 2011 through September 2014 (this is the same entity that franchised from 1960 until February 2007, but in December 2008 converted to a limited liability company).

These restaurants feature “IHOP” pancakes as well as a diverse menu of other breakfast, lunch and dinner items. As of December 28, 2025, there were a total of 1,681 IHOP brand franchised restaurants in the U.S. and U.S. Territories (25 of which are Dual Branded Restaurants, as defined below) that were franchised under the franchise programs offered in the IHOP Franchise Disclosure Documents and 12 IHOP brand restaurants which were operated by IHOP or its affiliates (2 of which are Dual Branded Restaurants, as defined below).

Fuzzy’s Taco Shop franchise system. Our affiliate, Fuzzy’s Taco Opportunities, LLC (“FTO”), has offered franchises for “Fuzzy’s Taco Shop” restaurants in the U.S. since May 2008. FTO’s principal place of business is 10 W. Walnut Street, 5th Floor, Pasadena, California 91103. In December 2022, Dine Brands acquired FTO and certain of its parent and affiliate entities, and FTO became our affiliate. Fuzzy’s Taco Shops are Mexican food fast-casual restaurants offered under the name “Fuzzy’s Taco Shop” that feature items like huevos rancheros and breakfast tacos, tacos and burritos, traditional Mexican dinners, sandwiches, sides, and signature sauces. As of December 28, 2025, there were a total of 105 Fuzzy’s Taco Shop brand franchised restaurants in the U.S., and 1 company-owned Fuzzy’s Taco Shop brand restaurant that was operated by FTO or other affiliates.

Except as described in this Item 1, none of our parents, predecessors or affiliates have operated Restaurants or offered franchises for Restaurants or any other business.

Other than the entities described in this Item 1, there are no other parents, affiliates or predecessors required to be described in Item 1.

Description of Franchise: You will develop and operate Restaurants within a defined geographic area (“Territory”). You will use our various trademarks, construction specifications, designs, color schemes, signs and equipment for Restaurant premises, procedures and recipes for preparing food and beverage products, inventory, operations, and financial control methods, initial and ongoing management training and teaching techniques, and advertising and promotional services and assistance.

Each franchise arrangement usually consists of two parts: a development agreement (“Development Agreement”) which requires you to open and operate at least one Restaurant pursuant to an initial development schedule and during the remaining term of the Development Agreement, and allows you to open and operate more Restaurants in the Territory, if needed; and separate franchise agreements (“Franchise Agreement(s)”) between you and us for your operation of each Restaurant, although franchise arrangements occasionally consist of only a Franchise Agreement and do not grant a Territory. The Franchise Agreement names the location of the Restaurant and tells you your rights and obligations for that Restaurant. The Development Agreement and each Franchise Agreement will be between you and us, and if you are a corporation, all or some of your shareholders; and if you are a partnership, some or all your partners. Those people who sign as your shareholders or partners and who guarantee your financial obligations to us under a Development Agreement and Franchise Agreement are “Principal Shareholders.”

Although the Agreements attached as Exhibits E and F assume that you are a corporate franchisee, we do consider other types of business entities (for example, general or limited partnerships and limited liability companies) which meet the requirements for franchisees described in the Agreements. In those cases, you must execute amendments to the Development Agreement and Franchise Agreement that conform those Agreements to your form of business structure. A sample form amendment is attached to the Development

Agreement included as Exhibit E to the Disclosure Document and a sample form amendment is attached to the Franchise Agreement included as Exhibit F to this Disclosure Document.

We intend to use and file, if and as appropriate, a separate franchise disclosure document to offer franchises for Applebee's full-service Restaurants and new Applebee's concepts for fast-casual and/or quick-service Restaurants to be located at another primary business or in conjunction with other businesses or at institutional settings such as schools, colleges and universities, military and other governmental facilities, hospitals, airports, travel plazas, casinos, stadiums, and any other site, venue or location operated by a master concessionaire or contract food service provider (a "Non-Traditional Venue"). The terms of such an offering may differ materially from the terms described in this Disclosure Document. Applebee's is also developing and testing a new co-branded concept for restaurants in Traditional Venues and Non-Traditional Venues that operate under both the IHOP and Applebee's names in one location ("Dual Branded Restaurants", and as used in this Disclosure Document, also a Restaurant or Applebee's Restaurant). Dual Branded Restaurants feature full table service (except in some Non-Traditional Venues) and offer a different, combined menu of certain IHOP and Applebee's menu items as well as certain items that are uniquely available at Dual Branded Restaurants. Dual Branded Restaurants will also face competition from other national and local restaurants that provide similar food, beverages and services as IHOP restaurants. At this time, this concept is only being tested with franchisees on a limited basis for restaurants that meet certain qualifications. Franchisees will be required to sign both an IHOP Franchise Agreement and an Applebee's Franchise Agreement along with separate addendums to those respective Franchise Agreements.

Competition and Market: The Restaurants compete with other national and local restaurants which provide similar food, beverages and services to the general public. In addition, the Restaurants may compete with ghost kitchens and virtual brands. Your direct competitors will include other restaurants, ghost kitchens and virtual brands in the area of your Restaurant. We believe, however, that the Restaurants have particular appeal because of their distinctive atmosphere and high quality food. Each of the Restaurants is designed as an attractive, friendly "neighborhood establishment" in a fun, casual setting. We believe that a comfortable, warm atmosphere combined with fast service, good value, convenient locations associated with traditional fast service Restaurants and a wider variety of menu items (including alcoholic beverages) appeals to all ages and encourages regular patronage by both families and adult groups.

Specific Industry Regulation: In addition to the laws, regulations and ordinances applicable to businesses generally, such as the Americans with Disabilities Act, federal and state wage and hour laws, and the Occupational Safety and Health Act, you should consider that certain aspects of the Restaurant and related bar business are heavily regulated by federal, state and local laws, rules and ordinances. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, as well as state and local departments of health and other agencies have laws and regulations concerning the preparation of food and sanitary conditions of Restaurant facilities. State and local agencies routinely conduct inspections for compliance with these requirements. Under the Clean Air Act and state implementing laws, certain state and local areas must attain, by the applicable statutory guidelines, the national air quality standards for ozone, carbon monoxide and particulate matters. Certain provisions of those laws impose caps on emissions resulting from commercial food preparation. You must also comply with laws generally applicable to restaurant businesses, including laws relating to compensation of employees (including minimum wage and overtime requirements), accessibility for persons with disabilities, sales and use tax, food health and safety, and emergency orders related to public health or safety (such as mandatory shut-down orders in response to COVID-19).

To operate the Restaurant, you must obtain a liquor license, unless the service of all types of alcohol is prohibited by law. State and local laws, regulations and ordinances vary significantly in the procedures, difficulty and cost to obtain a license to sell liquor, the restrictions placed on how liquor may be sold, and the potential liability dram shop laws impose involving injuries, directly and indirectly, related to the sale of liquor and its consumption. You must understand and comply with those laws in operating the Restaurant.

ITEM 2

BUSINESS EXPERIENCE

John Peyton—Board of Managers, Applebee's, Chief Executive Officer, Dine Brands, President, Applebee's:

Mr. Peyton was appointed as Chief Executive Officer of Dine Brands effective January 4, 2021, and appointed as Interim President, Applebee's effective March 4, 2025. He was appointed to Applebee's Board of Managers effective June 30, 2021. From October 2016 until November 2020, he served as President and Chief Executive Officer of Realogy Franchise Group LLC in Madison, New Jersey. Prior to October 2016, Mr. Peyton spent 17 years with Starwood Hotels and Resorts Worldwide in Stamford, Connecticut, holding various positions including Chief Marketing Officer, Senior Vice President of Global Operations and Chief Operations Officer, North America Hotel Division, among others.

Vance Chang – Board of Managers, Applebee's, Chief Financial Officer, Applebee's and Dine Brands:

Mr. Chang was appointed as Chief Financial Officer of Applebee's and Dine Brands effective June 14, 2021 and was appointed to Applebee's Board of Managers effective June 30, 2021. From November 2019 to June 2021, he served as the Chief Financial Officer of Exer Urgent Care in El Segundo, California. From April 2016 to November 2019, he served as the Chief Financial Officer for YogaWorks in Culver City, California. From August 2013 to April 2016, he served as Head of Corporate Finance for Pressed Juicery in Santa Monica, California.

Jay Wong – Chief Operations Officer, Applebee's:

Mr. Wong has served as Chief Operations Officer, Applebee's since September 2025. From November 2023 to August 2024, Mr. Wong served as President, Resorts and Leisure, Great Gulf Group located in Toronto, Ontario, Canada. From October 2018 to June 2023, he was Executive Vice President, Operations and Member Experience for Exclusive Resorts in Denver, Colorado.

Michelle Chin – Chief Marketing Officer, Applebee's:

Ms. Chin has served as Chief Marketing Officer of Applebee's since September 2025. From February 2025 to September 2025, Ms. Chin served as Vice President & General Manager, Starbucks Global Reserve & Roastery in Seattle, Washington. From February 2021 to January 2025, she served as Vice President & Regional CMO, Starbucks EMEA in London, United Kingdom. From September 2016 to January 2021, she held various senior leadership roles at Starbucks in Seattle, Washington.

Christine K. Son – Board of Managers and Senior Vice President, Legal, General Counsel and Secretary:

Ms. Son has served as Senior Vice President, Legal, General Counsel and Secretary and was appointed to Applebee's Board of Managers effective April 23, 2021. Ms. Son joined Dine Brands in 2011, and has served as Vice President, Deputy General Counsel and Assistant Secretary of Dine Brands since 2019 and as Vice President, Associate General Counsel from 2014 to 2019.

Chris Padilla – Acting Chief Information Officer, Dine Brands:

Mr. Padilla was appointed Acting Chief Information Officer of Dine Brands in November 2025, having previously served as Vice President of Brand Technology from May 2023 through November 2025. From 2017 to 2023, Mr. Padilla served as Vice President of Product Management at Anywhere Real Estate (formerly Realogy), in Madison, New Jersey.

Jacob A Barden – Senior Vice President, Development, Dine Brands:

Mr. Barden has served as Senior Vice President of Development, Dine Brands since January 2024. Mr. Barden joined IHOP in August of 2021 and served as Vice President, Development of IHOP from August 2021 until January of 2024. From August 2020 until August 2021, he was Area Franchise Lead for Restaurant Brands International located in Miami, Florida. From September 2016 until August 2020, he was Director, Franchise Development, for Intercontinental Hotel Group located in Atlanta, Georgia.

Francis “Bill” William O’Keefe – Vice President, Construction, Dine Brands:

Mr. O’Keefe has served as Vice President, Construction of Dine Brands since January 2024. From September 2010 until January 2024, he was Executive Director, Development for IHOP.

Allen Shinbashi – Vice President, Quality Assurance and Risk Management, Dine Brands:

Mr. Shinbashi has served as Vice President, Quality Assurance and Risk Management of Dine Brands since January 2025. From June 2022 until January 2025, Mr. Shinbashi was Executive Director of Risk Management for Dine Brands. From June 2021 to June 2022, Mr. Shinbashi was with ATI Restoration located in Anaheim, California as a Senior Director of Risk Management, Operations, and Acquisitions. From June 2016 to June 2021, Mr. Shinbashi served as a Contract and Risk Manager for Irvine Ranch Water District in Irvine, California.

Bernard J. Angelo – Independent Manager:

Mr. Angelo has served as Independent Manager for Applebee’s since July 2014. Since July 2014, Mr. Angelo has also served as Independent Manager for IHOP Franchisor LLC. Since April 1997, Mr. Angelo has served as Senior Vice President and Director of Global Securitization Services, LLC, located in Melville, New York.

Kevin P. Burns – Independent Manager:

Mr. Burns has served as Independent Manager for Applebee’s since July 2014. Since July 2014, Mr. Burns has also served as Independent Manager for IHOP Franchisor LLC. Since December 1996, Mr. Burns has served as President and Director of Global Securitization Services, LLC, located in Melville, New York.

ITEM 3 LITIGATION

Pending Litigation:

Apple Central KC, LLC v. Applebee’s Franchisor LLC (United States Bankruptcy Court for the District of Kansas), Adversary Proceeding No. 25-06002. On January 13, 2025, with its Chapter 11 bankruptcy proceeding, franchisee Apple Central KC, LLC filed this adversary proceeding against Applebee’s and asserted claims for breach of contract and breach of the implied covenant of good faith and fair dealing. This matter relates to the proceeding noted above in *Applebee’s Franchisor LLC v. William J. Georgas*, and the matter is ongoing.

Applebee’s Franchisor LLC v. Mountain Apple, LLC (United States District Court for the District of Kansas), Case No. 24-cv-02285-KHV-ADM. On July 1, 2024, Applebee’s filed this action against four former franchisees and their guarantors asserting claims for breach of contract related to the franchisees’ alleged

failure to pay royalties and other fees. The matter has been administratively closed and is stayed following the filing of a notice of the franchisees' bankruptcy.

Concluded Actions:

Applebee's Franchisor LLC v. William J. Georgas, et al. (United States District Court for the District of Kansas), Case No. 24-2497-HLT-BGS and related matter, Apple Central KC, LLC v. Applebee's Franchisor LLC (United States Bankruptcy Court for the District of Kansas), Adversary Proceeding No. 25-06002. On October 30, 2024, Applebee's filed a federal court action and asserted claims for breach of contract related to the improper and unauthorized closure of restaurants and default under other agreements. The defendants are certain guarantors-principal shareholders of an Applebee's franchisee. On January 13, 2025, with its Chapter 11 bankruptcy proceeding, franchisee Apple Central KC, LLC filed an adversary bankruptcy proceeding against Applebee's and asserted claims for breach of contract and breach of the implied covenant of good faith and fair dealing. On December 2, 2025, the parties entered into a settlement agreement whereby Applebee's was paid \$4,000,000 and the lawsuit and bankruptcy proceedings were dismissed.

Vampire Family Brands, LLC v. Applebee's Restaurants, LLC, et al. (United States District Court for the Central District of California), Case No. 2:19-cv-9222. On October 27, 2019, Plaintiff filed a complaint against six current and former franchisees, and Applebee's, alleging claims for trademark infringement, unfair competition, and dilution/tarnishment. Plaintiff alleges that Applebee's "\$1Vampire" drink and Dracula's Juice drink infringed on various trademarks owned by Plaintiff. On April 8, 2021, the matter settled for \$320,000 to be paid to Plaintiff.

Himelda Mendez v. Applebee's Restaurants LLC (United States District Court for the Southern District of New York), Case No. 1:19-cv-9861. On October 24, 2019, Himelda Mendez filed a class action complaint against Applebee's, alleging that Applebee's failed to include Braille on its gift cards, in violation of the ADA and New York disability access laws. The matter settled for \$7,000 and was dismissed on July 29, 2020.

Heartland Consumer Products, LLC, et al. v. DineEquity, Inc., et al. (United States District Court for the Southern District of Indiana), Case No. 1:17-cv-01035-SEB-TAB. On April 3, 2017, Heartland Consumer Products LLC and TC Heartland LLC, the manufacturer of a sucralose-based sugar substitute branded as Splenda, filed suit against DineEquity, Inc. and its affiliates ("DineEquity"). The complaint alleged that DineEquity infringed upon Heartland's alleged trademark rights in Splenda. The complaint asserted claims for trademark infringement, false designation of origin, unfair competition, and trademark dilution. On September 26, 2018, the parties reached a settlement, wherein DineEquity agreed to allow the Plaintiff's tabletop sweeteners to be the exclusive tabletop sweeteners in the system.

Applebee's Restaurants LLC, et al. v. Michael D. Olander Sr. (United District Court for the District of Kansas), Case No. 2:17-cv-02650-DDC-JPO. On November 9, 2017, Applebee's filed this collection action. Opposing party was a principal shareholder of an Applebee's franchisee. On December 17, 2018, Applebee's filed a notice of dismissal with prejudice.

Applebee's Restaurants, LLC, et al. v. RMH Franchise Corporation, et al. (United States District Court for the District of Kansas), Case No. 2:18-cv-02226-JAR-TJJ, and RMH Franchise Holdings, Inc., (United States Bankruptcy Court for the District of Delaware), Case No. 18-11092-BLS. On May 8, 2018, franchisor filed suit alleging claims for, among other things, termination of the franchise agreement, nonpayment of royalties, advertising fees, and other amounts due under the franchise agreement. Also, on May 8, 2018, franchisee filed for Chapter 11 bankruptcy protection. Both parties initiated adversarial proceedings within the bankruptcy wherein franchisee challenged the termination of their franchise agreements and alleged other claims including breach of contract and tortious interference with business relationships. On December 11, 2018, the parties reached a settlement wherein franchisor agreed to support franchisee's reorganization and

franchisee paid past due royalties and advertising fees, as well as unsecured claims for damages, for a total of \$14,255,326.

Candice Watkins v. DineEquity, Inc. et.al. (Superior Court New Jersey, Camden County, Case No. L-5406-11). On or about October 31, 2011, named plaintiff Candice Watkins filed a class action lawsuit on behalf of herself and all others similarly situated alleging that Applebee's Restaurants in New Jersey violate the state's Consumer Fraud Act and Truth in Consumer Contract Warranty and Notice Act by not disclosing beverage prices on the menus. Defendants removed the case from state court to federal court on or about December 9, 2011. On or about March 12, 2012, plaintiff amended her complaint and alleged only the claim for Truth in Consumer Contract Warranty and Notice Act. The court granted Defendants' motion to dismiss on August 29, 2012, but gave plaintiff an opportunity to amend the complaint. Defendants filed another motion to dismiss the complaint, which was granted with prejudice on January 30, 2013. Plaintiff filed a Notice of Appeal on February 6, 2013, which was heard on November 7, 2013. On November 7, 2014, the Third Circuit affirmed the dismissal of the case.

No other litigation or other actions are required to be disclosed in this Item 3.

ITEM 4 BANKRUPTCY

Vance Chang is the Chief Financial Officer of Applebee's Franchisor LLC and Dine Brands. Prior to this role he was the Chief Financial Officer of YogaWorks, Inc. Mr. Chang left YogaWorks in November of 2019. On October 14, 2020, YogaWorks filed for Chapter 11 bankruptcy in the United States Bankruptcy Court for the District of Delaware due to COVID-19-related business pressures. YogaWorks has its principal place of business at 2215 Main Street, Santa Monica, CA 90405.

ITEM 5 INITIAL FEES

Applicant's Fee. You may be required to pay a nonrefundable applicant's fee of \$15,000. The applicant's fee may be waived or reduced if the applicant is an existing System franchisee or Restaurant operator.

Franchise Fee Deposit. At the time you sign a Development Agreement, you must pay us a deposit on the franchise fees to be incurred under the Development Agreement. The franchise fee deposit amount required equals \$10,000 for each of the Restaurants you will develop during the "initial development periods." We allocate the franchise fee deposit equally toward the \$35,000 franchise fee due for each Restaurant you open during the initial development periods of the Development Agreement, provided you open such Restaurants on a timely basis. (Development Agreement, Section 4.1)

Initial Franchise Fee. You must pay an initial franchise fee of \$35,000 for each Restaurant you open during the initial development periods of the Development Agreement. If you enter into a Franchise Agreement for a Dual Branded Restaurant, you must pay an initial franchise fee of \$35,000. As noted above, we allocate the franchise fee deposit equally toward the \$35,000 initial franchise fee due for each Restaurant you open during the initial development periods of the Development Agreement, provided you open such Restaurants on a timely basis. If there is a transfer of one or more Restaurants between one franchisee to another franchisee, we may reduce, defer, and/or waive the initial franchise fee when the selling franchisee has a term left on its existing franchise agreement(s), including if the Restaurant(s) are Dual Branded Restaurants, although we may require payment of transfer fees. The initial franchise fee for each Restaurant opened during a subsequent development period of the Development Agreement will equal the standard Restaurant initial

franchise fee in effect at the time the respective Franchise Agreement is issued. You must pay the balance of the initial franchise fee for each of the Restaurants as follows: one-half when you sign the Franchise Agreement for the Restaurant and the remaining balance 14 days before you are scheduled to open the Restaurant.

Range and Timing of Payment of Initial Fees. During the fiscal year ended December 28, 2025, we did not charge any applicant's fees. During such fiscal year, the initial franchise fees paid by franchisees pursuant to franchise agreements did not vary from the standard initial franchise fees mentioned above; except that due to circumstances unique to certain locations, we charged initial franchise fees ranging from \$0 to \$50,000.

Except as stated above, the initial fees are the same for all franchisees subject to this offering and are nonrefundable.

ITEM 6 OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	4% of Gross Sales. This percentage can be increased by us.	Payable monthly on the 12th day of the next month.	"Gross Sales" includes all revenues from the Restaurant. "Gross Sales" does not include sales or use tax. ^{(1) (2) (12)}
Advertising (National Advertising Fund)	Currently, 4.25% of total Gross Sales. This percentage can be increased or decreased by us at any time.	Same as Royalty.	^{(1) (3) (4)}
Local Advertising	There is currently no required local advertising fee through December 31, 2026.		We can require that you form (whether individually or with another franchisee(s) in the same market) an advertising cooperative for a market to cooperatively spend the local advertising fee noted above. We have no vote in these cooperatives. ⁽⁵⁾
Applebee's POS Software License and Maintenance Fee	An annual A1 maintenance fee between \$850 to \$1,000 per Restaurant is currently charged for those Restaurants using the A1 POS. Annual Toast software and maintenance fee of \$3,750 to \$5,000 per Restaurant is currently charged for those Restaurants using the Toast POS.	30 days after billing.	We currently require you to install the hardware and software necessary for Applebee's Point-of-Sale ("POS") system. For those Restaurants using the Toast POS, the hardware, installation, maintenance and operating system must be purchased from Toast. Hardware and operating systems must be Payment Card Industry (PCI) compliant. ^{(1) (7) (9)} This fee is paid in exchange for the right to receive all software upgrades to the A1POS and A1Cards software components, Toast annual software and maintenance fees provide access to Toast Web, the use of their software to run your restaurants. ^{(1) (7) (9)}

Type of Fee	Amount	Due Date	Remarks
A1 POS Server Tablet Maintenance Fee	An annual maintenance fee of up to \$500 per Restaurant if server tablets are deployed (regardless of the number of tablets in the Restaurant) for those Restaurants using the A1 POS.	30 days after billing.	Server tablets are currently optional for those using A1 POS. ⁽¹⁾
Toast POS Hardware	\$9,500 – \$13,500 per Restaurant for those Restaurants using the Toast POS	On demand.	We currently require you to install the hardware and software necessary for Applebee’s Point-of-Sale (“POS”) system. For those Restaurants using the Toast POS, the hardware, installation, maintenance and operating system must be purchased from Toast. Hardware and operating systems must be Payment Card Industry (PCI) compliant. ⁽¹⁾⁽⁷⁾⁽⁹⁾
Implementation Fees and NRO Technology Implementation Fee	\$800 to \$3500.	On demand.	These fees relate to deployment and support for hardware and software upgrades, as well as other products relating to supporting the deployment of technology in connection with a new Restaurant opening. ⁽¹⁾
Menu Management Platform Fee	\$90 to \$180 per month per Restaurant.	30 days after billing.	This fee relates to providing menu management capabilities including integrations to other digital platforms, A1POS and Toast. This fee is currently optional but may be required in the future. ⁽¹⁾
Customer Relationship Management (“CRM”) Fee	\$125 to \$250 per month per Restaurant.	On demand.	This fee is presently funded by the Applebee’s NAF.
Compliance Audit Fee and Interest	Interest on unpaid fees (royalty and advertising fees) plus audit costs.	30 days after billing.	Interest is due on any unpaid fees (royalty and advertising fees). Compliance audit fee payable if audit shows an understatement of at least 3% of Gross Sales for any month. ⁽¹⁾
Creative Services Graphic Design Jobs	\$75 per hour.	30 days after billing.	Payable if you request us or an affiliate to customize local advertising. ⁽¹⁾
De-identification After Termination	Reimbursement of our costs.	On demand.	Payable if the Franchise Agreement has ended or has been terminated and you do not remove the trade name, decor items, or repaint, and we incur the costs to properly de-identify your Restaurant. ⁽¹⁾
Franchise Technology Support (Help Desk)	Annual subscription costs currently range from \$1,995-\$2,300 per Restaurant, based on actual	30 days after billing.	Support services must be provided by us, our affiliate or an approved supplier. Project

Type of Fee	Amount	Due Date	Remarks
	products supported. For non-subscribers, the pay per incident fee currently ranges from \$425 to \$500. Additional services, such as network consulting, technology rollouts, and menu and software configuration, are available for additional project fees.		fees are determined based on effort and duration of the specific request. ⁽¹⁾
Payment Protection Fee	\$150 to \$500 per month.	Not currently required, but when implemented, upon demand.	These fees relate to services to reduce credit card chargebacks and payment fraud. These would be paid to us or directly to our suppliers.
Digital Products Service Fee	\$21 - \$100 per month.	30 days after billing (billed annually)	We currently require guest payment and ordering from their own device. The current fees reflect software as a service pricing but we may charge you transaction pricing in the future. ⁽¹⁾
Guest Relations Chargeback	Reimbursement of our costs.	30 days after billing.	⁽⁸⁾
Independent Audit Fee	Reimbursement of our costs.	30 days after billing.	Payable if you fail to give us annually a balance sheet and profit & loss statement and we incur any costs to have your financial books audited. ⁽¹⁾
Indemnification	Reimbursement of insurance cost and any fees.	30 days after billing.	Payable if we have costs for third party claims (including attorneys' fees) from the operation or condition of your Restaurant. ⁽¹⁾
Insurance	Cost of insurance and any late fee.	As per insurance policy terms and conditions.	Payable if you fail to insure your Restaurant and we obtain and incur the cost for an insurance policy on your behalf. ⁽¹⁾
Late Fee	Up to 18% interest or highest rate allowed by law.	Immediately.	Payable if royalty or advertising fee or other amounts due to us are not paid on time. ⁽¹⁾
National Gift Card Program Charges	Currently, 10.55% of the redeemed portion of gift cards sold in the national gift card program, but the amount may increase or decrease on an annual basis.	Cost is recovered as part of the periodic electronic settlement process for sales and redemptions of gift cards.	Permits us or our affiliate to recover cost incurred to operate the national gift card program (i.e., gift cards sold through channels other than the Restaurant). ^{(1) (6) (11)}
Personal Property Removal Fee	Reimbursement of our costs.	30 days after billing.	Payable if you lease your Restaurant site, your Franchise Agreement has ended or has been terminated, you fail to remove your personal property, and we take over the Restaurant site, do not buy the personal property, and we pay to remove the personal property. ⁽¹⁾
Renewal of Franchise Agreement	For each five-year renewal period, 10% of the initial franchise fee at	On expiration of the Franchise Agreement	If you are in compliance (Franchise Agreement Section

Type of Fee	Amount	Due Date	Remarks
	the time of renewal (currently \$3,500). In the case of renewals for other than a five-year period, this fee may be adjusted at our discretion.	after its initial 20-year term.	1.3), you may renew the Franchise Agreement for four five-year terms at 10% of the then-current initial franchise fee for each renewal period. In special circumstances, renewals for other than a five-year period may be granted at our discretion. ⁽¹⁾
Site Development	\$150-\$450.	30 days after billing.	Required demographics package (\$150 per site); Site Processing Fee (\$300 per site) ^{(1) (10)}
Supplier/ Distributor Approval	Costs of sample testing plus other incurred costs, such as facility inspection.	30 days after billing.	Payable if you want us to approve a new supplier, and we require a test of the supplier's products and/or inspection of the supplier/distributor. Our testing may include sensory panels, audits, consumer panels, and nutritional testing. ⁽¹⁾
Transfer Fee	\$2,500 per Restaurant.	Before the closing of the transfer.	Payable when you transfer ownership of your Restaurant(s) or there is any Transfer of any Interest (as such terms are defined in the Franchise Agreement). ⁽¹⁾
Unsuccessful Party Legal Fees	Amount of fees.	On demand.	Payable if you are the unsuccessful party in a lawsuit with us. In this case, you pay our expenses and legal fees. ⁽¹⁾
Food Safety Evaluation Reaudit Fee	\$0 to \$1,200.	On demand.	See Note (13)

Notes:

(1) Fee is payable to us or one of our affiliates and is non-refundable. These payments will be made by electronic funds transfer (EFT). Unless otherwise stated, all Fees are uniformly applied to new System franchisees; we may modify or change some or all these fees for a particular Franchisee if, in our sole discretion, we decide it is appropriate to do so.

(2) "Gross Sales," as used in this Disclosure Document, shall mean all receipts (cash, cash equivalents or credit) or revenues from sales from all business conducted upon or from the Restaurant premises, whether evidenced by check, cash, credit, debit card, charge account, exchange or otherwise, including, but not limited to, amounts received from the sale of goods, wares and merchandise (including sales of food, beverages and tangible property of every kind and nature, promotional or otherwise), from all services performed from or at the Restaurant premises, and from all orders taken or received at the Restaurant premises, regardless of where such orders are filled (including any payments received from the sale of meals to employees). Gross Sales shall not be reduced by any deductions for cash shortages incurred in connection with the transaction of business with customers, credit card company charges or theft which is reimbursed by insurance or is not reported to the appropriate police authorities. Each charge or sale upon installment or credit shall be treated as a sale for the full price in the month during which such charge or sale shall be first made, irrespective of the time when you shall receive payment (whether full or partial) therefor. Gross Sales shall not include: (i) the sale of merchandise for which cash has been refunded or, except as provided in the second sentence of this footnote, not received, or allowances made for merchandise, if the sales of any such returned or exchanged merchandise shall have been previously included in Gross Sales; (ii) the amount of any sales tax imposed by any federal, state, municipal or other governmental authority directly on sales and intended to be collected from customers, provided that the amount thereof is added to the selling price and actually paid by you to such governmental authority; (iii) the sale of merchandise for

which a gift card is redeemed, if the initial sale of the gift card shall have been previously included in Gross Sales; (iv) the sale of waste products of the Restaurant; (v) telephone, game and vending machine revenues; (vi) the sale of non-food items or beverages at a discount in connection with a promotional campaign; (vii) one-time sale of furniture, fixtures or equipment; (viii) theft which is not covered by insurance and is reported to the appropriate police authorities; and (ix) delivery fees imposed in connection with dispatch services provided by Olo, Inc. In addition, we may, from time to time, in writing, permit or allow certain other items to be excluded from Gross Sales. Any such permission or allowance may be revoked or withdrawn at our discretion. The Royalty rate may be subject to temporary reduction in connection with certain incentive programs. We also reserve the right in our discretion to reduce or eliminate the Royalty in other circumstances.

(3) The current required contribution of 4.25% of total Gross Sales to the Applebee's national advertising fund (the "Applebee's NAF") is effective through December 31, 2026. Commencing on January 1, 2027, you will be required to contribute 3.25% of total Gross Sales to the Applebee's NAF, subject to future agreed upon increases.

(4) After you sign a Franchise Agreement, we can increase or decrease the prospective monthly advertising fees for the Restaurant covered by that Franchise Agreement, including both those to be paid to us (which we can increase to a maximum of 4.25% of gross sales and the funds paid pursuant to any such increase shall be used by us for specified purposes) as well as those which the Franchise Agreement requires you to spend for local advertising activities, but the total of those fees cannot exceed 5% of your Gross Sales.

(5) There is currently no required local advertising fee through December 31, 2026. Commencing on January 1, 2027, you will be required to spend a minimum dollar amount equal to 0.5% of total Gross Sales for local promotional activities. Any amounts paid to an advertising cooperative will reduce the amount required to be spent on local advertising on a dollar for dollar basis.

(6) You must participate in our Gift Card Program (unless otherwise approved in writing by us). As part of this, you must sign a Gift Card Participation Agreement in form and substance approved by us.

(7) We require you to use our approved POS system that will provide the Restaurant with basic guest order entry and tracking, guest check printing, credit and gift card processing, sales accounting and labor management tools, and that will permit us to gather information concerning the Restaurant's operation and aggregate System-wide performance.

(8) If we receive a complaint relating to an experience at your Restaurant, we will inform you of the complaint. We will contact the guest approximately four business days after receiving the complaint to determine if it has been resolved. If it has not been resolved, we reserve the right to compensate the guest as we determine appropriate and you must reimburse us for an amount equal to the value of the compensation provided.

(9) This describes our current POS system and provider; however, we may, from time to time, evaluate and approve other systems and/or vendors as our POS provider. We have started to transition Applebee's Restaurants to a new POS system, Toast. We reserve the right to increase these fees in accordance with the AIPOS Agreement or an agreement with another approved POS provider.

(10) This describes our current site development costs. We reserve the right in our discretion to modify these costs in certain circumstances.

(11) On or around April 2026, a new percentage will be communicated by us to franchisees, which is anticipated to be between 10% and 11%.

(12) [Reserved.]

(13) If your Restaurant fails a routine food safety evaluation ("FSE"), it will receive an automatic unannounced FSE reaudit prior to the next routine FSE. You will be billed (either by us or the third party) and must promptly pay the approximately \$300 cost of the reaudit, which amount is subject to change from time to time. If your Restaurant fails the FSE reaudit, additional FSE reaudits will be conducted at your sole cost and expense until your Restaurant passes. If you have any unpaid FSE reaudit invoices, all pending reaudits for the franchisee may be put on hold. The \$1,200 figure represents a Restaurant that requires 4 FSE reaudits but note that you must pay for the costs of all reaudits until your Restaurant passes unless otherwise agreed to in writing by us. See Item 8 for details.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure ⁽²⁷⁾ ⁽²⁸⁾		Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Organizational and Training Expenses (incorporation, legal and accounting fees, training, site location and miscellaneous expenses)		\$75,000 - \$82,688	Varies based on supplier and expense type	As Incurred	Employees; Suppliers; Airlines; Hotels
Purchase of Land ⁽¹⁾		See Note 1	As arranged	As arranged	Third Parties
Building Costs (purchase, construction, remodeling, etc.)	Tower II Prototype ⁽²³⁾	\$1,721,592 - \$2,355,863	Varies based on supplier and expense type	As Incurred	Owner of Property; Contractors; Suppliers
	Celebration Prototype (2025; New Prototype Not Yet Built) ⁽²⁵⁾	\$1,453,120 - \$1,961,712			
Site Work	Tower II Prototype ⁽²³⁾	\$168,274 - \$230,269	As required by suppliers	As Incurred	Contractors; Suppliers
	Celebration Prototype (2025; New Prototype Not Yet Built) ⁽²⁵⁾	\$129,918 - \$177,783			
Professional Services	Tower II Prototype ⁽²³⁾	\$123,725 - \$143,261	As required by suppliers	As Incurred	Architects; contractors
	Celebration Prototype (2025; New Prototype Not Yet Built) ⁽²⁵⁾	\$97,820 - \$133,858			
Permits/Fees (See below for Liquor License)		\$26,000 - \$28,900	Varies based on supplier and expense type	As Incurred	City/State Government
Furniture, Fixtures, Equipment and Signage ⁽²⁾	Tower II Prototype ⁽²³⁾	\$1,220,400 - \$1,348,864	As required by suppliers	As Incurred	Suppliers; Distributors
	Celebration Prototype (2025; New Prototype Not Yet Built) ⁽²⁵⁾	\$873,348 - \$960,683			
POS System (Applebee's) ⁽³⁾		\$12,000 - \$25,000	As required by us or suppliers	As Incurred	Suppliers; Us or our affiliates
POS System (Dual Branded Restaurants) ⁽³⁾		\$30,000 - \$60,000	As required by us or suppliers	As Incurred	Suppliers; Us or our affiliates
POS System License Fees ⁽⁴⁾		\$850 - \$4,000	As required by suppliers	Annually	Suppliers
Kitchen Display System ⁽⁵⁾		\$2,500 - \$5,000	As required by suppliers	As Incurred	Suppliers

Type of Expenditure ⁽²⁷⁾ ⁽²⁸⁾	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Smallwares (dishes, silverware, other utensils, etc.)	\$39,779 - \$43,966	As required by suppliers	As Incurred	Suppliers; Distributors
Initial Inventory	\$25,500 - \$28,000	As required by suppliers	Before Opening	Suppliers; Distributors
Pre-Opening Expenses (insurance, legal, accounting, personnel and training expenses)	\$15,000 - \$100,000	Varies based on supplier and expense type	As Incurred	Employees; Suppliers; Utilities
Applicant's Fee	\$0 - \$15,000	As required by us	Before Opening	Us
Franchise Fee Deposit	\$0 - \$10,000	As required by us	⁽⁶⁾	Us
Initial Franchise Fee	\$35,000 (if Franchise Fee Deposit paid, then less \$10,000, for a total of \$25,000)	Two equal installments	⁽⁶⁾ ⁽⁷⁾	Us
Initial Advertising Expense ⁽⁸⁾	\$5,000 - \$10,000 ⁽⁸⁾	As required by suppliers	As Incurred	Suppliers
Liquor License(s)	\$500 - \$1,000,000 ⁽⁹⁾	Varies based on supplier and expense type	As Incurred	Licensing Authorities; Third Party
Apple Supply Chain Co-op Stock Purchase ⁽¹⁰⁾	\$0 - \$100	Upon subscription (check or money order)	Upon signing the membership subscription agreement	Apple Supply Chain Co-op, Inc.
On-Line Ordering (OLO) ⁽¹¹⁾	\$65 - \$200 per month	As required by suppliers	Monthly	Suppliers
Europay, Mastercard, and Visa ("EMV") Point to Point Encryption ("P2P") Services ⁽¹²⁾	\$1,350 - \$4,500	As required by suppliers	As Incurred	Suppliers
Wi-Fi Services ⁽¹³⁾	\$100 - \$450 per month	As required by suppliers	Monthly	Suppliers
Wi-Fi Equipment ⁽¹⁴⁾	\$1,200 - \$3,000	As required by suppliers	As Incurred	Suppliers
Digital Products Service Fee ⁽¹⁵⁾	\$21 - \$100 per month	As required by us or suppliers	30 days after billing (billed annually)	Us or Suppliers
Server Tablet Maintenance Fee for A1 POS ⁽¹⁶⁾	\$500 per year	As required by us	30 days after billing	Us
Implementation Fees ⁽¹⁷⁾	\$800 to \$3,500	As required by us	On demand	Us
Menu Management Platform Fee ⁽¹⁸⁾	\$90 - \$180 per month per Restaurant	As required by us	Monthly	Us
Customer Relationship Management ("CRM") Fee ⁽¹⁹⁾	\$0 - \$250 per month	As required by us	On demand	Us or Suppliers
Gateway Processing Fee ⁽²⁰⁾	\$63 per month	As required by suppliers	Monthly	Suppliers
Guest waitlist management ⁽²¹⁾	\$30 - \$150 per month	As required by suppliers	As Incurred	Suppliers
BOH Reporting – Food cost, Labor and business analytics reporting service	\$200 set up per location; \$75-\$400 per month (depending on modules selected)	As required by suppliers	As Incurred	Suppliers

Type of Expenditure ⁽²⁷⁾ ⁽²⁸⁾		Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Gamification ShiftOne		\$45 - \$70 per month	As required by suppliers	As Incurred	Suppliers
To Go Accuracy Printer for A1 POS		\$550 - \$650	As required by suppliers	As Incurred	Suppliers
Campaign/Menu Training ⁽²²⁾		\$1,000 per year	As required by suppliers		
Extra Manuals ⁽²⁴⁾		\$0 - \$250 per set	As required by suppliers	As Incurred	Suppliers
Operating Expenses During First Three Months ⁽²⁶⁾		\$405,000 - \$450,000	Varies based on supplier and expense type	Varies based on supplier and expense type	Employees; Suppliers; Utilities; Us
POS MDM Fee ⁽²⁹⁾		\$50 - \$100 per month	As required by us	Monthly	Us or Suppliers
TOTAL ⁽³⁰⁾	Tower II Prototype ⁽²³⁾	\$3,870,004 - \$5,822,933			
	Celebration Prototype (2025; New Prototype Not Yet Built) ⁽²⁵⁾	\$3,192,516 - \$5,076,178			
	Dual Branded Restaurant Concept ⁽³¹⁾	\$616,682 - \$4,632,445			

Notes:

The preceding table shows our current estimates of the initial investment likely to be required for the development and opening of our newest Restaurant prototype. The low range of the costs in the table for the newest prototype typically reflects our estimate of costs for a 169-seat version. The high range of the costs in the table typically reflects our estimate of costs for a 225-seat version of the newest prototype and also takes into account some add-ons that may increase the investment cost, including enhanced fire alarm systems, pylon signs and costs relating to expanding the Restaurant to accommodate up to 275 seats.

The figures in the table above reflect our estimate of your initial investment from the time you sign a Development Agreement through approximately three months after you open your first Restaurant. The total estimated initial investment includes pro-rated costs and expenses related to on-line ordering, wi-fi services, digital products service fee, server tablet maintenance fee, gateway processing fee, guest waitlist management, campaign/menu training, and training for 3 months. The estimates for construction costs are based on the most recent costs or on the expected costs for franchisees' Restaurants to be opened in 2026. Please note that construction costs have fluctuated greatly (both up and down) in recent years. Your actual investment costs may be higher or lower than these estimates based on many factors, including the following: land and building size, location, and development needs; time for conversion or construction of building; variations in décor packages; equipment specifications; signage; liquor license requirements; number of employees hired and trained; and employee pay structure. In our experience, the market in which you build your Restaurant represents the source of the biggest variation in investment. Please note that the table above does not include amounts to cover your salary or draw or personal expenses. We relied on our experience and the experience of our affiliates and franchisees who provided projected or actual costs of Restaurants to compile this estimate. You should review these figures carefully with your business advisor before deciding to acquire a franchise.

(1) We do not provide an estimate for the cost to acquire real estate on which to construct a new Restaurant or to acquire an existing building to convert. There are significant cost variations for real estate and existing buildings among geographic areas, different sites, and various options for what you may purchase or lease. The cost to purchase land varies because of geographic location. If you do not purchase the land and building for the Restaurant, you will need to lease this property in which case a security deposit may be required. Typical annual rentals, which vary widely

depending on factors like size, location and condition of the leased premises, may range from 4% to over 8% of the Restaurant's Gross Sales per year. Also, you might incur certain construction or remodeling costs for necessary leasehold improvements. Because the Restaurant may be in a strip center, shopping center or a mall, or it may be a free-standing building, costs will vary. Free-standing Restaurant sizes using the newest prototype range, from approximately 4,500 square feet (seating 168) to approximately 5,410 square feet (seating 225), and Restaurants located in strip centers, shopping centers and malls generally require more square footage to achieve the same seating. Certain Restaurants built using the newest prototype may be expanded to seat 225, in which case the size for a free-standing Restaurant would be approximately 5,400 square feet. A free-standing building of approximately 4,961 square feet with needed parking on the site (approximately 85 spaces minimum) requires a piece of land approximately 55,000 square feet in size. A free-standing building of approximately 5,410 square feet with needed parking on the site (approximately 110 spaces minimum) requires a piece of land approximately 60,000 square feet in size.

(2) You may wish to install additional signage which costs approximately \$15,000 to \$30,000 for a monument sign and \$25,000 to \$35,000 for a 35-foot pylon sign. In addition, if you require a security and fire alarm, it will cost approximately \$25,000 to \$30,000. Cost may vary by region, as well as engineering and material costs.

(3) You must install the hardware, operating system and software required to equip the Restaurant with a POS that we approve (as described in Item 11). For Applebee's Restaurants, the current approved POS system is A1POS. We have started to transition Applebee's Restaurants to a new POS system, Toast. You must have a secured network in place before operating the system. Typically, you will use five to seven POS workstations or three POS workstations and a sufficient number of server tablets with guest check printers and a KDS consisting of four to five displays. A cash drawer is typically utilized at the bar and at least one Carside workstation. A remote order printer is used at the bar and for backup in the kitchen. Additionally, most Restaurants may use labor scheduling, food cost management and Carside payment technology. A separate desktop PC may be used as the Manager's workstation. Server tablets are currently optional on A1 POS systems, but for all transitions to Toast, they are required. The only approved provider of server tablets is Toast. Amounts noted include eight optional server tablets. We frequently test new technology and service models for use by franchisees. These technologies may require additional costs for installation and supplies. The new technologies, when implemented, will become part of the System. (*See* Item 11 for more information).

(4) These fees relate to software licenses which may be required in connection with the operation of the POS system.

(5) All Restaurants must have a kitchen display system ("KDS") that meets our specifications and is approved by us. The KDS approved by us is specifically designed for meeting the operational and guest experience requirements of the Applebee's brand. We reserve the right to change KDS providers from time to time at our sole discretion. You must at all times use the approved KDS system in your Restaurant.

(6) When you sign the Development Agreement, you may be required to prepay a portion of the total initial franchise fees for the Restaurants we require you to develop during the initial years of the Development Agreement. This amount will vary based on your development obligations during the "initial development periods." If required, the franchise fee deposit will equal \$10,000 per Restaurant. (*See* Item 5.)

(7) Application of a part of the franchise fee deposit described in Footnote (5) reduces the initial franchise fee. (*See* Item 5.) The two installments are due as follows: 50% when you sign the Franchise Agreement and the remaining balance 14 days before you are scheduled to open the Restaurant.

(8) You must conduct an advertising campaign to promote the opening of the Restaurant, and we will reimburse you for 50% of your expenditures for such advertising campaign up to a maximum of \$2,500 if you comply with the requirements described in Section 8.4 of the Franchise Agreement and the Field Marketing Intranet.

(9) The amount necessary to obtain a liquor license varies greatly depending on the city, county and state licensing authority involved, and may be based on whether a license is available from the licensing authority or must be purchased from a third party. In states with large urban areas, such as New York and New Jersey, the cost may range up to \$1,000,000 for a single liquor license.

(10) Membership in the Apple Supply Chain Co-op, Inc. ("Apple Co-op") is voluntary. If you choose to join, this fee must be paid. Payment must be made to Apple Co-op at the address set forth in the Membership Subscription Agreement and not to us. (*See* Item 8 "Purchasing and Distribution Cooperative" for more information.)

(11) You must sign an Authorized Operator Agreement with Olo, Inc. (or another vendor approved by us) for access and use of an approved provider's on-line ordering system in form and substance approved by us. These figures include the estimated cost for services provided by Olo, Inc. and a payment gateway provider related to on-line ordering. You will be required to use dispatch services provided by Olo, Inc. and may include other Olo, Inc. products such as call center and catering.

(12) You must purchase equipment and procure services from an approved payment gateway vendor for credit card processing services. These figures include the estimated cost to purchase the equipment and a monthly fee of \$63 to \$130.

(13) You must have a secure Wi-Fi connection in your Restaurant with sufficient bandwidth, 50/20 download/upload to support restaurant operations and guests' needs. Wi-Fi connection is required in order to utilize Applebee's University and other technology platforms, including server tablets. *See* Item 11 for further details.

(14) You must make a one-time purchase of commercial Wi-Fi hardware that is approved by us.

(15) We may require products from time to time in the future, including without limitation, guest payment and ordering from their own device. The current fees reflect software as a service pricing but we may charge you transaction pricing in the future.

(16) There is an annual maintenance fee of up to \$1,000 per Restaurant if server tablets are deployed (regardless of the number of tablets in the Restaurant). Server tablets are currently optional on A1 POS systems, but for all transitions to Toast, they are required. The only approved provider of server tablets is Toast.

(17) These fees relate to deployment and support for hardware and software upgrades, as well as other products.

(18) This fee relates to providing menu management capabilities including integrations to other digital platforms and POS. This fee is currently optional but may be required in the future.

(19) This fee may be funded by the Applebee's NAF or there could be all or a portion of the fees required to be paid directly by the Franchisee.

(20) This fee covers transaction processing costs to route transactions from the POS to the credit or gift card provider. These fees are in addition to any processing fees charged by your credit card and gift card processors.

(21) Guest waitlist management enables restaurants to seat more guests, more efficiently through a service provided by an approved vendor of Applebee's.

(22) This training is required.

(23) These cost estimates specifically relate to the "Tower II" Restaurant prototype. Restaurants utilizing this prototype were constructed between 2022 and 2024, and this prototype has subsequently been discontinued. We relied on our franchisees who provided actual costs of Restaurants to compile this estimate. Because your Restaurant will not utilize this prototype, your costs will vary.

(24) Payable if you want extra manuals, training materials and other similar documents. We make the first set available to you for free.

(25) These cost estimates specifically relate to the "Celebration" Restaurant prototype. This is the most recent Restaurant prototype that we have developed, but no Restaurants utilizing this prototype have opened to the public. We relied on cost estimates provided by third parties to compile this estimate. Your costs will vary.

(26) This estimates your initial operating expenses for three months of operation. These expenses include working capital, payroll costs, food and liquor costs, utilities, ordinary maintenance, local advertising, royalty fees, advertising fees, telecommunication services, and other expenses normal in operating a Restaurant. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs depend

on factors such as how much you follow our methods and procedures; the area of the country in which you locate your Restaurant; your management skill, experience and business acumen; local economic conditions; the local prevailing wage rate; competition; and sales level reached during the initial period.

(27) None of the payments described in Item 7 are refundable. The total investment necessary to begin operation of an Applebee's Neighborhood Grill & Bar® franchised business ranges from \$616,682 to \$5,822,933, excluding any expenses related to the purchase of real property.

(28) We currently do not offer direct or indirect financing to franchisees for any items. (See Item 10 for more explanation.)

(29) All Applebee's franchisees using New POS are required to use Mobile Device Management ("MDM") on all hardware in the Restaurant. This service is currently provided by New POS vendor, a third-party vendor, but Applebee's reserves the right to evaluate other providers and make changes from time to time.

(30) Please note that the range of total costs does not cover the investment required for the conversion of an existing Restaurant. We expect that costs for such conversion would be lower. For purposes of computing the total estimate of your initial investment from the time you sign a Development Agreement through approximately three months after you open your first Restaurant, the high and low end of the range for monthly fees, as applicable, have been multiplied by three.

(31) These costs for a Dual Branded Restaurant vary significantly depending on whether the Restaurant converts an existing IHOP or Applebee's restaurant or involves the ground up construction of a new Dual Branded Restaurant. This cost is the combined total cost for an IHOP and Applebee's.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to maintain the uniform high standards of appearance, service, and food and beverage quality necessary to retain and enhance the goodwill and acceptance of the Restaurants, you must adhere to our current and future requirements, specifications, approved vendors and standards for the following: form, content and media of any advertising, including the form, quality, appearance and content of any printed menus and POP, websites, mobile apps, or digital menus; the selection, purchase, distribution and preparation of all food and beverage products; all equipment, signs, interior and exterior furnishings or decor items; site acquisition, construction, site work and development, including remodeling criteria; fixtures; uniforms; plateware; glassware; accounting, bookkeeping, and other business systems; POS systems; KDS systems; EMV; digital products; computer hardware and software; gift card program; guest satisfaction surveys; and all other materials, supplies and services we require for the operation of your Restaurants. From time to time, we may require you to participate in national advertising campaigns, subject to applicable laws.

We develop and modify our specifications internally. As part of this process, we may consult with suppliers, professionals or other third parties. Our standards, operating specifications and procedures for developing and operating a Restaurant are communicated to you via the Manuals as described in Item 11. You must obtain our prior written approval to deviate from these standards, specifications or procedures. Certain detailed specifications for equipment, food and other products may only be communicated to suppliers. We will notify you in writing of any modification to our specifications previously disclosed to you.

Except for print, radio and television advertising and site acquisition, you must purchase or lease all the above items necessary to establish and operate your Restaurant from sellers, lessors, distributors or suppliers we approve in writing. We make available to you a list of approved suppliers. We estimate that your cost to purchase and lease all goods and services that we require you to obtain from us or an approved supplier

ranges from 16% to 23% of the total purchases and leases to establish a Restaurant excluding real estate, building and site work, franchise deposit and fee.

As of the date of this Disclosure Document, none of our officers have disclosed any ownership interest in any of our suppliers.

Purchasing and Distribution Cooperative. In 2001, we began a new multi-year supply chain management initiative designed to leverage its size, improve sourcing of products and optimize distribution. Since February 2009, Centralized Supply Chain Services, LLC (“CSCS”), a Delaware limited liability company and a purchasing and distribution cooperative, has been responsible for the procurement and logistics duties of franchised Applebee’s Restaurants and IHOP restaurants. (See “Group Purchasing Program” below.)

Group Purchasing Program. Effective February 16, 2009, we designated CSCS as the sole authorized purchasing agent for all Restaurants. CSCS and Apple Supply Chain Co-Op, Inc. (“Apple Co-op”) are not affiliated with us and are independently operated. However, Applebee’s Services is a stockholder member of the Apple Co-op and is entitled to designate one voting member of the Apple Co-op Board of Directors and one voting member of the CSCS Board of Directors. CSCS administers purchasing programs on a cooperative basis for the benefit of its members, Apple Co-op, as well as Pancake Supply Chain Co-op, Inc. (for IHOP restaurants). Apple Co-op was formed to allow operators of franchise or company-owned Restaurants to conduct a purchasing program through CSCS.

CSCS procures products and services only through suppliers approved by us, with the exception of some optional services programs that are managed directly by CSCS. See “Purchasing and Distribution Cooperative” above for procedures for the approval of suppliers from which CSCS purchases products or services.

The establishment of Apple Co-op is not a guarantee that it will remain in existence; it may be modified or discontinued at any time, in accordance with its Bylaws, which CSCS will provide to you upon request. CSCS was organized in accordance with Delaware law and federal tax laws relating to entities operating on a cooperative basis, to act as a purchasing agent for its members. In accordance with those laws, CSCS intends to distribute substantially all its net income not required for working capital or reserves to its members each year as a “patronage dividend.”

If you choose to become a member of Apple Co-op, you will execute a Membership Subscription Agreement and pay \$100 for one share of Apple Co-op common stock, regardless of how many Restaurants you own. Voting rights are determined in accordance with the Bylaws of Apple Co-op.

Apple Co-op or CSCS may from time to time charge Apple Co-op’s members’ administration fees to fund Apple Co-op and CSCS’s supply chain programs and services. The administrative fees may be collected from suppliers and distributors by adding a fee to specific products and services. Such fees are approved by the Apple Co-op Board of Directors and communicated to all members.

In many cases, we, Applebee’s Services or CSCS have negotiated purchase and distribution agreements with most of our suppliers and distributors to benefit the System through volume discounts. These arrangements sometimes assure you of the price to be charged to any franchisee or might assure that the product or equipment will be available when needed.

At any time, on written request, you (or a prospective supplier/distributor/manufacture) can ask us to approve a supplier/distributor/manufacture. Effective February 16, 2009, such written requests by CSCS’s members must be submitted through CSCS. Before approval or disapproval, we can require that we be allowed to inspect the supplier’s/distributor’s facilities. We can conduct field tests on products and require full production runs. We can also require that samples from the supplier/distributor/manufacture be delivered to

us or to a designated independent testing laboratory for testing. We must notify you within 60 days after receipt if we require additional testing or disapprove your request of a particular supplier/distributor/manufacture. We can re-inspect the facilities of, or retest products of, any approved supplier/distributor/manufacture, and we can rescind our approval if the supplier/distributor/manufacture does not continue to meet our criteria. Approved suppliers/distributors/manufacture and proposed suppliers/distributors/manufacture may be required to bear the costs, which will vary, associated with the inspections, tests and other procedures involved in the approval process.

We currently evaluate potential suppliers and distributors based upon their ability to meet all of our product standards and specifications, their location, cost, adequacy of their quality controls, and capacity and facilities to supply your and other franchisee needs promptly and reliably. We are not obligated to provide a certain number of approved suppliers for any given product or service.

In fiscal 2025, the total revenues received by our affiliates from all products and services required to be purchased by a franchisee, whether from our affiliates or another supplier, was \$2,028,200. This amount represents .23% of our and our affiliates' total revenues of \$879,295,544 in such period.

Gift Cards. In 2002, we introduced a gift card system to replace the paper gift certificate. An approved supplier produces or supplies and processes all gift cards, redemptions and settlements. The process fees are currently about \$0.13 per card. The card production fees vary based on the volume of cards produced and typically range between \$0.11 and \$0.15 for each Restaurant gift card. New franchisees must sign a Gift Card Participation Agreement with ACM Cards, Inc., our affiliate that administers the gift card program, and our third-party supplier of gift card processing services, Stored Value Systems, Inc. (or any future supplier of gift card processing services) in form and substance approved by us. Under the gift card program, franchisees do not make any direct payment to ACM Cards, Inc. for the cards sold in their Restaurants, but will reimburse ACM Cards, Inc. for costs incurred to operate the gift card program, which includes without limitation, gift card production and gift card marketing costs for the national gift card program. (See Item 6.)

Pepsi-Cola. In 2012, Applebee's Services, certain of its affiliates and CSCS entered a multi-year agreement with PepsiCo Sales, Inc. ("Pepsi"), a wholly-owned subsidiary of PepsiCo, Inc., to be the fountain beverage supplier for the System in the U.S. Pepsi contributes an amount per gallon of product sold in Restaurants, depending on the percentage of franchisees that meet an agreed-upon performance level, to an advertising and marketing fund. Each year, the fund proceeds are distributed to franchisees that have signed a participation agreement with Pepsi and met their performance obligations under such participation agreement. New franchisees must sign a participation agreement with Pepsi in form and substance approved by us to supply their fountain beverages.

Guest Information Feedback Tool (GIFT). We have entered an agreement with a vendor to administer a guest experience survey program for franchise Restaurants. All franchisees must participate in the survey program. Applebee's Services paid for the costs of the program in 2025. We reserve the right to require franchisees to pay for all costs of the program in 2026 and after.

Food Safety Evaluation ("FSE"). Restaurant food safety performance is routinely evaluated by an independent third party two times per year. Applebee's Services will pay for the costs of the routine FSE program in 2026 and reserves the right to require franchisees to pay all costs associated with the FSE program in 2027 and after. If a Restaurant fails a routine food safety evaluation, it will receive an automatic unannounced FSE reaudit prior to the next routine FSE. The franchisee will be billed (either by Applebee's Services, its affiliate, or the third party) and must promptly pay the approximately \$300 cost of the reaudit, which amount is subject to change from time to time. If the Restaurant fails the FSE reaudit, additional FSE reaudits will be conducted at the franchisee's sole cost and expense until the Restaurant passes. If a franchisee has any unpaid FSE reaudit invoices, all pending reaudits for the franchisee may be put on hold and passing reaudit scores reverted back to the original failing score.

On-Line Ordering. You must sign an Authorized Operator Agreement for access to and use of an approved provider's on-line ordering system in form and substance approved by us. You will be required to use dispatch services provided by Olo, Inc. and may include other Olo, Inc. products such as call center and catering. See Item 11 for additional information.

Computer Systems. You are required to purchase, install and use an electronic POS cash register system approved by us. You must use an approved computer software program for the Kitchen Display System for Applebee's and Dual Branded Restaurants. We reserve the right to evaluate other providers of POS and KDS and may require the use of different systems. The number of required POS terminals may vary. All Applebee's Restaurants must be compliant with the PCI data security standard.

EMV. We require franchisees to have Europay, Mastercard, and Visa ("EMV") Point to Point Encryption ("P2P") encryption certified solutions for processing payment in the Restaurant. Specifically, we require franchisees to use the approved payment devices purchased through an approved payment gateway vendor and we require franchisees to use the approved payment gateway vendor's EMV processing as part of the credit card gateway solution or any future solution we may implement.

Digital Products. We may require you to purchase digital products from us or a vendor that are brand standard in order to provide a consistent guest experience across our brand. These products may include, without limitation, guest payment and ordering from their own device and others as we determine from time to time. These products may require you to sign one or more agreements with third party providers approved by us. Fees associated with these products may be payable to us or to a third party. We may require other products from time to time in the future.

Except as stated above, neither we nor any of our affiliates are approved suppliers of any required goods or services, and neither we nor any of our affiliates derive material, substantive revenue because of required purchases or leases by franchisees in accordance with specifications or standards required by us, or from suppliers approved by us. At times, certain suppliers provide sponsorship funds that we use to offset expenses for franchise conventions or other events to which our franchisees are invited. At times, members of Apple Co-op may receive patronage dividends with respect to sales through the cooperative and indirect sales through distributors participating with the cooperative.

Restaurant Site Approval. You must obtain our approval of the site for the Restaurant before you acquire the site. We will supply required demographic reports for the current price of \$150, which is subject to change and may be waived in our discretion, and will evaluate the site through our executive review committee. For each proposed site, you must submit to us for our review a preliminary site review package, including a site plan, a map, a survey, a proposed floor plan, relevant statistics and characteristics of the site, and other information regarding the proposed location that we require, at least eight months prior to the expiration of the applicable development period. You must also submit the related contract of sale or lease agreement (and any other information required) in order to obtain our evaluation of relevant provisions and potential approval for the Restaurant. If you lease the premises for a Restaurant, you and the landlord must sign a rider to the lease in substantially the same form as Appendix C to the Development Agreement, subject to the modifications that we make to the form rider occasionally. We require the lease to provide, among other provisions, that the lease term is at least as long as the term of the Franchise Agreement, and that if the applicable Franchise Agreement terminates before the expiration of that term, we have the right to have the lease assigned to us without landlord consent and without the landlord imposing conditions on the assignment or obtaining any payment because of the assignment. Notice to the landlord is required. The lease must also contain other provisions as may be required by our current lease approval policy or required by the terms and conditions of our approval of the site. We will not approve a site for the Restaurant unless we approve the economic terms of the purchase or lease of the site, including the rental rate. You must not make any binding commitment to a prospective seller or landlord of real estate unless we notify you that the site has been

approved and that the lease complies with the requirements described immediately above as well as the other provisions of the Development Agreement and the Franchise Agreement. We will notify you whether the sale or lease agreement complies within 45 days of receiving your request for approval in the form of a complete site submittal package. Failure by us to notify you within the 45-day period constitutes an approval of the sale or lease agreement.

Insurance. Before you open the Restaurant for business, you must obtain the type and amount of insurance coverage for the Restaurant we specify in the Franchise Agreement, the Franchise Insurance Bulletin, and the Manuals, or otherwise in writing. Certificates of insurance evidencing compliance with our requirements must be forwarded to our Risk Management Department before opening of the Restaurant and at the time of each policy renewal. You must obtain and maintain the specified insurance coverage during the term of the Franchise Agreement, without any exclusions unless you have our consent to them, from an A-VII rated carrier or carriers we find acceptable. All the policies must name us (“Applebee’s Franchisor LLC including its parent and our designated subsidiaries and affiliates, and respective officers, directors, members, managers, employees, agent, successors and assigns of Applebee’s Franchisor LLC”) as additional insured (excluding Worker’s Compensation). All policies specified in the Franchise Agreement, the Franchise Insurance Bulletin and in Manuals or otherwise in writing, shall be Primary and Non-contributory to all policies maintained by the Franchisor. We may adjust the minimum limits of liability and other required insurance provisions at any time, even if your Franchise Agreement specifies a different minimum limit. Each insurance policy is subject to review by us and copies of policies must be forwarded to us upon request.

Public Relations & Crisis Communications. You must inform us if and when you retain a local public relations firm and provide us with the identity of that firm. Regardless of whether you have retained a local public relations firm, you must allow us to review and approve, in our sole discretion, all press releases relating to us or our affiliates, the System or Restaurant(s) before their distribution to the media. You must comply with our or Dine Brands’ crisis communication protocol in effect at the time of the crisis. You must alert us to any actual crisis situation (or any potential crisis situation) that develops, regardless of whether you have obtained the assistance of a local public relations firm.

* * *

Other than the contribution by Pepsi described above, no supplier will make payments to us because of the transactions with our franchisees. We and our affiliates reserve the right, however, to accept payments from suppliers in the future and to receive patronage dividends from any cooperatives in which we or our affiliates are members.

Other than as described above, we do not provide any material benefits to franchisees based on their use of approved suppliers. When determining whether to grant new or additional franchises, we consider many factors, including whether you have complied with the requirements described above.

ITEM 9 FRANCHISEE’S OBLIGATIONS

This table lists your principal obligations under the development and franchise agreements 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	Sections 5.1, 5.2, 5.3, 10.2 of Development Agreement; Section 7.3 of Franchise Agreement	Items 7, 8, 11

Obligation	Section in agreement	Disclosure Document Item
b. Pre-opening purchases/leases	Sections 10.2, 10.3 of Development Agreement; Sections 2.1, 3, 5.1, 5.4, 5.5, 5.6, 5.9, 5.10, 5.11, 16.2, 23 of Franchise Agreement	Items 7, 8, 11
c. Site development and other pre-opening requirements	Sections 5.1, 5.2, 5.3, 6, 12.2, 12.4, 12.5 of Development Agreement; Sections 3, 4.2, 5.5, 5.6, 5.10, 5.11, 8.4, 17, 23 of Franchise Agreement	Items 5, 6, 7, 8, 11
d. Initial and ongoing training	Sections 12.5, 12.6 of Development Agreement; Sections 4.2, 5.1, 6.1 - 6.5 of Franchise Agreement	Items 7, 11
e. Opening	Sections 2.1, 3, 5.1 - 5.10, 8.4, 23 of Franchise Agreement	Items 7, 11
f. Fees	Sections 4.1 - 4.4, 6, 8.9 of Development Agreement; Sections 8.2, 8.3, 9.1, 9.2, 9.3, 9.4, 9.5, 12.7, 14.3, 16.3 of Franchise Agreement	Items 5, 6, 7
g. Compliance with standards and policies/operating manuals	Sections 2.3, 3.3, 5.1 - 5.3, 7.2, 7.3, 10.2, 10.3, 11.1, 11.2, 12.2 - 12.5 of Development Agreement; Sections 2.1, 3, 5.2 - 5.11, 7.1, 8.3 - 8.5, 10.1 - 10.4, 14.1, 14.2, 14.4, 15.3, 16.1, 16.4, 17, 22, 23 of Franchise Agreement	Items 11, 16
h. Trademarks and proprietary information	Sections 11.1, 11.2 of Development Agreement; Sections 5.11, 13.1, 13.4, 18 of Franchise Agreement	Items 5, 11, 13, 14
i. Restrictions on products/services offered	Sections 2.1, 5.4, 5.5, 5.6, 5.8, 5.9, 5.10, 5.11, 18.2 - 18.6 of Franchise Agreement	Items 8, 11, 16
j. Warranty and customer service requirements	Sections 2.1, 3, 5.4, 5.5, 5.6, 5.8, 5.9, 5.10 of Franchise Agreement	Items 11, 16
k. Territorial development and sales quotas	Sections 2.1 - 2.3, 3.1 - 3.4 of Development Agreement	Items 11, 12
l. Ongoing product/service purchases	Sections 2.1, 3, 5.5, 5.6, 5.8, 5.9, 5.10, 5.11, 7.2 of Franchise Agreement	Items 6, 8
m. Maintenance, appearance and remodeling requirements	Sections 5.1, 5.2, 10.2 of Development Agreement; Sections 1.3, 1.5, 2.1, 3, 5.6, 7.1, 7.2, 7.3 of Franchise Agreement	Items 6, 11
n. Insurance	Sections 16.1 - 16.4 of Franchise Agreement	Items 6, 8
o. Advertising	Sections 8.1 - 8.6 of Franchise Agreement	Items 6, 11, 16
p. Indemnification	Sections 15.2, 15.3 of Franchise Agreement	Item 6
q. Owner's participation/management/staffing	Sections 10.2, 12.2 - 12.6 of Development Agreement; Sections 5.1 - 5.6, 22 of Franchise Agreement	Items 11, 15
r. Records and reports	Sections 5.1, 5.2, 7.1, 7.3, 7.4 of Development Agreement; Sections 8.2, 10.1 - 10.5, 11.1, 11.3, 14.3, 14.4 of Franchise Agreement	Item 6
s. Inspections and audits	Sections 8.2, 14.1 - 14.4 of Franchise Agreement	Items 6, 11
t. Transfer	Sections 8.1 - 8.9 of Development Agreement; Sections 12.1 - 12.9 of Franchise Agreement	Items 6, 17
u. Renewal	Sections 1.3, 19.4 of Franchise Agreement	Item 17
v. Post-termination obligations	Sections 11.1 - 11.5, 12.4 of Development Agreement; Sections 13.1 - 13.5, 19.2 - 19.5 of Franchise Agreement	Item 17
w. Non-competition covenants	Sections 11.1 - 11.5, 12.4 of Development Agreement; Sections 13.1 - 13.5 of Franchise Agreement	Items 15, 17
x. Dispute resolution	Sections 15.1 - 15.3 of Development Agreement; Sections 21.1 - 21.3 of Franchise Agreement	Item 17
y. Other (Describe)	Not applicable	Not applicable

ITEM 10 FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

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

Except as listed below, we are not required to provide you with any assistance.

As described in Item 1, the assistance described below may be performed by Dine Brands or Applebee's Services on our behalf.

PRE-OPENING OBLIGATIONS:

Before you open a Restaurant, we will provide the following assistance and services:

1. **Orientation; Manuals.** Within 30 days after you sign your initial Development Agreement, you must attend an orientation session at our offices. You will meet with a representative of each of our departments with whom you will work. Also, we will give you access to our Manuals on the Applebee's Intranet or an alternative format (the "Manuals"). These Manuals are confidential and remain our property. We will alter these Manuals, but the modification will not alter your status and rights under the Development Agreement and Franchise Agreement (Franchise Agreement, Sections 5.4 and 5.5). You will receive or be given access to the following Manuals, training materials or information:

- Brand Standards Manual: Beverage Recipe
- Brand Standards Manual: Plate Presentation
- Brand Standards Manual: Recipe
- Brand Standards Manual: Administration
- Brand Standards Manual: Food Safety, Sanitation, Health and Hygiene
- Team Member Training Process Guide
- Manager In Training Program – Franchise Process Guide
- Manager Development Program Kit
- Bridge to GM Development Program
- GM Development Program
- NRO Project Managers Guide
- Prototype Building Drawings
- 'Bee the Good Assessment Evaluation Guide
- Food Safety Evaluation Help Text
- Approved Products List
- Approved To Go Packaging List

The Manuals provide our specifications and standards for the operation of Restaurants, including specifications and standards for administration, accounting, bookkeeping, record retention and other business systems, safety, health/hygiene, insurance, preparation and presentation of all food and beverage items, advertising and marketing (including co-op advertising policies, media buying guidelines and allowable marketing expenditures), and training programs for your employees. The Manuals include the Grand Opening Reimbursement Program Policy Guidelines, which include a "Press Release Kit," to assist you with the advertising campaign you conduct to promote the opening of each Restaurant (Franchise Agreement, Section 8.4). The Manuals contain valuable confidential information, such as recipes, specifications and the like, which

you may only use in the operation of the Restaurant. You must return any of the Manuals loaned to you upon request and immediately upon termination of the Franchise Agreement. The Manuals include a list of approved manufacturers and suppliers (Franchise Agreement, Sections 5.4 - 5.9 and 5.11). Attached as Exhibit H is a copy of the tables of contents of the Manuals we consider our operations manuals that indicate the number of pages devoted to each subject.

2. Restaurant Site Selection. The selection of a site is your responsibility. We will provide certain demographic information to you about the site for a fee. We may, at our discretion, conduct an on-site inspection before approving a site. We will review any lease or purchase agreement regarding the site (Development Agreement, Section 5.1). We will approve or disapprove your site within 45 days after we receive your request for approval of the location in a completed site submittal package. Our approval will be deemed to be granted if we fail to notify you within the 45 days. We will evaluate a site in accordance with our then-current site approval procedure (Development Agreement, Section 5.1). We will review all features that we deem relevant in evaluating a site, including general location and neighborhood, impact on existing Restaurants, traffic patterns, parking, size, lease terms and average income of nearby households. We will not unreasonably withhold our consent to a Restaurant site, but if we do not approve a site, you will not be permitted to construct a Restaurant at that location. (Development Agreement, Section 5.1). We do not generally own your site and lease it to you, but may offer to sublease a site to you.

3. Restaurant Plans and Specifications. We will give you, at no cost, one set of PDF drawings and one set of AutoCAD files of site adaptable prototype plans and specifications for our two typical sizes of Restaurants soon after you sign the Development Agreement (Development Agreement, Section 5.2) and the required indemnification agreement. You hire your own architect and engineers, at your cost, to have them prepare architectural/engineering plans for construction of a Restaurant meeting all local safety, accessibility and building codes. You must submit the plans and we must approve them before the start of construction. After you submit those plans to us, we will review them for compliance with all trade dress guidelines for Restaurants and, within 45 days, tell you if we approve or disapprove those plans. If changes are needed, we will tell you and review any resubmitted plans within 21 days. Our approval will be deemed granted if we fail to notify you within the number of days discussed above (Development Agreement, Section 5.2).

4. Restaurant Trainers. If you are a new franchisee without existing Restaurants, for your first Restaurant opening, for approximately eight days before and six days after you open your first Restaurant, we will provide you with the services of up to eight training personnel to train your Restaurant employees in the operation of the Kitchen, To Go, Bar and Dining Room areas. If you require more than eight training personnel or a training period beyond 14 days, you will be responsible for the excess cost and expenses for the additional trainers and/or for the period beyond the 14-day period.

If you are a franchisee with existing Restaurants, for every new Restaurant that you open, we will provide you with financial assistance equal to the cost of up to eight training personnel for up to 14 days, not to exceed a maximum amount which we will communicate to you prior to the opening of the new Restaurant, but we will not provide you with any training personnel and you must meet the requirements set forth in the Brand Standards Manual and NRO Project Managers Guide. The initial expenditure of the costs incurred for the opening will be your responsibility. Any reimbursable costs for this financial assistance will be outlined in the NRO Training Cost Memo. Only actual and reasonable costs incurred will be reimbursed once proof of expenditures have been provided to us. Please note that these costs are only covered for new Restaurant locations and not for relocations, rebuilds, or re-openings, unless specifically agreed upon prior to the project commencing.

From time to time, we may agree to provide alternative training arrangements for certain qualifying franchisees, including for Dual Branded Restaurants. In the coming fiscal year, Applebee's may introduce a dedicated initial opening training program for Dual Branded Restaurants that combines elements from both

the IHOP and Applebee's initial opening training and removes certain overlapping training sessions. Training costs and hours may vary as additional refinements are made.

A Franchise Operations Director will assist in coordinating the Restaurant's pre-opening activities (Franchise Agreement, Sections 4.2 and 5.1).

5. Franchise Leadership and Manager Training. After you sign the Development Agreement, we will train one top leader of your organization (hereinafter referred to as the "Leader of Operations") (Development Agreement, Section 12.5). Also, we will train up to four Restaurant managers (Franchise Agreement, Sections 6.1 and 6.2). The current training includes on-the-job training in one of the Restaurants. Any additional or ongoing training shall be at your expense. More about training will follow later in this Item 11.

6. Approved Suppliers/Manufacturers. We do not provide assistance in the purchase or lease of equipment, signs, fixtures, opening inventory or supplies except for certain inventory items our affiliate may supply as described in Item 8 (Franchise Agreement, Section 5.9). We have appointed CSCS as the sole authorized purchasing agent for all Restaurants. CSCS procures products and services only through suppliers approved by us. Our standards, operating specifications and procedures for developing and operating a Restaurant are communicated to you via the Manuals. Certain detailed specifications for equipment, food and other products may only be communicated to suppliers.

We are not required to provide any other service or assistance to you before you open the Restaurant.

POST-OPENING OBLIGATIONS

We provide the following services and assistance after you open each of your Restaurants:

1. Assistance/Inspections. We will advise and assist you in operating and managing each of your Restaurants and, to that end, will provide you, at training sessions, on-premises visits, and by written or other material, with information on new developments, techniques and improvements in Restaurant management, food and beverage preparation and safety, sales promotion and service concepts. At least once yearly, our representatives will visit the Restaurant to consult with you, and conduct inspections/consultations at the Restaurant. We reserve the right to conduct additional visits or inspections at our discretion. Also, we will make available to you all additional services, facilities, rights and privileges which we make available to our franchisees generally (Franchise Agreement, Sections 4.1, 5.1 and 14.2).

2. Refresher Courses. Your Leader of Operations, supervisory employees, General Managers, Kitchen Managers and Assistant Managers shall, from time to time as reasonably required by us, attend and successfully complete refresher courses regarding restaurant operations and continuing education around any core brand initiatives or programs (Development Agreement, Section 12.5(b) and Franchise Agreement, Section 6.3). We reserve the right to require key brand initiatives to be cascaded to the rest of your employees by your Leader of Operations, supervisory employees, General Managers, Kitchen Managers and Assistant Managers.

3. New Menu Items. Throughout the term of each Franchise Agreement, we will develop and test new menu items. The menu which you must present may be revised several times each year with each of our promotional campaigns and/or product features. The menu includes selections from a list of national items approved by us; however, you may propose additional items that appeal to local trends and traditions for inclusion in your menu so long as all approved national items are included. If you want to propose new menu items for our consideration, please submit them to our Marketing and Culinary departments. If you want to request deviations from our approved national items, you must submit a formal request for our approval using our Form 100 process. We must test and approve the local items you propose (Franchise Agreement, Section

4.3). Our testing may include sensory panels, audits, consumer panels, and nutritional testing and such costs shall be your responsibility. We may require you to certify that you are following recipes so that nutritional values are met. All of your Team Members are required to be sufficiently trained prior to the launch of new menu items, as well as trained during the promotion if they are a New Hire. You will not be permitted to change campaign offers, timelines, or product features without our prior consent.

4. Advertising and Promotion. We will develop and administer advertising and sales promotion programs designed to promote and enhance the collective success of all Restaurants and will utilize your monthly national advertising fees for marketing studies and services, and the purchase of advertising time, space and materials in national, regional or other advertising media to publicize the Restaurants. Within six months of the end of our fiscal year, upon your request, we will provide you with an unaudited accounting of all advertising fees we received and spent for advertising, marketing and related expenses (Franchise Agreement, Sections 8.1 and 8.2).

5. Opening Advertising Expenses. If you comply with the requirements of Section 8.3 of the Franchise Agreement, we will reimburse 50% of your expenditures for opening advertising up to a maximum of \$2,500 (Franchise Agreement, Section 8.3).

6. Force Majeure. If *force majeure* (including condemnation proceedings) prevents you from operating your Restaurant at the designated location and you apply for approval to relocate the Restaurant, we will assist you in finding an alternative location in the same general area where you can operate the Restaurant for the balance of the term if the Development Agreement has not expired or terminated. You must reimburse us for our reasonable out-of-pocket expenses incurred because of your relocation (Franchise Agreement, Section 24.3).

Except for the services described above, we are not obligated to provide you with any other services. In addition, if we say that “we may provide” you a service or use similar words, it means that we are not obligated to provide that service to you.

LOCAL ADVERTISING

There is currently no required local advertising fee through December 31, 2026. Commencing on January 1, 2027, you will be required to spend, annually throughout the term of the Franchise Agreement, 0.5% of the Gross Sales of the Restaurant on Local Advertising for the Restaurant. We must approve all advertising and promotional materials before you use it. You must provide us with copies of your proposed advertising, promotional and creative materials and media buys, and we will approve or disapprove the advertising in writing, within 15 days of our receipt. If we do not respond, the advertising is approved (Franchise Agreement, Section 8.5.). You may use only “approved advertising media,” which is defined in the Franchise Agreement, and only monies spent on this type of Local Advertising will be counted for purposes of satisfying the 0.5% Local Advertising spending requirement commencing on January 1, 2027. If you want to use other media and advertising, you must receive our prior written approval, which approval must be granted or denied within 30 days of our receipt of your request (Franchise Agreement, Section 8.5.).

NATIONAL ADVERTISING FUND

1. National Advertising Fee; Fund. Currently, you must contribute 4.25% of the Gross Sales of the Restaurant as an advertising fee to a national advertising fund (the “Fund”) we have established and administer to advertise the System on a regional or national basis, which must be paid in the same manner as the royalty payments (Franchise Agreement, Section 8.2). You must pay Fund contributions separately from royalty fees. As discussed in Item 6, we can decrease or increase either the amount you must contribute to the Fund or the amount you must spend on local advertising (Franchise Agreement, Section 8.2.). Commencing

on January 1, 2027, you will be required to contribute 3.25% of total Gross Sales to the Fund, subject to future agreed upon increases.

2. Advertising Programs. We or our designees direct all advertising programs and have the right to approve the creative concepts, materials and media used in the programs and their placement and allocation. The Fund is intended to maximize general public recognition and acceptance of the Marks and improve the collective success of all Restaurants operating under the System. If we increase the percentage of Gross Sales which Franchisee is required to pay Franchisor for allocation to the Fund, in administering the Fund with respect to the increased percentage, we and our designees will use reasonable commercial efforts in that calendar year or other 12-month period to ensure that the expenditures for advertising placement are approximately proportional to each franchisee's contributions to the Fund within any given territory (as that term is defined in each franchisee's respective Development Agreement) during that 12-month period (Franchise Agreement, Sections 8.1 and 8.2).

3. Fund Operations. We or our designee may use the Fund to satisfy the costs of maintaining, administering, directing and preparing advertising, including the cost of consumer research; preparing and conducting television, digital, social, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; e-mail marketing; loyalty programs; third party promotion of our gift card; employing advertising agencies; marketing personnel and other departmental costs for advertising that we administer or prepare internally and any other expenditures for marketing activities we make. Interest earned on the Fund will become the sole property of us or our affiliate (Franchise Agreement, Sections 8.1 and 8.2). Dine Brands will maintain an account designated as the "Applebee's Advertising Fund Account" in the name of Dine Brands (or a subsidiary thereof) for fees payable by our or Applebee's Restaurants LLC's franchisees to fund the national marketing and advertising activities and local advertising cooperatives with respect to the Applebee's brand. All sums you pay to the Fund are kept in a separate account and are not used to defray any general operating expenses, except for reasonable costs, if any, that may be incurred in the administration or direction of the Fund and advertising programs for you and the System. The Fund operates solely as a means for collecting and expending the advertising fees as outlined above. Any sums paid to the Fund that are not spent in the year they are collected will be spent in the following year. If the Fund is required to get a short-term loan to satisfy a payment obligation prior to receipt of sufficient amounts due from franchisees, the Fund would be responsible for any interest on the loan. If our Fund expenditures in any one fiscal year shall exceed the total amount contributed to the Fund during such fiscal year, we shall have the right to be reimbursed to the extent of the excess of those amounts subsequently contributed to the Fund.

We prepare an annual statement of the operations of the Fund that is made available to you within six months of the end of our fiscal year (Franchise Agreement, Section 8.2). During the last fiscal year of the Fund (ending December 28, 2025), the Fund spent 10.0% of its income on the production and deployment of advertisements, 78.4% for media placement, 0.7% for research and development, and 10.3% for other expenses, including advertising agency retainer. The Fund position at the end of fiscal year 2025 was 0.6%.

4. Termination of Fund. Although the Fund is intended to be permanent, we may terminate the Fund at any time. The Fund will not be terminated, however, until all monies in the Fund have been spent for advertising or promotional purposes or returned to contributors without interest, based on their respective contributions.

5. Media Outlets. We and our designees currently advertise the Restaurants and the products offered by the Restaurants in various forms of media, including television, radio, magazine, newspaper, social media, e-mail and internet advertising campaigns; direct mail and outdoor billboard advertising; and through our gift card program. The majority of our advertising is developed by outside agencies. We use national advertising agencies to assist us in the development and placement of advertising. We advertise nationally with the funds contributed to the Fund.

6. Advertising Council. There is no advertising council composed of franchisees that advises Applebee's on advertising policies. A Franchise Business Council of current Applebee's franchisees was created and is sponsored by Applebee's and/or its affiliates. The Franchise Business Council has established a marketing subcommittee to discuss pertinent issues regarding advertising and marketing. See Item 20 for information regarding Applebee's franchisee Franchise Business Council.

7. Advertising Cooperatives. We may designate any geographic area in which two or more Restaurants are located and owned by different parties as a region for purposes of establishing an advertising Cooperative. If a Cooperative is established, the members of the Cooperative for that region will consist of all Restaurants whether operated by our franchisees or franchisees of our affiliate. We will determine in advance how each Cooperative will be organized and governed and when it must start operation. Once established, we do not have the right to dissolve, merge or change the structure of the Cooperatives. Each Cooperative will be organized for the exclusive purposes of administering advertising programs and developing, subject to our approval, promotional materials for use by the members in Local Advertising. If a Cooperative has been established for a geographic area where your Restaurant is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must sign all documents we request and become a member of the Cooperative per the terms of the documents. We will provide to you a copy of the Cooperative documents applicable to the geographic area in which your Restaurant will be located if you request it.

You must contribute to the Cooperative the amounts required by the documents governing the Cooperative. Your payments to the Cooperative apply toward satisfaction of your Local Advertising requirement. All contributions to the Cooperative will be maintained and administered per the Cooperative governing documents. The Cooperative will be operated solely as a means for the collection and expenditure of the Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining our approval. Cooperative(s) will not be obligated to prepare an annual financial statement reporting its expenditures for the previous year to its members.

8. Maximum Required Advertising Contributions. We have the right to increase or decrease your required advertising contributions or payments to the Fund, to a Cooperative, or for Local Advertising (the funds paid pursuant to any such increase in advertising contributions to the Fund shall be used by us for specified purposes). However, we will not increase the total amount of your required contributions or payments to more than 5% of Gross Sales (Franchise Agreement, Section 8.2.).

Neither the Fund nor any Cooperative uses any funds for advertising that is principally a solicitation for the sale of franchises for Restaurants.

GRAND OPENING CAMPAIGN

You must plan and conduct a grand opening campaign for the Restaurant that is sufficient to meet the needs of the market and is conducted per the parameters set forth in the Field Marketing Intranet. If this campaign is timely conducted, and we receive all requested documentation within 120 days after the Restaurant opens, we will reimburse you 50% of your expenditures for the grand opening advertising up to a total reimbursement of \$2,500. We must approve all advertising materials and methods you use in the grand opening campaign. You may not credit any amounts you pay for the grand opening campaign toward any of your other advertising obligations (Franchise Agreement, Section 8.4).

Except as described above, we have no obligation to spend any amount on advertising in the area where your Restaurant is located.

RESTAURANT TECHNOLOGY (COMPUTER AND ELECTRONIC CASH REGISTER SYSTEMS)

As described in Items 6, 7 and 8, with all approved POS Software you must install specified technology we approve (Franchise Agreement, Section 10.1). Before operating the POS, you must have a network with at least 50 mbps download and 20 mbps upload in place and Wi-Fi access points with a 2.4 GHz and 5 GHz available. The required POS functions include guest order entry and tracking, guest check printing, tax calculation, credit card and gift card processing, kitchen display system, employee time clock, product mix reporting, server level and sales reporting. The POS system is integrated with support and reporting tools that enable us to have independent immediate access to the information monitored and stored by the POS system, and there is no contractual limitation on our use of the information we obtain.

POS Computer System. All Applebee's Restaurants must have a POS computer system that meets Applebee's specifications. The POS systems approved by Applebee's are specifically designed for tracking information relevant to the Restaurant's business. The POS systems are integrated with support and reporting tools that enable us to have independent immediate access to the information monitored and stored by the POS system, and there is no contractual limitation on our use of the information we obtain. For Applebee's Restaurants, the current approved POS system is AIPOS. We have started to transition Applebee's Restaurants to a new POS system, Toast. If you are purchasing a Restaurant, you must use the approved POS system. All Applebee's Restaurants must be PCI compliant.

From time to time, we may evaluate and approve other systems for use.

Support Services. You have the option of purchasing support services from the Franchise Technology Support ("Help Desk") provided by Dine Brands at a cost of \$1,995 to \$2,300 annually per Restaurant (*see* Item 6).

Approved POS Hardware Supplier Cost. We have an arrangement with our approved suppliers to provide the hardware described above for our franchised Restaurants on the same terms that it offers the equipment to us and our affiliates. You are currently required to use the NCR POS Workstation, Epson Printers, and the QSR Kitchen Display System. NCR is currently the approved supplier for the POS Workstation and the guest check printer. NCR and QSR are the approved suppliers for the Kitchen Display System. We may revise our specifications for the hardware as we determine necessary to meet the needs of the System. There is no contractual limitation on our ability to require the hardware be improved or upgraded. From time to time, we may evaluate and approve alternative hardware suppliers.

You must provide data feeds to the Applebee's system-wide Data Warehouse following the standard POS menu numbering schemes at your own expense.

Computer hardware must be maintained and, for those Restaurants using the Toast POS, this maintenance may be provided to you for an approximate annual cost of \$3,750 to \$5,000 per Restaurant by an approved maintenance provider. For those Restaurants using the Toast POS, the current price to purchase approved hardware is approximately \$9,500 to \$13,500 per Restaurant based on the size of the Restaurant and the equipment selected, in addition to wiring and installation costs.

On-Line Ordering. You must sign an Authorized Operator Agreement for access and use of an approved provider's on-line ordering system in form and substance approved by us. The current approved provider is Olo, Inc., but we may use other providers in the future. Currently, the fee with Olo, Inc. is \$65-\$200 a month (per Restaurant) for the use, access and maintenance of the on-line ordering system. This monthly fee covers the application and menu setup, menu maintenance, service, support and production account maintenance. You will be required to use dispatch and rails services provided by Olo, Inc. and may include other Olo, Inc. products such as call center and catering.

EMV/P2P. You must purchase equipment and procure services from an approved payment gateway vendor for credit card processing services. Currently, the initial investment ranges between \$1,350 and \$4,500 for equipment and a monthly fee of \$63 to \$130 to be paid to the vendor. An approved payment vendor and approved hardware must be used. Currently, the approved vendor for EMV and payment processing is Freedom Pay.

Kitchen Display System. All Restaurants must have a kitchen display system (“KDS”) that meets our specifications and is approved by us. The KDS systems approved by us are specifically designed for meeting the operational and guest experience requirements of the Applebee’s brand. Currently, the approved KDS system is provided by QSR. We reserve the right to change KDS providers from time to time at our sole discretion. You must at all times use the approved KDS system in your Restaurant.

Server Tablets. Server tablets are optional on A1 POS systems, but for all transitions to Toast, they are required. The only approved provider of server tablets is Toast. We reserve the right to change server tablet providers from time to time at our sole discretion.

Waitlist Management Software. Waitlist management software enables restaurants to seat more guests, more efficiently through a service provided by an approved waitlist vendor. Waitlist management software is currently optional but may be required by us in the future.

To Go Order Accuracy Printers. To Go Order Accuracy Printers print stickers for each item on an order, allowing Team Members to verify that all items have been packaged for delivery.

Auto-Attendant. Auto-Attendant is a digital phone line system capable of routing incoming calls to any pre-determined destinations, such as the restaurant or To Go order calling center.

ShiftOne. ShiftOne is a communication tool that is subsidized by the brand to help with brand messaging, franchise communications, and also a national contest tracking tool.

START-UP TIME

1. Factors. We estimate that the applicant’s fee will typically be paid within two to three months before you sign the Development Agreement, and that the opening of your first Restaurant will range from eight to 18 months from the date of the Development Agreement. Factors affecting your start-up time include selection of a site satisfactory to you and us, obtaining any necessary financing, completing the acquisition (or leasing) of the site, obtaining architectural drawings and permits, soliciting bids and completing all renovation, remodeling or new construction of the Restaurant (new construction being the most time-consuming alternative), weather conditions existing during the construction period, complying with local ordinances (including obtaining liquor licenses), purchasing and installing fixtures and equipment, purchasing inventory, hiring and training personnel, and attending our pre-opening training programs.

2. Franchise Agreement. You must sign a Franchise Agreement in the form attached as Exhibit F approximately 90 days before the opening of a Restaurant although this time period may be shortened in our sole discretion under special circumstances. If you sign a Development Agreement, for those Restaurants which you agree to develop over the initial years of the Development Agreement, you must pay one-half of the balance of any remaining franchise fee at the time of signing the Franchise Agreement and the remainder of the fee 14 days before the scheduled opening of each Restaurant.

TRAINING

1. E-Learning. We use a learning management system which is currently called Applebee’s University. Applebee’s University is a web-based personal learning and training environment for the

administration, delivery, tracking and reporting of learning programs. Currently, there are no fees associated with the use, access and maintenance of this program, but we reserve the right to charge a fee in the future. Applebee's University requires certain high-speed internet and hardware and such costs shall be your responsibility.

2. Executive Overview. While not a traditional training course, we require your new principal shareholders to attend an orientation and onboarding program at our Restaurant Support Center in Pasadena, California, in connection with signing a Development Agreement and/or prior to acquiring restaurants in a new market (unless otherwise approved by us in writing). This program is provided at no cost; however, you must pay for your own traveling expenses.

3. Management Training Programs. We provide a basic Restaurant management and operations program for Leaders of Operations, other persons with development or supervisory responsibility over more than one Restaurant, General Managers, Kitchen Managers, Assistant Managers (together, up to 4 Managers, including General Manager and Kitchen Manager) and other Restaurant managers at a franchisee Restaurant. Your General Manager, Kitchen Manager and Assistant Managers for each Restaurant must be trained to our reasonable satisfaction before the opening of the Restaurant which they will manage (and after the Restaurant opens, as you hire each new manager). Your Leader of Operations and any other supervisory employee you designate must successfully complete the program to our reasonable satisfaction (Development Agreement, Section 12.3). If any of the persons you designate for training are not deemed fit, we will provide additional training, at your cost. The maximum amount of training covered will be for one Leader of Operations, one General Manager, one Kitchen Manager, and two Assistant Managers, at 10 weeks each, for a total of 50 training weeks. Any additional weeks above and beyond the 50 weeks provided will be at your cost.

Our current training program for management includes in-store, performance-based, task-oriented training. The training covers the following functions: Server, Host, Bartender, To Go, Fry Cook, Mid Cook, Grill Cook, Prep Cook, Expo, General Utility, Dining Room Management, Kitchen Management and Administration. We will observe and evaluate the trainees' performance of these tasks. (See the Training Program Chart below.) At our option, individuals who fail evaluations may not be permitted to complete our training program. The Restaurant training will take 10 weeks (a work week consisting of five days), depending on the position and performance of the individuals involved. In the case of your first Restaurant, our personnel will periodically follow up with the Restaurant's leadership regarding training progress. After you open your first Restaurant, we may, at our option, permit you to conduct Restaurant training for your future Restaurants in one of your existing Restaurants. If so, you must provide qualified personnel to validate performance and maintain records regarding a trainee's performance for successful completion of the operations training course.

If the opening of your Restaurant is delayed and the managers are out of training and not working in an operating Applebee's Restaurant for more than 90 days, they may be required to attend a "refresher course," at our discretion, which typically lasts two weeks. There is no charge for this refresher course, though you must pay for actual costs (e.g. travel, lodging, meals) of approximately \$1,400 per person. If the duration of their delay exceeds 12 months, the managers may be required, at our discretion, to be retrained in the entire program at your cost.

MANAGEMENT TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Kitchen Operations (including Safety, Sanitation, Food Preparation, Plate Presentation, Use of Equipment, Storage); Host	0	110	As determined by Franchisee so long as not disapproved by us
Kitchen Management	0	50-80	As determined by Franchisee so long as not disapproved by us
Service Operations including Server & Bartender Duties, Sanitation & Guest Satisfaction Training	0	110	As determined by Franchisee so long as not disapproved by us
Dining Room Management	0	50-80	As determined by Franchisee so long as not disapproved by us
Specialization (Dining Room or Kitchen Management) Management Operations & Administrative Training including Guest Satisfaction, Computer Training Techniques, Financial Reporting, Inventory Purchasing	0	100	As determined by Franchisee so long as not disapproved by us
Structured Transitions	0	100	As determined by Franchisee so long as not disapproved by us

Our training materials include our Manuals as well as other written and visual training techniques provided in hardcopy or over the Internet.

We can offer refresher courses regarding the Restaurant operations which, on our request, your Leader of Operations, supervisory employees, General Managers, Kitchen Managers and Assistant Managers must successfully complete to our satisfaction. Except as stated above, we currently do not require any courses.

We also require that the Manager on Duty or the person in charge is certified through an accredited food safety manager program (ServSafe or equivalent). ServSafe certification is sponsored by the National Restaurant Association. The cost is approximately \$65 for the materials and test.

For the initial onboarding only, all required training for managers and other persons with development or supervisory responsibility over more than one Restaurant that we provide is tuition-free at the training Restaurants. You must pay for all salaries, travel, hotel, meal, training material (books and uniforms), bonus for training store manager, and other incidental costs when your employees participate in this training, including without limitation, the location costs and expenses where the training is located.

4. Non-Management Training. Before the opening of the Restaurant, your NRO Project Manager will be responsible for following the NRO Project Managers Guide and administering the Flight School training process with their trainers prior to the beginning of the training week.

If you are a new franchisee without existing Restaurants, for your first Restaurant opening, for approximately eight days before and six days after you open your first Restaurant, we will provide you with the services of up to eight training personnel to train your Restaurant employees in the operation of the kitchen,

bar and dining room areas. If you require more than eight training personnel or a training period beyond 14 days, you will be responsible for the excess cost and expenses for the additional trainers and/or for the period beyond the 14-day period.

If you are a franchisee with existing Restaurants, for every new Restaurant that you open, we will provide you with financial assistance equal to the cost of up to eight training personnel for up to 14 days, not to exceed a maximum amount which we will communicate to you prior to the opening of the new Restaurant, but we will not provide you with any training personnel and you must meet the requirements set forth in the Brand Standards Manual and NRO Project Managers Guide. The initial expenditure of the costs incurred for the opening will be your responsibility. Any reimbursable costs for this financial assistance will be outlined in the NRO Training Cost Memo. Only actual and reasonable costs incurred will be reimbursed once proof of expenditures have been provided to us. Please note that these costs are only covered for new Restaurant locations and not for relocations, rebuilds, or re-openings, unless specifically agreed upon prior to the project commencing.

From time to time, we may agree to provide alternative training arrangements for certain qualifying franchisees.

Training is provided for the following Restaurant functions: Host, Server, Bartender, To Go, Mid Cook, Grill Cook, Fry Cook, Prep, Expo, and General Utility. The following topics are addressed for each function: Food Safety, Menu Knowledge, Food Preparation Standards, Service Standards, Safe Equipment Usage, Kitchen Display System training and POS training. Optional training materials include our Manuals, written quizzes and exams, visual training, such as videos and suggested agendas to complete all of the functions listed above.

NON-MANAGEMENT TRAINING PROGRAM

Subject	Average Hours of Classroom Training – Applebee’s University*	Average Hours of On-The-Job Training*	Location
Restaurant Dining Room: Menu Knowledge, Service Standards, POS training, Safety, Guest Satisfaction, Sanitation	4	33	On location, using Franchisee’s trainers, or trainers borrowed from another franchisee
Kitchen Operations: Food Safety, Menu Knowledge, Sanitation, Food Preparation Standards, Kitchen Display System training, Plate Presentation, Use of Equipment & Storage	4	39	On location, using Franchisee’s trainers, or trainers borrowed from another franchisee

* Training is performance-based, so training continues until tasks are mastered.

ITEM 12 TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Under the terms of the Development Agreement, we grant you the right to develop one or more Restaurants within a specified territory (the “Territory”) during one or more “initial development period(s).” This right will continue during any subsequent development periods (as defined in Section 3.2 of the Development

Agreement) if it is determined that additional Restaurants should be constructed to fully develop the Territory. However, Non-Traditional Venues (*see* Item 1) will be excluded from your Territory and may be developed by us or a third party without any participation by or payment to you. After the “initial development period(s),” we will determine the number of Restaurants that you must develop under the Development Agreement based on the Territory’s population, per person or family income, current and potential development, your financial strength and certain other related factors. The term of “initial development periods” shown in the Development Agreement may vary from franchisee to franchisee. Before signing the Development Agreement, we will give you a written description and/or map of your Territory.

The Development Agreement does not restrict you from developing more than the minimum number of Restaurants called for, but you may only develop the Restaurants we approve for development. Under the Development Agreement, you cannot develop Restaurants outside of your Territory. The Development Agreement does not allow you to acquire additional Territory. You have no options, rights of first refusal or similar rights to acquire additional franchises beyond the development rights granted by your Development Agreement.

Under each Franchise Agreement, we allow you to operate a Restaurant at the single specific location described in the Franchise Agreement. We must approve the location of the Restaurant in advance. You may not enter into any lease or other agreement which imposes restrictions on your (or our) right to operate additional Restaurants at any particular location or which does not provide you with the right to operate the Restaurant throughout the entire term of the Franchise Agreement, and we must approve for these purposes in advance any purchase contract or lease you enter. You and your landlord must sign a rider to any lease in substantially the same form as our then-current form of lease rider. Our current form of lease rider is attached as Appendix C to the Development Agreement.

Once we issue a Franchise Agreement to you, you must obtain our approval in advance to relocate or close the Restaurant for any reason, including condemnation or events outside your control. You will not have the right to close your Restaurant or terminate your Franchise Agreement without our prior approval in the event your lease for the Restaurant expires or is terminated for any reason prior to the expiration of the term of the Franchise Agreement.

While the Development Agreement is in effect, we may not operate, and may not franchise or license any other party to operate, any Restaurant using the Applebee’s Neighborhood Grill & Bar® trade name in your Territory (including Dual Branded Restaurants), with the exception of Non-Traditional Venues as described above. If the Development Agreement expires or terminates, but your Franchise Agreement remains in effect, we may not establish or grant any franchise to a third party for the establishment of, a Restaurant (using the Applebee’s Neighborhood Grill & Bar® service mark, and including Dual Branded Restaurants) within the lesser of a three-mile radius of the Restaurant covered by the Franchise Agreement or a radius from the Restaurant which includes either a residential or daytime population of 40,000 or more people. These radius restrictions will not apply to a Restaurant located in an airport, train station, bus terminal, port authority, campus at any college, university or other post-secondary education institution, hospital and other health care facility, arena, stadium, state or national park, or military fort, post or base, travel plaza, casino or across an international border.

The Franchise Agreement allows you to use the Applebee’s Neighborhood Grill & Bar® and other related service marks or trademarks for the operation of your Restaurant only. You may not sell pre-packaged food products, gift cards or any other products or services from or through any location or channel of distribution other than your Restaurant, such as grocery, mass merchandise, wholesale/club, convenience, drug stores or any other type of outlet or channel of distribution. We and our affiliates retain the right to sell products and services in your Territory (or in the protected radius of your Franchise Agreement) under our principal trademarks or any other trademarks or service marks through any channel of distribution other than a Restaurant. For example, although we do not currently do so, we reserve the right to sell pre-packaged food

products at outlets in your Territory or protected radius like grocery, mass merchandise, wholesale/club, convenience, drug stores or any other channel of distribution (including the Internet). We may engage in these activities without paying any compensation to you.

We retain the right to operate, or franchise the operation of, Restaurants that do not use the Applebee's Neighborhood Grill & Bar® service mark or similar marks even if they offer similar products and services ("Other Restaurants") and to produce and sell products that are not branded with the Applebee's Neighborhood Grill & Bar® service mark or similar marks (for example, through virtual brands that we develop and license to be produced and sold). We may operate, or franchise the operation of, Other Restaurants within your Territory or within the radius restriction set forth in your Franchise Agreement without paying any compensation to you. At present, we do not plan to operate, or franchise the operation of, Other Restaurants.

Notwithstanding the foregoing, as described in more detail in the current form franchise agreement, if we establish, license or franchise a ghost kitchen, we shall not authorize such ghost kitchen to use the trademark for a virtual brand we own in fulfilling delivery orders within the Restaurant's Delivery Area if such virtual brand was actually offered by the Restaurant at the time we begin the ghost kitchen. To the extent that the restriction in the foregoing sentence is not applicable solely because the virtual brand was not actually offered by the Restaurant at the time the ghost kitchen was established, licensed or franchised, then, prior to authorizing the use of the trademark by such ghost kitchen in the Restaurant's Delivery Area, we shall first inquire whether you desire to negotiate in good faith to arrive at a mutually acceptable arrangement whereby by the Restaurant may offer such virtual brand within the Restaurant's Delivery Area and follow the procedures outlined in connection therewith in the franchise agreement. If, after following the procedures in the franchise agreement, you have not entered into a written agreement providing for the Restaurant's offering of such virtual brand, we shall be free to authorize a ghost kitchen to use the trademark for our virtual brand owned in fulfilling deliveries within the Restaurant's Delivery Area. "Restaurant's Delivery Area" means the area surrounding the Restaurant within which the Restaurant routinely fulfills delivery orders as of the date on which we establish the ghost kitchen. The determination of the Restaurant's Delivery Area shall be in our sole discretion after obtaining information from any third-party delivery vendors and you.

To continue your right to develop under the Development Agreement, you must comply with the development schedule stated in the Development Agreement (discussed in Item 17). Otherwise, continuation of your territorial rights under the Development Agreement and Franchise Agreement are not contingent on a certain sales volume, quota or market penetration. We will not reduce or change your Territory due to changes in population; however, it is possible for the protected radius under a Franchise Agreement to be reduced upon increases in residential or daytime population.

As noted in Item 1, in November 2007, Applebee's International, Inc. and its subsidiaries were acquired by Dine Brands. Subsidiaries of Dine Brands are the franchisor and operator of the IHOP/International House of Pancakes family restaurant chain, which serves a wide variety of breakfast, lunch and dinner selections. The chain currently offers, among other things, a variety of pancakes as well as omelets, breakfast specialties, burgers, sandwiches, salads, chicken and steaks. The diverse menu of the IHOP restaurants appeals to people of all ages. Additionally, in December 2022, Dine Brands acquired the franchisor and operator of the Fuzzy's Taco Shop restaurants, which are Mexican food fast-casual restaurants that feature simple, made-from-scratch items like huevos rancheros and breakfast tacos, tacos and burritos, traditional Mexican dinners, sandwiches, sides, and signature sauces. As of the end of fiscal 2025, there were: 1,681 franchised IHOP restaurants in the U.S. and U.S. Territories; and approximately 105 franchised Fuzzy's Taco Shop restaurants in the U.S. These restaurants operate under the "IHOP" and "International House of Pancakes" marks for the IHOP system, and the "Fuzzy's Taco Shop" mark for the Fuzzy's system. These restaurants, which are operated by our affiliates and their franchisees, may solicit and accept orders within the Territory and within the above-described radius surrounding your Restaurant. We do not expect that there will be material conflicts between these franchise systems regarding territory, customers or franchisor support. The principal business address for the IHOP chain's operations is 10 W. Walnut St., 5th Floor, Pasadena, California 91103, and the

principal business address for the Fuzzy's Taco Shop chain's operations is 10 W. Walnut St., 5th Floor, Pasadena, California 91103.

ITEM 13 TRADEMARKS

In the Franchise Agreement, we allow you to operate a Restaurant under the service mark Applebee's Neighborhood Grill & Bar® and under any other trade names, trademarks, service marks and logos that we may authorize in the future ("Trademarks"). The Franchise Agreement does not allow you to use the service marks T.J. Applebee's, T.J. Applebee's Rx for Edibles and Elixirs®, or T.J. Applebee's Edibles and Elixirs. Restaurants which opened on or after October 1, 1985 must operate under our service mark Applebee's Neighborhood Grill & Bar® and under any other related trade names, trademarks, service marks and logos that we may in the future authorize the franchisee to use in the operation of Restaurants. You must use all licensed names, marks and logos in compliance with the rules contained in the Agreements and the Manuals, and any modifications we later make to the Manuals. Neither you nor any other person can use any of the names, trademarks, service marks or logos to sell any product or service not authorized by us.

The Trademarks listed in the tables below include certain marks you will use to identify your Restaurants. Except as specifically stated below, all the Trademarks have been registered on the Principal Register of the U.S. Patent and Trademark Office and are held by, or licensed to, us.

Trademark	Picture of Trademark	Registration Number	Registration Date	Renewed
Applebee's	APPLEBEE'S	2,174,392 1,927,107	07/21/98 10/17/95	Yes Yes
Applebee's Neighborhood Grill & Bar	APPLEBEE'S NEIGHBORHOOD GRILL & BAR	1,477,153	02/16/88	Yes
Applebee's (Design)		1,695,071	06/16/1992	Yes
Carside To Go	CARSIDE TO GO	3,852,094	09/28/10	N/A
Carside to Go (Design, New Apple)		3852095	09/28/2010	N/A
Eatin' Good in the Neighborhood	EATIN' GOOD IN THE NEIGHBORHOOD	2,510,402	11/20/01	Yes

Trademark	Picture of Trademark	Registration Number	Registration Date	Renewed
Applebee's (Design, New Apple)		3,435,409	05/27/08	Yes
Miscellaneous (Design, New Apple)		3,495,064	09/02/08	Yes
Applebee's and Design (Revised Silhouette)		4,995,848	7/12/2016	N/A

All required affidavits for the Trademarks above have been filed.

Each registration described in the above chart is currently effective.

There is no presently effective determination of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court relating to the Trademarks described in this Item 13 that would materially affect your right to use the Trademarks. There are no pending infringement, opposition, or cancellation proceedings, or any pending material litigation involving the Trademarks.

Applebee's Restaurants LLC is the owner of the above Trademarks in the United States. We have, among others, signed a License Agreement dated September 30, 2014 under which Applebee's Restaurants LLC has licensed us to use and sublicense the above Trademarks for 99 years unless terminated for breach. Except for the License Agreement with Applebee's Restaurants LLC, we know of no agreements currently in effect which significantly limit our rights to use or license the use of the Trademarks in any manner material to the franchise. We know of no superior prior rights or infringing use that could materially affect your use of the Trademarks.

You must notify us as soon as possible of any infringement claim. We are not required to take affirmative action when you notify us of an infringement claim. We and our affiliates have the sole right to conduct the defense of and settle the claim and to retain control of any negotiations related to any claim. You must cooperate in all actions we or our affiliates take regarding a claim and must assist us and our affiliates, at our and their expense, in the defense of a claim.

You agree never to contest our or our affiliates' ownership, title, right or interest in our names, marks or logos or take any action against these claimed interests, including an attempt by you to adopt, use or register any name, mark or logo similar to those we license to you.

At any time, we can notify you that you must modify any of the licensed names, marks or logos to the extent to which we, in good faith, determine that it is in overall best interests of the franchised operations.

We know of no superior prior rights or infringing uses of our service marks that could materially affect your use of the Trademarks.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own rights in or licenses to any patents material to the franchise and do not have any applications for patents pending. Except as stated in this Item 14, no copyrights are material to the franchise. We claim copyrights in original materials used in the System, including the prototype plans and specifications, form construction plans, Manuals and promotional materials used in the System. Also, the information disclosed to you and your employees concerning the development and operation of Restaurants includes proprietary information of us and Applebee's Services regarding recipes, marketing, operational techniques and the like. You must acknowledge that the information concerning the franchised operations contained in the Manuals and other materials we provide to you is our property and that you will keep it confidential. (See Item 11 for more information.)

You also agree not to disclose, use or sell any portion of this proprietary information except as we permit. (Look at Item 17 for more information.) You must also have your Leader of Operations, your other employees who will have a supervisory authority over the development or operation of more than one Restaurant within a Territory, each General Manager, Kitchen Manager and Restaurant Manager sign a written agreement, in the forms attached to the Development Agreement and Franchise Agreement, generally agreeing with the confidential nature of these materials.

You must notify us as soon as possible of any copyright infringement claim. We are not required to take affirmative action when you notify us of an infringement claim. We and our affiliates have the sole right to conduct the defense of and settle the claim and to retain control of any negotiations related to any claim. You must cooperate in all actions we or our affiliates take regarding a claim and must assist us and our affiliates, at our and their expense, in the defense of a claim.

There is no presently effective determination of the United States Copyright Office (Library of Congress) or any court affecting these copyrights. There is no currently effective agreement that limits our right to use and/or license our copyrights. We are not obligated by the Franchise Agreement, Development Agreement or otherwise, to protect any rights you have to use the copyrights. We have no actual knowledge of any infringements that could materially affect the ownership, use or licensing of the copyrights.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We do not require you to personally supervise your franchised Restaurants. You must employ a Leader of Operations (or an individual with equivalent or greater responsibility and authority) to devote his/her full-time efforts to your Restaurants in your Territory. The Leader of Operations may be one of your individual Principal Shareholders if we agree he/she has sufficient Restaurant experience to perform the job of the Leader of Operations. Any Leader of Operations overseeing multiple brands in a franchisee will be subject to our approval. If we determine that the person does not have sufficient Restaurant experience, then you must locate and hire another individual as the Leader of Operations. You may also appoint an additional supervisory employee to oversee the operation of more than one Restaurant in your Territory. The Leader of Operations and any other additional supervisory employee must also successfully complete our operations training course and any refresher courses we require. The Leader of Operations must reside in the market area of the Restaurants that he or she oversees.

Under each Franchise Agreement, you must employ a General Manager who will devote his/her full-time efforts to supervising the day-to-day operation of each Restaurant and a Kitchen Manager who will devote his/her full-time efforts to supervising the day-to-day operation of the Restaurant kitchen. You will also need to ensure there is dedicated Assistant Manager coverage of the Bar and Off-premise business. The General

Manager, Kitchen Manager and Assistant Managers for each Restaurant must successfully complete our operations training course before the opening of the Restaurant for which they are responsible (and after the Restaurant opens, as you hire each new manager) and must successfully complete any refresher courses we require. Additionally, each Restaurant Team Member must be fully trained and staffing levels must be adequate to meet Restaurant sales volumes.

Your selection of your Leader of Operations and any additional supervisory employee is subject to our prior written approval, which we cannot arbitrarily withhold.

None of the persons described in the above paragraphs is required to have an ownership interest in the franchise.

You must enter a written agreement with your Leader of Operations, your other employees who will have a supervisory authority over the development or operation of more than one Restaurant within a Territory, each General Manager, Kitchen Manager and Restaurant Manager which prohibits that individual from misusing any of our proprietary information (as described in Item 14). The Leader of Operations also must enter into a written agreement which prohibits him/her, while in your employ or within two years following termination of his/her employment, from engaging in or acquiring any interest in a Restaurant business located in the Territory defined in the Development Agreement or in the Area of Dominant Influence (counties within a specific television advertising range, determined by Arbitron in 1988) of any Restaurant you open, whose menu or method of operation is the same as or similar to that employed by the Restaurants. These agreements also must permit us to enforce these prohibitions directly against those employees. The forms of agreement those employees will sign are attached to the Development Agreement and Franchise Agreement (*see* Item 17). We can also require you to obtain from your Leader of Operations an agreement verifying his or her employment status.

Each individual or entity that owns more than a 10% direct or indirect interest in the franchisee must sign the Development Agreement and Franchise Agreement and agree to discharge all obligations of the “Developer/Franchisee” under those agreements. On a case-by-case basis, we may apply this requirement to individuals or entities with less than a 10% direct or indirect interest in the franchisee. Individuals or entities other than the franchisee that must sign the Development Agreement and Franchise Agreement and agree to discharge (i.e., personally guarantee) all obligations of the “Developer/Franchisee” under those agreements are called “Principal Shareholders.” Principal Shareholders must also agree not to disclose our confidential information and may not compete with us. *See* Items 14 and 17.

Each person who is or becomes a direct or indirect owner of 10% or less of the franchisee entity (including partners, limited liability company members, and shareholders) and the spouses of any owner must sign the Guarantee of Obligations in the form we prescribe, undertaking to be bound jointly and severally by the terms of the Franchise Agreement. The current form of Guarantee of Obligations is attached as Exhibit G. From time to time, we may make exceptions to this requirement in our sole discretion.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer for sale in the Restaurants only those products and services specified in the Franchise Agreement and the Manuals which satisfy our standards and specifications and which you purchase from approved suppliers and distributors. *See* Item 8. Unless we specifically consent in writing, you must offer all the products and services specified in the preceding sentence. We can modify any of our specifications, standards and requirements whenever we deem necessary, and if so, you must modify your operations. Our right to modify or add to what you must offer is not limited in any way.

You may not use the Restaurant location for any purpose other than the operation of a restaurant complying with our requirements, and you may only advertise locally through media we approve, including periodicals, radio, television, outdoor signs on billboards or buildings, newspapers, flyers, direct mail, social media and other approved electronic media. *See* Item 12. You must notify us if you plan to close the Restaurant for remodeling.

Subject to our approval in Section 8.5 of the Franchise Agreement, you may use the Internet to identify locations of your Restaurants at which products are sold, but you may not sell any products, including gift cards, on the Internet. You may not use any Internet domain name that contains our Trademarks. You may not sell any pre-packaged items, including anything from the Restaurants, nor conduct retail sales or gift card sales in other locations. We retain the exclusive right to sell products (including gift cards) at grocery, mass merchandise, wholesale/club, convenience, drug stores, other similar locations and any other channel of distribution, including the Internet.

You are not limited in the customers whom you may serve.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

These tables list certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

Development Agreement

Provision	Section in Development Agreement	Summary
a. Length of the franchise term	Section 1.1, 9.1	From 1 to 20 years.
b. Renewal or extension of the term	Not applicable	Not applicable
c. Requirements for franchisee to renew or extend	Not applicable	Not applicable
d. Termination by franchisee	Not applicable	Not applicable
e. Termination by franchisor without cause	Sections 1.1, 9.1	When the term expires.
f. Termination by franchisor with cause	Sections 2.3, 3.3, 9.1, 9.2, 9.3, 9.4	We can terminate only if you default.

Provision	Section in Development Agreement	Summary
g. “Cause” defined – curable defaults	Sections 2.3, 3.3, 9.2, 9.3	(i) You have 60 days to cure a default of your development schedule; (ii) you have 30 days to cure non-payment of fees; (iii) you have 90 days to dismiss a bankruptcy petition filed by or against you; (iv) you have 90 days to employ your first Leader of Operations and 180 days to find a replacement if his/her employment with you terminates, all of whom we must approve; (v) you have 30 days to cure other defaults under the agreement not mentioned here or in item “h”.
h. “Cause” defined – non-curable defaults	Sections 8, 9.2, 9.3, 9.4	Non-curable defaults: (i) if you open a Restaurant and fail to get the site and/or the plans pre-approved; (ii) if you try to transfer the agreement before you open all the Restaurants required, or later if you did not get our consent; (iii) if you or one of your Principal Shareholders is convicted of or pleads <i>nolo contendere</i> to a felony or a crime involving moral turpitude; (iv) if you made a misrepresentation to us about a material fact; (v) if you misuse our trademarks or disclose any confidential information to a third party; (vi) if you default under a franchise agreement and we terminate that agreement; (vii) if you have two or more of the same defaults in a 12-month period.
i. Franchisee obligations on termination/nonrenewal	Section 4.4	Obligations include payment of any fees or expenses due us (also <i>see</i> item “r” below).
j. Assignment of contract by franchisor	Not applicable	No restriction on our right to assign.
k. “Transfer” by franchisee - defined	Sections 8.2, 8.3, 8.4, 8.5	Includes pledge or transfer of agreement or assets or ownership change.
l. Franchisor approval of transfer by franchisee	Section 8.8	If you have the right to transfer, we may approve or withhold our consent, but if we withhold consent, we must tell you why. If we do not respond to a request for transfer within the 45 days provided in the agreement, our consent is deemed given. If you are a Principal Shareholder transferring to another Principal Shareholder, we cannot unreasonably withhold our approval.
m. Conditions for franchisor approval of transfer	Sections 8.8, 8.9, Appendix E	New franchisee qualifies; transfer fee paid; purchase agreement/merger documents approved; training set-up if needed; release signed by you; fees paid; transfer of current agreement signed by new franchisee; Manuals returned (also <i>see</i> item “r” below).
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 8.7	We can match any offer for your business. If offer includes non-cash items, we can pay you in cash or our securities for the value of those non-cash items.
o. Franchisor’s option to purchase franchisee’s business	Not applicable	Not applicable

Provision	Section in Development Agreement	Summary
p. Death or disability of franchisee	Section 8.5	Your estate may transfer your interest in the agreement to your spouse, children or person designated in your will or trust without our approval, if your successor agrees to be bound by the agreement.
q. Non-competition covenants during the term of the franchise	Section 11.1	No involvement in competing business in the Territory, or in the Area of Dominant Influence in which the Territory is located or within a five-mile radius of any Restaurant anywhere.
r. Non-competition covenants after the franchise is terminated or expires	Section 11.1	No competing business for two years within the Territory, or in the Area of Dominant Influence in which the Territory is located, within a five-mile radius of any Restaurant anywhere or within an area which has been defined as a Territory in another franchisee's development agreement at the time your agreement expires or terminates.
s. Modification of the agreement	Section 16.4	No modification without all parties' consent, but we can update the Manuals.
t. Integration/merger clause	Section 16.3	All agreements are merged into this agreement and the franchise agreement (subject to state law). Any other promises may not be enforceable unless contained in this Disclosure Document. Nothing is intended to disclaim any representation made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	Section 3.2	Subject to state law, if an agreement to resolve the issue between Franchisor and Developer regarding whether a Franchisee's last Restaurant should or should not be developed and opened cannot be reached, Franchisor and Developer shall submit the disagreement to the National Franchise Mediation Board for handling and disposition.
v. Choice of forum	Section 15.3	Subject to state law, litigation must be in Johnson County, Kansas. A right to a jury trial is waived.
w. Choice of law	Section 15.2	Subject to state law, Kansas law applies.

Franchise Agreement

Provision	Section in Franchise Agreement	Summary
a. Length of franchise term	Section 1.2	Term is 20 years.
b. Renewal or extension	Section 1.3	If you are in good standing each time, you may renew four times for five years each
c. Requirements for franchisee to renew or extend	Section 1.3	Each time you renew, all your Restaurants must be in good standing, you must sign a new agreement, you must pay a fee equal to 10% of the franchise fee paid or that would be paid by new franchisees and you must notify us seven to 12 months before your agreement expires that you want to renew. Upon renewal, you may be required to sign a franchise agreement with materially different terms and conditions than your original Franchise Agreement.
d. Termination by franchisee	Not applicable	Not applicable
e. Termination by franchisor without cause	Not applicable	Not applicable

Provision	Section in Franchise Agreement	Summary
f. Termination by franchisor with cause	Section 19.1	We can terminate you if you default or if you are prohibited from selling liquor.
g. "Cause" defined – curable defaults	Section 19.1	You have 60 days to cure: (i) non-submission of reports; (ii) failure to spend local advertising fee; (iii) payment of miscellaneous fees due us; (iv) failure to pay your debts and any other matters not listed in Section 19.1(a) - 19.1(f), except you have 90 days to dismiss a bankruptcy filed by or against you. If you default for the same obligations two times in a 12-month period, we may terminate you upon written notice without any cure period.
h. "Cause" defined – non-curable defaults	Section 19.1, 23	Non-curable defaults: (i) failure to pay your royalty and advertising fee by the 12th day of the next month; (ii) an unapproved transfer; (iii) disclosure of confidential information; (iv) competing with the Restaurants; (v) failing to keep your Restaurant in compliance with the operating specifications set forth in the Manuals; (vi) loss of your liquor license for more than 30 days during any 12- month period; (vii) if you cease to operate your Restaurant or otherwise convey an intention to cease operating your Restaurant without our prior written consent or lose your lease or your right to operate your Restaurant (unless it is because of "Force Majeure"); (viii) the discovery by us of a material misrepresentation of information you furnished us; (ix) if any part of the Franchise Agreement relating to the payment of fees or preservation of trademarks is declared invalid or unenforceable; (x) if you or one of your Principal Shareholders is convicted or pleads <i>nolo contendere</i> to a felony or a crime involving moral turpitude.
i. Franchisee obligations on termination/nonrenewal	Sections 19.2, 19.3, 19.4, 19.5	You must close your Restaurant and not remove any property for 30 days. You must stop using all our trade names, trademarks, service marks and logos and all recipes and methods of operation described in the Manuals. If directed to do so by us and if permitted by applicable state and local laws, you must cooperate in transferring the liquor license for the Restaurant to us or our affiliate or another franchisee. If you own the Restaurant premises, we have the option for 30 days to buy the premises for fair market value. (We also have the option for 30 days to buy the equipment for fair market value.) Fair market value is either the price agreed to by you and us or set by appraisers chosen as described in the agreement. If you do not want to sell the premises, you must lease it to us. If leasing the Restaurant premises, you must assign your lease to us (also <i>see</i> item "o" below).
j. Assignment of contract by franchisor	Not applicable	No restriction on our right to assign.
k. "Transfer" by franchisee - defined	Section 12.2, 12.3, 12.4	Includes pledge or transfer of contract, assets or ownership change.
l. Franchisor approval of transfer by franchisee	Sections 12.1, 12.5, 12.7, 12.8	We have the right to approve all transfers. If we withhold consent, we must tell you why. If we do not respond to a request for transfer within the 45 days

Provision	Section in Franchise Agreement	Summary
		provided in the agreement, our consent is deemed given. If you are a Principal Shareholder transferring to another Principal Shareholder, we cannot unreasonably withhold our approval.
m. Conditions for franchisor approval of transfer	Sections 12.8, 12.9	New franchise qualifies; transfer fee paid; purchase/merger agreement approved; training, if needed, arranged; release signed; assignment of agreement or new agreement signed by new franchisee (also <i>see</i> item “r” below).
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 12.7	We can match any offer for your business. If offer includes non-cash items, we may pay you in cash or our securities for the value of those non-cash items.
o. Franchisor’s option to purchase franchisee’s business	Sections 19.4, 19.5	Upon your termination or non-renewal, if you own the Restaurant premises, we have the option for 30 days to buy the premises for fair market value. If you do not want to sell the premises, you must lease it to us. If leasing the premises, you must assign your lease to us. (also <i>see</i> item “i” above).
p. Death or disability of franchisee	Section 12.5	Your estate may transfer your interest in the agreement to your spouse, children or person designated in your will or trust without our approval, if your successor agrees to be bound by the agreement.
q. Non-competition covenants during the term of the franchise	Section 13.1	No involvement in competing business in the Territory, or in the Area of Dominant Influence in which the Territory is located or within a five-mile radius of any Restaurant anywhere.
r. Non-competition covenants after the franchise is terminated or expires	Section 13.2	No competing business for two years within the Territory, or in the Area of Dominant Influence in which the Territory is located, within a five-mile radius of any Restaurant anywhere or within an area which has been defined as a Territory in another franchisee’s development agreement at the time your agreement expires or terminates.
s. Modification of the agreement	Sections 8.2, 9.1, 23, 25.6	No modification without all parties’ consent, but we can (i) make changes in the Manuals; (ii) change the advertising fee and the amount spent on local advertising; (iii) increase the royalty fee; (iv) terminate the agreement if you do not get a liquor license or some third party has superior rights in the area in our trade name; (v) change the trade name or trademark used.
t. Integration/merger clause	Section 25.5	All agreements are merged into this agreement and the development agreement (subject to state law). Any other promises may not be enforceable unless contained in this Disclosure Document. Nothing is intended to disclaim any representation made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	Not applicable	Not applicable
v. Choice of forum	Section 21.3	Subject to state law, litigation must be in Johnson County, Kansas. A right to a jury trial is waived.
w. Choice of law	Section 21.2	Subject to state law, Kansas law applies.

ITEM 18 PUBLIC FIGURES

We do not use any public figure to promote our franchise.

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 that you are considering buying; or (2) a franchisor supplements the information provided in Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

CHART 1: Historical Gross Sales of Traditional Franchised Restaurants by Region

Chart 1 contains historical average, median, high and low gross sales for the 12-month period of December 30, 2024 to December 28, 2025, for all traditional franchised Applebee's Restaurants that were active and operating as of December 28, 2025, except we excluded four restaurants which were operating as express concepts. Stores temporarily closed during the year were also excluded, as were all Dual Branded Restaurants (there were 24 Dual Branded Restaurants during this period). The restaurants are organized by geographic "Regions" as defined by the U.S. Census Bureau.

Region	# of Restaurants	Annualized Average Gross Sales	# and % of units that exceeded Average Gross Sales	Median	High	Low
Midwest	403	\$2,662,918	179/44%	\$2,545,951	\$5,011,435	\$1,053,693
Northeast	279	\$3,830,089	115/41%	\$3,609,473	\$10,150,710	\$1,994,980
South	419	\$2,450,367	190/45%	\$2,361,192	\$5,036,244	\$1,086,609
West	250	\$3,292,418	116/46%	\$3,224,283	\$5,754,375	\$1,733,894
Total	1351	\$2,954,522	600/44%	\$2,822,904	\$10,150,710	\$1,053,693

Notes

- (1) We compiled the gross sales data included in Chart 1 above from information submitted to us by our franchisees for royalty reporting. These amounts are not audited. Upon your reasonable request, we will provide written substantiation for these financial performance representations.
- (2) "Gross Sales" is defined as all receipts (cash, cash equivalents or credit) or revenues from sales from all business conducted upon or from the Restaurant premises, whether evidenced by check, cash, credit, debit card, charge account, exchange or otherwise, including, but not limited to, amounts received from the sale of goods, wares and merchandise (including sales of food, beverages and tangible property of every kind and nature, promotional or otherwise), from all services performed from or at the Restaurant premises, and from all orders taken or received at the Restaurant premises, regardless of where such orders are filled (including any payments received from the sale of meals to employees). This definition is provided in the Franchise Agreement.

Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

Other than the preceding financial performance representations, we do not make any financial performance representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 by contacting Jacob Barden, Senior Vice President, Franchise Development, 10 W. Walnut St., 5th Floor, Pasadena, California 91103, (818) 637-5206, jacob.barden@dinebrands.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Table No. 1A				
System-wide Outlet Summary For Years 2023 to 2025 ⁽¹⁾ (Traditional Venue Locations)				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	1,575	1,542	-33
	2024	1,542	1,460	-82
	2025	1,460	1,416	-44
Company Owned	2023	0	0	0
	2024	0	47	+47
	2025	47	59	+12
Total Outlets	2023	1,575	1,542	-33
	2024	1,542	1,507	-35
	2025	1,507	1,475 ⁽²⁾	-32
Notes				
(1) The figures in Table No. 1A include system-wide totals for Traditional Venue locations as of Fiscal Year 2023, 2024 and 2025. See Table No. 1B for total franchised Non-Traditional Venue locations.				
(2) 26 Dual Branded Restaurants have been included in this count during this Fiscal Year.				

Table No. 1B				
System-wide Outlet Summary For Years 2023 to 2025 ⁽¹⁾ (Non-Traditional Venue Locations)				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	3	3	0
	2024	3	3	0
	2025	3	5	+2
Company Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0

Table No. 1B				
System-wide Outlet Summary For Years 2023 to 2025 ⁽¹⁾ (Non-Traditional Venue Locations)				
Total Outlets	2023	3	3	0
	2024	3	3	0
	2025	3	5 ⁽²⁾	+2
Notes (1) The figures in Table No. 1B include system-wide totals for Non-Traditional Venue locations as of Fiscal Year 2023, 2024 and 2025. See Table No. 1A for total franchised Traditional Venue locations. There are no company-owned Non-Traditional Venue locations. (2) 1 Dual Branded Restaurant has been included in this count during this Fiscal Year.				

Table No. 2		
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) for Fiscal Years 2023 - 2025 ⁽¹⁾		
State	Year	Number of Transfers
CALIFORNIA	2023	0
	2024	0
	2025	6
FLORIDA	2023	0
	2024	25
	2025	0
GEORGIA	2023	0
	2024	1
	2025	0
NEW MEXICO	2023	6
	2024	0
	2025	0
NEW YORK	2023	0
	2024	21
	2025	0
OREGON	2023	0
	2024	0
	2025	4
PENNSYLVANIA	2023	0
	2024	6
	2025	0
TEXAS	2023	0
	2024	9
	2025	0
WISCONSIN	2023	0
	2024	0
	2025	11
WYOMING	2023	0
	2024	0

Table No. 2		
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) for Fiscal Years 2023 - 2025 ⁽¹⁾		
State	Year	Number of Transfers
	2025	2
TOTAL	2023	6
	2024	62
	2025	23
Note		
(1) The figures in Table No. 2 include outlet transfers for both Traditional Venue and Non-Traditional Venue locations as of fiscal year 2023, 2024 and 2025.		

Table No. 3A								
Status of Franchised Outlets for Fiscal Years 2023-2025 ⁽¹⁾ (Traditional Venue Locations)								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
ALABAMA	2023	30	0	0	0	0	0	30
	2024	30	0	0	0	0	0	30
	2025	30	0	0	0	0	1	29
ALASKA	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
ARIZONA	2023	21	0	0	0	0	0	21
	2024	21	0	0	0	0	1	20
	2025	20	0	0	0	0	0	20
ARKANSAS	2023	8	0	0	0	0	1	7
	2024	7	0	0	1	1	0	5
	2025	5	1	0	0	1	1	4 ⁽²⁾
CALIFORNIA	2023	107	0	0	0	0	0	107
	2024	107	0	0	1	0	3	103
	2025	103	1	0	1	0	1	102 ⁽³⁾

Table No. 3A

Status of Franchised Outlets for Fiscal Years 2023-2025⁽¹⁾ (Traditional Venue Locations)

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
COLORADO	2023	23	0	0	0	0	1	22
	2024	22	0	0	0	0	0	22
	2025	22	0	0	0	0	0	22
CONNECTICUT	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
DELAWARE	2023	12	0	0	0	0	0	12
	2024	12	0	0	0	0	0	12
	2025	12	0	0	0	0	0	12
FLORIDA	2023	90	0	0	0	0	2	88
	2024	88	0	0	0	0	1	87
	2025	87	0	0	0	0	9	78
GEORGIA	2023	58	0	0	0	0	0	58
	2024	58	0	0	0	32	2	24
	2025	24	0	0	0	0	0	24
GUAM	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
HAWAII	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
IDAHO	2023	12	0	0	0	0	0	12
	2024	12	0	0	0	0	0	12
	2025	12	0	0	0	0	0	12
ILLINOIS	2023	35	0	0	0	0	0	35
	2024	35	0	0	1	2	2	30
	2025	30	0	0	0	0	1	29
INDIANA	2023	57	0	0	0	0	1	56

Table No. 3A

Status of Franchised Outlets for Fiscal Years 2023-2025⁽¹⁾ (Traditional Venue Locations)

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
	2024	56	0	0	0	0	0	56
	2025	56	0	0	0	2	0	54
IOWA	2023	25	0	0	0	0	0	25
	2024	25	0	0	0	0	0	25
	2025	25	0	0	0	0	0	25
KANSAS	2023	30	0	0	0	0	3	27
	2024	27	0	0	0	0	1	26
	2025	26	0	0	0	0	5	21
KENTUCKY	2023	27	0	0	0	0	1	26
	2024	26	0	0	0	2	0	24
	2025	24	0	0	0	5	0	19
LOUISIANA	2023	14	0	0	0	0	2	12
	2024	12	0	0	0	0	0	12
	2025	12	0	0	0	0	0	12
MAINE	2023	12	0	0	0	0	0	12
	2024	12	0	0	0	0	0	12
	2025	12	0	0	0	0	0	12
MARYLAND	2023	18	0	0	0	0	0	18
	2024	18	0	0	0	0	1	17
	2025	17	0	0	0	0	0	17
MASSACHUSETTS	2023	25	0	0	0	0	1	24
	2024	24	0	0	0	0	0	24
	2025	24	0	0	0	0	0	24
MICHIGAN	2023	82	0	0	0	0	0	82
	2024	82	0	0	0	0	2	80
	2025	80	0	0	0	0	0	80
MINNESOTA	2023	46	0	0	0	0	1	45
	2024	45	0	0	0	0	0	45

Table No. 3A

Status of Franchised Outlets for Fiscal Years 2023-2025⁽¹⁾ (Traditional Venue Locations)

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
	2025	45	0	0	0	0	0	45
MISSISSIPPI	2023	20	0	0	0	0	0	20
	2024	20	0	0	0	2	1	17
	2025	17	0	0	0	0	0	17
MISSOURI	2023	47	0	2	0	0	0	45
	2024	45	0	0	0	3	1	41
	2025	41	0	0	0	0	2	39
MONTANA	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7
NEBRASKA	2023	15	0	0	0	0	0	15
	2024	15	0	0	1	0	0	14
	2025	14	0	0	0	0	0	14
NEVADA	2023	13	0	0	0	0	1	12
	2024	12	0	0	0	0	1	11
	2025	11	0	0	0	0	0	11
NEW HAMPSHIRE	2023	13	0	0	0	0	0	13
	2024	13	0	0	0	0	0	13
	2025	13	0	0	0	0	0	13
NEW JERSEY	2023	55	0	0	0	0	0	55
	2024	55	0	0	0	0	0	55
	2025	55	0	0	0	0	0	55
NEW MEXICO	2023	20	0	0	0	0	2	18
	2024	18	0	0	0	0	0	18
	2025	18	0	0	0	0	0	18
NEW YORK	2023	96	1	0	1	0	1	95
	2024	95	0	0	1	0	0	94
	2025	94	0	0	3	0	0	91

Table No. 3A

Status of Franchised Outlets for Fiscal Years 2023-2025⁽¹⁾ (Traditional Venue Locations)

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
NORTH CAROLINA	2023	43	0	0	0	0	6	37
	2024	37	0	0	0	0	0	37
	2025	37	0	0	0	0	0	37
NORTH DAKOTA	2023	11	0	0	0	0	0	11
	2024	11	0	0	0	0	0	11
	2025	11	0	0	0	0	0	11
OHIO	2023	77	0	0	1	0	0	76
	2024	76	0	0	0	0	1	75
	2025	75	0	0	0	0	0	75
OKLAHOMA	2023	12	0	0	0	0	1	11
	2024	11	0	0	0	0	0	11
	2025	11	0	0	0	4	1	6
OREGON	2023	17	0	0	0	0	0	17
	2024	17	0	0	0	0	0	17
	2025	17	0	0	1	0	0	16 ⁽⁴⁾
PENNSYLVANIA	2023	76	0	0	0	0	1	75
	2024	75	0	0	0	0	0	75
	2025	75	0	0	1	0	0	74
PUERTO RICO	2023	8	1	0	0	0	1	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	1	7
RHODE ISLAND	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	1	6
	2025	6	0	0	0	0	0	6
SOUTH CAROLINA	2023	27	0	0	0	0	0	27
	2024	27	0	0	1	0	0	26
	2025	26	0	0	0	0	0	26
SOUTH DAKOTA	2023	6	0	0	0	0	0	6

Table No. 3A

Status of Franchised Outlets for Fiscal Years 2023-2025⁽¹⁾ (Traditional Venue Locations)

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
	2024	6	0	0	0	0	0	6
	2025	6	0	0	1	0	0	5
TENNESSEE	2023	29	0	0	1	0	0	28
	2024	28	0	0	0	5	1	22
	2025	22	0	0	0	0	0	22
TEXAS	2023	89	2	0	0	0	1	90
	2024	90	0	0	0	0	5	85
	2025	85	5	0	1	0	2	87 ⁽⁵⁾
UTAH	2023	9	0	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	0	0	0	0	0	9
VERMONT	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
VIRGINIA	2023	47	0	0	0	0	0	47
	2024	47	0	0	0	0	2	45
	2025	45	0	0	0	0	1	44
WASHINGTON	2023	40	0	0	0	0	0	40
	2024	40	0	0	0	0	0	40
	2025	40	0	0	0	0	0	40
WEST VIRGINIA	2023	14	0	0	0	0	0	14
	2024	14	0	0	0	0	0	14
	2025	14	0	0	0	0	0	14
WISCONSIN	2023	31	0	0	0	0	5	26
	2024	26	0	0	0	0	2	24
	2025	24	2	0	0	0	7	19 ⁽⁶⁾

Table No. 3A

Status of Franchised Outlets for Fiscal Years 2023-2025⁽¹⁾ (Traditional Venue Locations)

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
WYOMING	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	1	3
	2025	3	0	0	0	0	1	2
TOTALS	2023	1,575	4	2	3	0	32	1,542
	2024	1,542	0	0	6	47	29	1,460
	2025	1,460	9	0	8	12	33	1,416 ⁽⁷⁾

Notes

- (1) The figures in Table No. 3A include status of franchised outlets for Traditional Venue locations as of fiscal year 2023, 2024 and 2025.
- (2) 1 Dual Branded Restaurant has been included in this count during this Fiscal Year.
- (3) 3 Dual Branded Restaurants have been included in this count during this Fiscal Year.
- (4) 3 Dual Branded Restaurants have been included in this count during this Fiscal Year.
- (5) 7 Dual Branded Restaurants have been included in this count during this Fiscal Year.
- (6) 10 Dual Branded Restaurants have been included in this count during this Fiscal Year.
- (7) Total includes 8 restaurants that were temporarily closed as of December 28, 2025.

Table No. 3B

Status of Franchised Outlets for Fiscal Years 2023-2025⁽¹⁾ (Non-Traditional Venue Locations)

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
ILLINOIS	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
MICHIGAN	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
TEXAS	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1

Table No. 3B								
Status of Franchised Outlets for Fiscal Years 2023-2025 ⁽¹⁾ (Non-Traditional Venue Locations)								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
	2025	1	1	0	0	0	0	2 ⁽²⁾
VIRGINIA	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
TOTALS	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	2	0	0	0	0	5 ⁽²⁾
Notes (1) The figures in Table No. 3B include status of franchised outlets for Non-Traditional Venue locations as of fiscal year 2023, 2024 and 2025. (2) 1 Dual Branded Restaurant has been included in this count during this Fiscal Year.								

Table No. 4							
Status of Company-Owned Outlets for Fiscal Years 2023 - 2025 ⁽¹⁾							
State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
ARKANSAS	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	1	0	1	0	0	2
GEORGIA	2023	0	0	0	0	0	0
	2024	0	0	32	0	0	32
	2025	32	0	0	0	0	32
ILLINOIS	2023	0	0	0	0	0	0
	2024	0	0	2	0	0	2
	2025	2	0	0	0	0	2
INDIANA	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	2	0	0	2

Table No. 4							
Status of Company-Owned Outlets for Fiscal Years 2023 - 2025 ⁽¹⁾							
State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
KENTUCKY	2023	0	0	0	0	0	0
	2024	0	0	2	0	0	2
	2025	2	0	5	0	0	7 ⁽²⁾
MISSOURI	2023	0	0	0	0	0	0
	2024	0	0	3	0	0	3
	2025	3	0	0	0	0	3 ⁽³⁾
MISSISSIPPI	2023	0	0	0	0	0	0
	2024	0	0	2	0	0	2
	2025	2	0	0	0	0	2
NORTH CAROLINA	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
OKLAHOMA	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	4	0	0	4
SOUTH CAROLINA	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
TENNESSEE	2023	0	0	0	0	0	0
	2024	0	0	5	0	0	5
	2025	5	0	0	0	0	5
Total	2023	0	0	0	0	0	0
	2024	0	0	47	0	0	47
	2025	47	0	12	0	0	59
Notes							
(1) Numbers are for fiscal years 2023, 2024 and 2025.							
(2) 1 Dual Branded Restaurant has been included in this count during this Fiscal Year.							
(3) 1 Dual Branded Restaurant has been included in this count during this Fiscal Year.							

Table No. 5			
Projected Openings As Of January 1, 2026			
State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company- Owned Outlet in the Next Fiscal Year
ARIZONA	0	5 ⁽¹⁾	0
CALIFORNIA	0	3 ⁽²⁾	0
DELAWARE	0	1	0
FLORIDA	0	1	0
ILLINOIS	0	1 ⁽³⁾	0
INDIANA	0	1	0
MARYLAND	0	1	0
NEVADA	0	1	0
NEW JERSEY	0	1	0
NEW YORK	0	1	0
OHIO	0	1	3
OKLAHOMA	0	4 ⁽⁴⁾	0
PENNSYLVANIA	0	1	0
RHODE ISLAND	0	1	0
TEXAS	3	17 ⁽⁵⁾	0
UTAH	0	1	0
VIRGINIA	0	1 ⁽⁶⁾	0
WASHINGTON	1	1 ⁽⁷⁾	0
WISCONSIN	0	1 ⁽⁸⁾	0
Total	4	44	3
Notes (1) Includes 3 projected Dual Branded Restaurants. (2) Includes 3 projected Dual Branded Restaurants. (3) Includes 1 projected Dual Branded Restaurant. (4) Includes 4 projected Dual Branded Restaurants. (5) Includes 17 projected Dual Branded Restaurants. (6) Includes 1 projected Dual Branded Restaurant. (7) Includes 1 projected Dual Branded Restaurant. (8) Includes 1 projected Dual Branded Restaurant.			

Current Franchised Locations

A complete list of our franchisees in the U.S. as of December 28, 2025, including their names, addresses and telephone numbers, is attached as Exhibit I-1. Also included in Exhibit I-1 is the address and telephone number for the individual franchise outlets operated by each franchisee in the U.S. There were 25 Dual Branded Restaurants operated by our franchisees in the U.S. as of December 28, 2025.

Former Franchisees

A list with the name and last known address and telephone number of each franchisee whose Franchise Agreement(s) has been terminated, canceled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the fiscal year ending December 28, 2025 or who have not communicated with us or our affiliates within 10 weeks of the date of this Disclosure Document is attached as Exhibit I-2.

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

Purchase of Previously-Owned Franchise Outlet

If you are purchasing a previously-owned franchised outlet, we will provide you additional information on the previously-owned franchise outlet in an addendum to this Disclosure Document.

Confidentiality Clauses

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Applebee's. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Trademark Specific Franchisee Organizations

The Applebee's Franchise Business Council; Marketing, Menu and Media Committee; Franchise Operations Committee; Technology Committee; and People Committee are the trademark specific franchisee organizations associated with the franchise system and were created and are sponsored by Applebee's and/or its affiliates. These Council/Committees have no separate address, telephone number, email address or web address. No other independent franchisee organization has asked to be included in this Disclosure Document.

ITEM 21 FINANCIAL STATEMENTS

Attached as Exhibit A are our audited financial statements as of December 28, 2025, December 29, 2024, and December 31, 2023.

Also included are the audited financial statements of our parent company, Dine Brands, as of its fiscal years ending December 28, 2025, December 29, 2024, and December 31, 2023. These financials are included because Dine Brands performs certain post-sale obligations for the franchisor; Dine Brands does not guarantee our performance of obligations to our franchisees.

We and Dine Brands have a 52/53 week fiscal year ending on the Sunday nearest to December 31 of each year. For convenience, in this Disclosure Document, we may sometimes refer to fiscal years as ending on December 31 and fiscal quarters as ending on the nearest calendar quarter-end. There were 52 calendar weeks in our and

Dine Brands' 2025 fiscal year ended on December 28, 2025, 52 calendar weeks in our and Dine Brands' 2024 fiscal year ended on December 29, 2024, and 52 calendar weeks in our Dine Brands' 2022 fiscal year ended on December 31, 2023.

ITEM 22 CONTRACTS

The following agreements are attached as Exhibits to this Disclosure Document:

1. Applicant's Fee Letter Agreement (Exhibit D).
2. Development Agreement with Lease Rider and form addendum for alternate company structure (Exhibit E).
3. Franchise Agreement with form addendum for alternate company structure (Exhibit F).
4. Guarantee of Obligations (Exhibit G).

ITEM 23 RECEIPTS

Two copies of a Receipt for this Disclosure Document are attached as the last two pages of this Disclosure Document. Please sign, date and return one copy to us and retain the other copy for your files.

EXHIBIT A

**FINANCIAL STATEMENTS –
APPLEBEE'S FRANCHISOR LLC
AND DINE BRANDS GLOBAL, INC.**

FINANCIAL STATEMENTS

Applebee's Franchisor LLC

Fiscal Years Ended December 28, 2025 and December 29, 2024

With Report of Independent Auditors

Applebee's Franchisor LLC

Financial Statements

Fiscal Years Ended December 28, 2025 and December 29, 2024

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KPMG LLP
Suite 1100
4655 Executive Drive
San Diego, CA 92121-3132

Independent Auditors' Report

Member of Applebee's Franchisor LLC:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Applebee's Franchisor LLC (the Company), which comprise the balance sheet as of December 28, 2025, and the related statements of income, member's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 28, 2025, and the results of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

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.

Emphasis of Matter

As discussed in Notes 1 and 5 to the financial statements, the Company has various agreements with Dine Brands Global, Inc. and its affiliates related to administrative, management, and support activities and various other items. The accompanying financial statements may not be indicative of conditions that would have existed if Applebee's Franchisor LLC had been operated as an unaffiliated entity. Our opinion is not modified with respect to this matter.

Other Matter

The accompanying financial statements of the Company as of December 29, 2024, and for the year then ended were audited by other auditors whose report thereon dated March 20, 2025, expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are 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 for one year after the date that the financial statements are available to be issued.



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 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 for 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.

KPMG LLP

San Diego, California
March 25, 2026

Applebee's Franchisor LLC

Balance Sheets (In thousands)

	December 28, 2025	December 29, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,837	\$ 3,530
Receivables, net of allowance of \$140 (2025) and \$103 (2024)	17,098	14,392
Prepaid expenses	1,628	759
Related party note receivable	—	20,000
Total current assets	21,563	38,681
Long-term receivables, net of allowance of \$30	3,553	—
Related party note receivable	25,000	5,000
Other non-current assets	11,429	3,933
Total assets	\$ 61,545	\$ 47,614
Liabilities and Member's Equity		
Current liabilities:		
Deferred revenue	\$ 366	\$ 342
Other current liabilities	2,495	1,035
Total current liabilities	2,861	1,377
Long-term deferred revenue	2,825	2,291
Total liabilities	5,686	3,668
Member's equity:		
Contributed capital	19,646	19,646
Due from Member, net of Due to Affiliates of \$97,453 (2025) and \$62,709 (2024)	(203,617)	(169,999)
Retained earnings	239,830	194,299
Total member's equity	55,859	43,946
Total liabilities and member's equity	\$ 61,545	\$ 47,614

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Statements of Income (In thousands)

	Fiscal Year Ended	
	December 28, 2025	December 29, 2024
Revenues		
Franchise revenues		
Royalties	\$ 70,333	\$ 60,864
Franchise, development and other fees	649	766
Advertising fees	74,478	70,083
Total revenue	<u>145,460</u>	<u>131,713</u>
Costs and Expenses		
Franchise expenses:		
Advertising expenses	74,478	70,083
Bad debt expense	1,194	18
Other franchise expenses	2,888	42
Total franchise expenses	<u>78,560</u>	<u>70,143</u>
General and administrative expenses	<u>23,069</u>	<u>19,317</u>
Total costs and expenses	<u>101,629</u>	<u>89,460</u>
Other income, net	<u>1,700</u>	<u>1,700</u>
Net income	\$ <u>45,531</u>	\$ <u>43,953</u>

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Statements of Member's Equity (In thousands)

	Contributed Capital	Due from Member, net	Retained Earnings	Total
Balance, January 1, 2024	\$ 19,646	\$ (132,007)	\$ 150,346	\$ 37,985
Net income	—	—	43,953	43,953
Change in Due from Member, net	—	(37,992)	—	(37,992)
Balance, December 29, 2024	19,646	(169,999)	194,299	43,946
Net income	—	—	45,531	45,531
Change in Due from Member, net	—	(33,618)	—	(33,618)
Balance, December 28, 2025	<u>\$ 19,646</u>	<u>\$ (203,617)</u>	<u>\$ 239,830</u>	<u>\$ 55,859</u>

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Statements of Cash Flows (In thousands)

	Fiscal Year Ended	
	December 28, 2025	December 29, 2024
Cash flows from operating activities		
Net income	\$ 45,531	\$ 43,953
Adjustments to reconcile net income to cash flows provided by operating activities:		
Due from Member, net	(33,618)	(37,992)
Changes in operating assets and liabilities		
Receivables, net	(6,259)	(2,195)
Prepaid expenses	(869)	89
Deferred revenue	558	(111)
Other assets and liabilities	(6,036)	(2,048)
Cash flows (used in) provided by operating activities	<u>(693)</u>	<u>1,696</u>
Net change in cash and cash equivalents	(693)	1,696
Cash and cash equivalents at beginning of year	<u>3,530</u>	<u>1,834</u>
Cash and cash equivalents at end of year	<u>\$ 2,837</u>	<u>\$ 3,530</u>

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Notes to the Financial Statements

1. Formation and Business

Organization and Nature of Operations

Applebee's Franchisor LLC (the "Company") is a single-member limited liability company formed in Delaware on July 28, 2014 and is governed by the limited liability company agreement dated July 28, 2014. The Company is a wholly-owned subsidiary of Applebee's Funding LLC (the "Member"), which, through various entities, is a wholly-owned subsidiary of Applebee's International, Inc., which is a wholly-owned subsidiary of Dine Brands Global, Inc. ("Dine").

The Company was formed as a special purpose entity to act as franchisor and to hold all rights, title and interest in new franchise agreements for all Applebee's Neighborhood Grill and Bar® ("Applebee's") restaurants in the United States effective after September 30, 2014 (the "Agreements") and all accrued and future rights to collection under the Agreements. In its capacity as franchisor, the Company enters into all additional development and franchise agreements for Applebee's® restaurants within the United States (including all substitute or replacement franchise agreements for existing Applebee's restaurants).

As of December 28, 2025, there were 663 Applebee's restaurants subject to franchise agreements held by the Company located in 42 states of the United States. As of December 29, 2024, there were 660 Applebee's restaurants subject to franchise agreements held by the Company located in 42 states of the United States.

Fiscal Periods

The Company has a 52/53 week fiscal year that ends on the Sunday nearest to December 31 of each year. The 2025 year presented herein began on December 30, 2024 and ended December 28, 2025. The 2024 year presented herein began on January 1, 2024 and ended December 29, 2024. Both 2025 and 2024 fiscal years contained 52 weeks.

Profits and Losses and Distributions

In accordance with the Company's LLC agreement, net income, losses and distributions are all allocated entirely to the Member.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates are made in the calculation and assessment of allowance for doubtful accounts and contingencies. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

Cash and Cash Equivalents

The Company considers all unrestricted, highly-liquid investments with an original maturity of three months or less to be cash equivalents.

Revenue Recognition

Franchise revenues consist primarily of royalty revenues, advertising fees and franchise fees. Franchise revenues are recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive for those goods or services.

The intellectual property subject to the franchise license is symbolic intellectual property as it does not have significant standalone functionality. Substantially all the utility is derived from its association with the Company's past or ongoing activities. The nature of the Company's promise in granting the franchise license is to provide the franchisee with access to the brand's symbolic intellectual property over the term of the license.

Accordingly, the franchise revenues are recognized as follows:

- Franchise and development fees – recognized on a straight-line basis over the term of the franchise agreement commencing with the restaurant opening date. As these fees are typically received in cash at or near the beginning of the franchise term, the cash received is initially recorded as a contract liability until recognized as revenue;
- Royalties and advertising fees – recognized as the franchisee's sales occur. Depending on timing within a fiscal period, the recognition of revenue results in either a contract asset (unbilled receivable) or, once billed, accounts receivable, on the balance sheet.

In determining the amount and timing of revenue from contracts with customers, the Company exercises significant judgment with respect to collectability of the amount; however, the timing of recognition does not require significant judgment as it is based on either the franchise term or the month of reported sales by the franchisee, neither of which requires estimation.

The Company does not incur a significant amount of contract acquisition costs in conducting its franchising activities. The Company believes its franchising arrangements do not contain a significant financing component. Financing revenue is recorded as earned.

Advertising

Costs of advertising typically are expensed either as incurred or the first time the advertising takes place. Any excess or deficiency of advertising fee revenue compared to advertising expenditures, is recognized on an annual basis. Any excess of revenue over expenditures is recognized only to the extent of previously recognized deficits. When advertising revenues exceed the related advertising expenses and there is no recovery of a previously recognized deficit of advertising revenues, advertising costs are accrued up to the amount of revenues. The advertising fees are recorded as a component of Due to Affiliates against which specific costs are charged. See *Note 5 – Related Party Transaction* of the Notes to the Financial Statements.

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

Receivables and Allowance for Credit Losses

The Company's receivables and long-term receivables balances are primarily comprised of receivables from franchisees for royalty, advertising and other franchise-related fees. Notes receivable balances primarily relate to the Company's related party note. See *Note 5 – Related Party Transaction* of the Notes to the Financial Statements.

The Company closely monitors the financial condition of our franchisees and estimates the allowance for credit losses based on historical collection experience, credit quality, and current market conditions.

Concentration of Credit Risk

The Company's cash and receivables are potentially subject to concentration of credit risk. Cash is placed with financial institutions that management believes are creditworthy. The Company does not believe that it is exposed to any significant credit risk on cash. At times, cash balances may be in excess of FDIC insurance limits. Receivables are derived from revenues earned from franchisees located in the United States.

As of December 28, 2025, two franchisees owned 127 and 101 Applebee's restaurants, respectively, representing 34% of the Company's restaurants. Revenues from these franchisees represented 17% and 15% of total franchise revenues, respectively, for the fiscal year ended December 28, 2025. As of December 29, 2024, two franchisees owned 128, and 82 Applebee's restaurants, respectively, representing 32% of the Company's restaurants. Revenues from these franchisees represented 17% and 11% of total franchise revenues, respectively, for the fiscal year ended December 29, 2024. No other individual franchisee represented more than 10% of the Company's total revenue for the fiscal years ended December 28, 2025 and December 29, 2024.

Income Taxes

The Company, a disregarded entity for both federal and state tax filing purposes, elected to simplify the accounting for income taxes under ASC 740, *Income Taxes*, which does not require tax allocation. Accordingly, its results are included in the consolidated tax returns of Dine.

Pre-opening Expenses

Expenditures related to the opening of new or relocated restaurants are charged to expenses when incurred and are included as franchise expenses in the Statement of Income.

Reclassification

The prior year bad debt expense on the Statements of Income has been reclassified to conform with the current year presentation.

Accounting Standards

The Company reviewed new accounting guidance that became effective as of the beginning of fiscal 2025 as well as other newly issued accounting pronouncements and concluded that they were either not

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

applicable to its operations or had no material effect on its financial statements in the current or future fiscal years.

3. Revenue

The components of the change in the Company's deferred revenue during the year ended December 28, 2025 are as follows:

	Deferred Franchise Revenue (short- and long-term)
	(In thousands)
Balance at December 29, 2024	\$ 2,633
Recognized as revenue during the fiscal year	(637)
Fees deferred during the fiscal year	1,195
Balance at December 28, 2025	\$ 3,191

The balance of deferred revenue as of December 28, 2025 is expected to be recognized as follows:

	(In thousands)
2026	\$ 366
2027	322
2028	293
2029	251
2030	221
Thereafter	1,738
Total deferred franchise revenue	\$ 3,191

4. Receivables

Receivables at December 28, 2025 was as follows (in thousands):

	December 28, 2025
Accounts receivable	\$ 16,221
Notes receivable	4,600
Total receivables	20,821
Less: allowance for doubtful accounts	(170)
	20,651
Less: current portion	(17,098)
Long-term receivables	\$ 3,553

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

Changes in the allowance for credit losses during the fiscal years ended December 28, 2025 and December 29, 2024 were as follows:

		(In thousands)
Balance at January 1, 2024	\$	836
Bad debt expense		18
Advertising provision		37
Write-offs		(788)
Balance at December 29, 2024		103
Bad debt expense		1,194
Write-offs		(727)
Advertising provision		(400)
Balance at December 28, 2025	\$	170

Provisions to advertising receivables are fully offset by adjustments against advertising payables.

5. Related Party Transactions

All cash receipts from the Company's operating revenue are collected and administered by the Member, resulting in a balance due from Member. All cash disbursements related to the Company's operating expenses are paid by affiliated entities (the "Affiliates"), resulting in a balance due to Affiliates. The Company, the Member and the Affiliates are under the common control of Dine. The Company and Dine determined that the balance due to Affiliates and the balance due from Member (collectively, the "Related Party balances") will not be settled until the Company's and its Member's organizations are dissolved. Since the Related Party balances will not be settled until the dissolution of the Company and the Company, the Member and the Affiliates are all under the common control of Dine, the net amount of the Related Party balances is classified within equity as Due from Member, net. Changes in Related Party balances are considered to be non-cash financing activity.

Applebee's International, Inc. allocates costs of general and administrative services to the Company, including information technology, human resources, quality assurance, training, legal, payroll, audit, tax, and communication. These costs are allocated on a basis the Company believes to be reasonable, primarily proportional allocation based on revenue, or specific identification, where applicable. The Company cannot estimate with any reasonable certainty what the charges for similar transactions would have been on a stand-alone basis. The total amounts of allocated costs charged to the Company of \$23.0 million and \$19.3 million for the fiscal years ended December 28, 2025 and December 29, 2024, respectively, are included in general and administrative expenses in the Statements of Income.

In November 2019, Dine borrowed \$20.0 million from the Company at an interest rate of 6.5% per annum with interest payable semiannually beginning in December 2019. This note was originally due in the second quarter of 2022. In June 2022 and 2025, the note was amended and extended to June 2025 and 2035, respectively. In April 2023, Dine borrowed an additional \$5.0 million from the Company at an interest rate of 8.0% per annum. The note is due in December 2027 with interest payable annually beginning in December 2023. Total interest income of \$1.7 million related to these two notes is included in other income,

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

net in the Statements of Income for each of the fiscal years ended December 28, 2025 and December 29, 2024, respectively.

6. Commitments and Contingencies

The Company is subject to various lawsuits, governmental inspections, administrative proceedings, audits, and claims arising in the ordinary course of business. Some of these lawsuits purport to be class actions and/or seek substantial damages. The Company is required to record an accrual for litigation loss contingencies that are both probable and reasonably estimable. Legal fees and expenses associated with the defense of the Company's litigation are expensed as incurred. In the opinion of management, these matters are adequately covered by insurance or, if not so covered, are without merit or are of such a nature or involve amounts that would not have a material adverse impact on the Company's business or consolidated financial statements. Management regularly assesses the Company's insurance deductibles, analyzes litigation information with the Company's attorneys and evaluates its loss experience in connection with pending legal proceedings. While the Company does not presently believe that any of the legal proceedings to which the Company is currently a party will ultimately have a material adverse impact on the Company, there can be no assurance that the Company will prevail in all the proceedings the Company is party to, or that the Company will not incur material losses from them.

7. Subsequent Events

The Company has evaluated subsequent events for potential recognition or disclosure through March 25, 2026, the date the financial statements were available to be issued.

FINANCIAL STATEMENTS

Applebee's Franchisor LLC

Fiscal Years Ended December 29, 2024 and December 31, 2023

With Report of Independent Auditors

Applebee's Franchisor LLC

Financial Statements

Fiscal Years Ended December 29, 2024 and December 31, 2023

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Report of Independent Auditors

Member of Applebee's Franchisor LLC

Opinion

We have audited the financial statements of Applebee's Franchisor LLC (the Company), which comprise the balance sheets as of December 29, 2024 and December 31, 2023, and the related statements of income, member's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 29, 2024 and December 31, 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's 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 audits. 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of 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 for one year after the date that the financial statements are available to be issued.

Auditor's 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 of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but 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 for 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



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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 audits.

Ernst & Young LLP

March 20, 2025

Applebee's Franchisor LLC

Balance Sheets (In thousands)

	December 29, 2024	December 31, 2023
Assets		
Current assets:		
Cash	\$ 3,530	\$ 1,834
Receivables, net of allowance of \$103 and \$836, as of December 29, 2024 and December 31, 2023, respectively	14,392	12,197
Prepaid expenses	759	848
Related party note receivable	<u>20,000</u>	<u>—</u>
Total current assets	38,681	14,879
Related party note receivable	5,000	25,000
Other non-current assets	<u>3,933</u>	<u>3,850</u>
Total assets	<u>\$ 47,614</u>	<u>\$ 43,729</u>
Liabilities and member's equity		
Current liabilities:		
Deferred revenue	\$ 342	\$ 372
Other current liabilities	<u>1,035</u>	<u>2,000</u>
Total current liabilities	1,377	2,372
Long-term deferred revenue	2,291	2,372
Other long-term liabilities	<u>—</u>	<u>1,000</u>
Total liabilities	<u>3,668</u>	<u>5,744</u>
Commitments and contingencies		
Member's equity:		
Contributed capital	19,646	19,646
Due from Member (net of Due to Affiliates of \$62,709 and \$40,127, as of December 29, 2024 and December 31, 2023, respectively)	(169,999)	(132,007)
Retained earnings	<u>194,299</u>	<u>150,346</u>
Total member's equity	<u>43,946</u>	<u>37,985</u>
Total liabilities and member's equity	<u>\$ 47,614</u>	<u>\$ 43,729</u>

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Statements of Income (In thousands)

	Fiscal Year Ended	
	December 29, 2024	December 31, 2023
Revenues		
Franchise revenues	\$ 131,713	\$ 119,430
Costs and Expenses		
Franchise expenses:		
Advertising expenses	70,083	63,747
Other franchise expenses	<u>60</u>	<u>697</u>
Total franchise expenses	70,143	64,444
General and administrative expenses	<u>19,317</u>	<u>15,943</u>
Total costs and expenses	<u>89,460</u>	<u>80,387</u>
Other income, net	<u>1,700</u>	<u>1,600</u>
Net income	<u>\$ 43,953</u>	<u>\$ 40,643</u>

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Statements of Member's Equity (In thousands)

	Contributed Capital	Due from Member, net	Retained Earnings	Total
Balance, January 1, 2023	\$ 19,646	\$ (93,481)	\$ 109,703	\$ 35,868
Net income	—	—	40,643	40,643
Change in Due from Member, net (Note 5)	—	(38,526)	—	(38,526)
Balance, December 31, 2023	\$ 19,646	\$ (132,007)	\$ 150,346	\$ 37,985
Net income	—	—	43,953	43,953
Change in Due from Member, net (Note 5)	—	(37,992)	—	(37,992)
Balance, December 29, 2024	\$ 19,646	\$ (169,999)	\$ 194,299	\$ 43,946

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Statements of Cash Flows (In thousands)

	Fiscal Year Ended	
	December 29, 2024	December 31, 2023
Operating activities		
Net income	\$ 43,953	\$ 40,643
Adjustments to reconcile net income to cash flows provided by operating activities		
Due from Member, net	(37,992)	(38,526)
Changes in operating assets and liabilities		
Receivables, net	(2,195)	789
Prepaid expenses	89	307
Deferred revenue	(111)	(334)
Other	(2,048)	(1,286)
Cash flows provided by operating activities	<u>1,696</u>	<u>1,593</u>
Investing activities		
Issuance of related party note receivable	<u>—</u>	<u>(5,000)</u>
Cash flows used in investing activities	<u>—</u>	<u>(5,000)</u>
Net change in cash	1,696	(3,407)
Cash at beginning of year	<u>1,834</u>	<u>5,241</u>
Cash at end of year	<u>\$ 3,530</u>	<u>\$ 1,834</u>
Supplemental Disclosure of Non-Cash Financing Activity:		
Transfer from Due from Member to Member's Equity	<u>\$ 37,992</u>	<u>\$ 38,526</u>

See accompanying notes to the financial statements.

Applebee's Franchisor LLC

Notes to the Financial Statements

1. Formation and Business

Organization

Applebee's Franchisor LLC (the "Company") is a single-member limited liability company formed in Delaware on July 28, 2014 and is governed by the limited liability company agreement dated July 28, 2014. The Company is a wholly-owned subsidiary of Applebee's Funding LLC (the "Member"), which, through various entities, is a wholly-owned subsidiary of Applebee's International, Inc., which is a wholly-owned subsidiary of Dine Brands Global, Inc. ("Dine").

On June 5, 2019, the Member and a sister entity (the "Co-Issuers"), each a special purpose, wholly-owned indirect subsidiary of Dine, issued two tranches of fixed rate senior secured notes, \$700 million of 2019 Class A-2-I Notes and \$600 million of 2019 Class A-2-II Notes. On August 12, 2022, the Co-Issuers also replaced their existing revolving financing facility with a new revolving financing facility (the "Credit Facility"). On April 17, 2023, the Co-Issuers completed a refinancing transaction and issued \$500 million of 2023 Class A-2 Notes and paid off the remaining balance of the 2019 Class A-2-I Notes. The Class A-2-II Notes and the 2023 Class A-2 Notes have an anticipated repayment date of June 2026 and June 2029, respectively. The fixed rate senior secured notes and the Credit Facility are referred to collectively herein as the "Notes." The Notes were issued in a securitization transaction pursuant to which substantially all of Dine's domestic revenue-generating assets and domestic intellectual property are held by the Co-Issuers and certain other special-purpose, wholly-owned indirect subsidiaries of Dine (the "Guarantors") that act as guarantors of the Notes and that have pledged substantially all of their assets to secure the Notes.

Nature of Operations

The Company was formed as a special purpose entity to act as franchisor and to hold all rights, title and interest in new franchise agreements for all Applebee's Neighborhood Grill and Bar® ("Applebee's") restaurants in the United States effective after September 30, 2014 (the "Agreements") and all accrued and future rights to collection under the Agreements. In its capacity as franchisor, the Company enters into all additional development and franchise agreements for Applebee's® restaurants within the United States (including all substitute or replacement franchise agreements for existing Applebee's restaurants).

As of December 29, 2024, there were 660 Applebee's restaurants subject to franchise agreements held by the Company located in 42 states. As of December 31, 2023, there were 592 Applebee's restaurants subject to franchise agreements held by the Company located in 41 states.

Fiscal Period

The Company has a 52/53 week fiscal year that ends on the Sunday nearest to December 31 of each year. The 2024 year presented herein began on January 1, 2024 and ended December 29, 2024. The 2023 year presented herein began on January 2, 2023 and ended December 31, 2023. Both 2024 and 2023 fiscal years contained 52 weeks.

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies

Profits and Losses and Distributions

All profit and losses and distributions will be allocated entirely to the Member.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates are made in the calculation and assessment of allowance for doubtful accounts and contingencies. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all unrestricted, highly-liquid investments with an original maturity of three months or less to be cash equivalents.

Revenue Recognition

Franchise revenues consist primarily of royalty revenues, advertising fees and franchise fees. Franchise revenue is recognized in accordance with Accounting Standards Codification 606 - *Revenue from Contracts with Customers* ("ASC 606"). Under ASC 606, revenue is recognized upon transfer of control of promised services or goods to customers in an amount that reflects the consideration the Company expects to receive for those services or goods.

The Company owns and franchises the Applebee's restaurant concept. The franchise arrangement is documented in the form of a franchise agreement and, in most cases, a development agreement. The franchise arrangement between the Company as the franchisor and the franchisee as the customer requires the Company to perform various activities to support the brand that do not directly transfer goods and services to the franchisee, but instead represent a single performance obligation, which is the transfer of the franchise license. The intellectual property subject to the franchise license is symbolic intellectual property as it does not have significant standalone functionality, and substantially all the utility is derived from its association with the Company's past or ongoing activities. The nature of the Company's promise in granting the franchise license is to provide the franchisee with access to the brand's symbolic intellectual property over the term of the license. The services provided by the Company are highly interrelated with the franchise license and as such are considered to represent a single performance obligation.

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

The transaction price in a standard franchise arrangement primarily consists of (a) initial franchise/development fees; (b) continuing franchise fees (royalties); and (c) advertising fees. Since the Company considers the licensing of the franchising right to be a single performance obligation, no allocation of the transaction price is required.

The Company recognizes the primary components of the transaction price as follows:

- Franchise and development fees are recognized as revenue ratably on a straight-line basis over the term of the franchise agreement commencing with the restaurant opening date. As these fees are typically received in cash at or near the beginning of the franchise term, the cash received is initially recorded as a contract liability until recognized as revenue over time;
- The Company is entitled to royalties and advertising fees based on a percentage of the franchisee's gross sales as defined in the franchise agreement. Royalty and advertising revenue are recognized when the franchisee's reported sales occur. Depending on timing within a fiscal period, the recognition of revenue results accounts receivable on the balance sheet.

In determining the amount and timing of revenue from contracts with customers, the Company exercises significant judgment with respect to collectability of the amount; however, the timing of recognition does not require significant judgment as it is based on either the franchise term or the month of reported sales by the franchisee, neither of which requires estimation.

The Company does not incur a significant amount of contract acquisition costs in conducting its franchising activities. The Company believes its franchising arrangements do not contain a significant financing component.

Advertising

Costs of advertising typically are expensed either as incurred or the first time the advertising takes place. Any excess or deficiency of advertising fee revenue compared to advertising expenditures, is recognized on an annual basis. Any excess of revenue over expenditures is recognized only to the extent of previously recognized deficits. When advertising revenues exceed the related advertising expenses and there is no recovery of a previously recognized deficit of advertising revenues, advertising costs are accrued up to the amount of revenues. The advertising fees are recorded as a liability to Applebee's International, Inc. as a component of Due to Affiliates against which specific costs are charged.

Concentration of Credit Risk

The Company's cash and receivables are potentially subject to concentration of credit risk. Cash is placed with financial institutions that management believes are creditworthy. The Company does not believe that it is exposed to any significant credit risk on cash. At times, cash balances may be in excess of FDIC insurance limits. Receivables are derived from revenues earned from franchisees located in the United States.

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

As of December 29, 2024, three franchisees owned 128, 82 and 62 Applebee's restaurants, respectively, representing 41% of the Company's restaurants. Revenues from these franchisees represented 17%, 11% and 9% of total franchise revenues, respectively, for the year ended December 29, 2024. As of December 31, 2023, three franchisees owned 129, 66 and 54 Applebee's restaurants, respectively, representing 42% of the Company's restaurants. Revenues from these franchisees represented 18%, 11% and 11% of total franchise revenues, respectively, for the year ended December 31, 2023. No other individual franchisee represented more than 10% of the Company's total revenue for the year ended December 29, 2024 and December 31, 2023.

Allowance for Credit Losses

The allowance for credit losses is the Company's best estimate of the amount of probable credit losses incurred on existing receivables; however, changes in circumstances relating to receivables may result in changes to the allowance in the future. The Company determines the allowance based on historical losses, current conditions, and reasonable and supportable forecasts used in assessing the franchisees' ability to pay outstanding balances. The primary indicator of credit quality is delinquency, which is considered to be a receivable balance greater than 90 days past due. The Company continually reviews the allowance for credit losses. Past due balances and future obligations are reviewed individually for collectability. Account balances are charged against the allowance after all collection efforts have been exhausted and the potential for recovery is considered remote. Credit losses historically have been within management's estimates.

Income Taxes

The Company, a disregarded entity for both federal and state tax filing purposes, elected to simplify the accounting for income taxes under Accounting Standards Update No. 2019—12, *Income Taxes*, which does not require tax allocation. Accordingly, its results are included in the consolidated tax returns of Dine.

Pre-opening Expenses

Expenditures related to the opening of new or relocated restaurants are charged to expense when incurred and are included as franchise expenses in the Statement of Income.

Accounting Standards

The Company reviewed new accounting guidance that became effective as of the beginning of fiscal 2024 as well as other newly issued accounting pronouncements and concluded that they were either not applicable to its operations or had no material effect on its financial statements in the current or future fiscal years.

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

3. Revenue

The following table disaggregates franchise revenue by major type for the years ended December 29, 2024 and December 31, 2023 (in thousands):

	Fiscal Year Ended	
	December 31, 2024	December 29, 2023
Franchise revenue:		
Advertising fees	\$ 70,083	\$ 63,747
Royalties	60,864	55,132
Franchise, development and other fees	<u>766</u>	<u>551</u>
Total franchise revenue	<u>\$ 131,713</u>	<u>\$ 119,430</u>

The components of the change in the Company's deferred revenue during the year ended December 29, 2024 are as follows:

	Deferred Franchise Revenue (short- and long-term)
Balance at December 31, 2023	\$ 2,744
Recognized as revenue during the fiscal year	(681)
Fees deferred during the fiscal year	<u>570</u>
Balance at December 29, 2024	<u>\$ 2,633</u>

The balance of deferred revenue as of December 29, 2024 is expected to be recognized as follows:

	(In thousands)
2025	\$ 342
2026	281
2027	240
2028	211
2029	187
Thereafter	<u>1,372</u>
Total deferred franchise revenue	<u>\$ 2,633</u>

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

4. Receivables

Changes in the allowance for credit losses during the fiscal years ended December 29, 2024 and December 31, 2023 were as follows:

	<i>(In thousands)</i>
Balance at January 1, 2023	\$ 772
Bad debt expense	607
Advertising provision	555
Write-offs	<u>(1,098)</u>
Balance at December 31, 2023	836
Bad debt expense	18
Write-offs	(788)
Advertising provision	<u>37</u>
Balance at December 29, 2024	<u>\$ 103</u>

Provisions to advertising receivables are fully offset by adjustments against advertising payables.

5. Related Party Transactions

All cash receipts from the Company's operating revenue are collected and administered by the Member, resulting in a balance due from Member. All cash disbursements related to the Company's operating expenses are paid by affiliated entities (the "Affiliates"), resulting in a balance due to Affiliates. The Company, the Member and the Affiliates are under the common control of Dine. The Company and Dine determined that the balance due to Affiliates and the balance due from Member (collectively, the "Related Party balances") will not be settled until the securitization structure described in Note 1 is dissolved. Since the Related Party balances will not be settled until the dissolution of the Company and the Company, the Member and the Affiliates are all under the common control of Dine, the net amount of the Related Party balances is classified within equity as Due from Member, net. Changes in Related Party balances are considered to be non-cash financing activity.

Applebee's International, Inc. allocates costs of general and administrative services to the Company, including information technology, human resources, quality assurance, training, legal, payroll, audit, tax, and communication. These costs are allocated on a basis the Company believes to be reasonable, primarily proportional allocation based on revenue, or specific identification, where applicable. The Company cannot estimate with any reasonable certainty what the charges for similar transactions would have been on a stand-alone basis. The total amounts of allocated costs charged to the Company of \$19.3 million and \$15.9 million for the fiscal years ended December 29, 2024 and December 31, 2023, respectively, are included in general and administrative expenses in the Statements of Income.

Applebee's Franchisor LLC

Notes to the Financial Statements (continued)

5. Related Party Transactions (continued)

In November 2019, Dine borrowed \$20.0 million from the Company at an interest rate of 6.5% per annum. The note was due in June 2022 with interest payable semiannually beginning in December 2019. In June 2022, the note was amended and extended to June 2025.

In April 2023, Dine borrowed an additional \$5.0 million from the Company at an interest rate of 8.0% per annum. The note is due in December 2027 with interest payable annually beginning in December 2023. Total interest income of \$1.7 million and \$1.6 million related to these two notes is included in other income, net in the Statements of Income for the fiscal years ended December 29, 2024 and December 31, 2023, respectively.

6. Commitments and Contingencies

The Company is subject to lawsuits, governmental inspections, administrative proceedings, audits, and claims arising in the ordinary course of business. Some of these lawsuits purport to be class actions and/or seek substantial damages. The Company is required to record an accrual for litigation loss contingencies that are both probable and reasonably estimable. Management regularly assesses the Company's insurance deductibles, analyzes litigation information with the Company's attorneys and evaluates its loss experience in connection with pending legal proceedings. While the Company does not presently believe that any of the legal proceedings to which the Company is currently a party will ultimately have a material adverse impact on the Company, there can be no assurance that the Company will prevail in all the proceedings the Company is party to, or that the Company will not incur material losses from them.

7. Subsequent Events

The Company has evaluated subsequent events for potential recognition or disclosure through March 20, 2025, the date the financial statements were available to be issued.

Item 8. Financial Statements and Supplementary Data.

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KPMG LLP
Suite 1100
4655 Executive Drive
San Diego, CA 92121-3132

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors
Dine Brands Global, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheet of Dine Brands Global, Inc. and subsidiaries (the Company) as of December 28, 2025, the related consolidated statements of comprehensive income, stockholders' deficit, and cash flows for the year ended December 28, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 28, 2025, and the results of its operations and its cash flows for the year ended December 28, 2025, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of the Fuzzy's tradename

As discussed in Notes 2 and 7 to the consolidated financial statements, indefinite-lived intangible assets, which include the Fuzzy's tradename, are evaluated for impairment annually during the fourth quarter of each year and more frequently if events or changes in circumstances indicate the potential for an impairment. During the fourth quarter of 2025, the Company determined that indicators of impairment



existed for the Fuzzy's tradename and performed a quantitative impairment test. To estimate its fair value, the Company used the relief from royalty method under the income approach method of valuation. The Company measured impairment as the amount by which the Fuzzy's tradename carrying amount exceeded its fair value. The Company recorded impairment for the Fuzzy's tradename of \$29.0 million for the year ended December 28, 2025.

We identified the valuation of the Fuzzy's tradename as a critical audit matter. Evaluating the key assumptions used to determine the estimated fair value of the Fuzzy's tradename involved a high degree of subjective auditor judgment. Specifically, the future trends in system sales, the royalty rate applied to system sales, and the discount rate used to calculate the present value of the forecasted cash flow stream were challenging to evaluate as changes to these assumptions could have had a significant impact on the Company's estimate of fair value for the Fuzzy's tradename.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's process for evaluating the Fuzzy's tradename for impairment. This included controls related to the Company's development of the future trends in system sales, the royalty rate, and the discount rate used to estimate the fair value of the Fuzzy's tradename. We evaluated the reasonableness of the future trends in system sales for the Fuzzy's brand by comparing them to industry reports and to historical system sales. We performed sensitivity analyses over such future trends in system sales to assess the impact that changes could have had on the Company's estimate of the fair value of the Fuzzy's tradename. In addition, we involved valuation professionals with specialized skills and knowledge, who assisted in evaluating the royalty rate and the discount rate assumptions used by management to estimate the fair value of the Fuzzy's tradename by comparing them to publicly available market data for comparable entities.

/s/ KPMG LLP

We have served as the Company's auditor since 2025.

San Diego, California
February 25, 2026

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Dine Brands Global, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Dine Brands Global, Inc. and Subsidiaries (the Company) as of December 29, 2024, and the related consolidated statements of comprehensive income, stockholders' deficit and cash flows for each of the two years in the period ended December 29, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 29, 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 29, 2024, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ ERNST & YOUNG LLP

We served as the Company's auditor from 2004 to 2025.

Los Angeles, California
March 5, 2025

Dine Brands Global, Inc. and Subsidiaries
Consolidated Balance Sheets
(In millions, except share and par amounts)

Assets	December 28, 2025	December 29, 2024
Current assets:		
Cash and cash equivalents	\$ 128.2	\$ 186.7
Receivables, net of allowance of \$5.1 (2025) and \$3.4 (2024)	119.0	115.2
Restricted cash	51.5	42.4
Prepaid expenses	49.0	39.3
Other current assets	4.1	2.4
Total current assets	351.8	386.0
Other intangible assets, net	534.1	575.7
Operating lease right-of-use assets	328.7	323.5
Goodwill	249.6	248.6
Property and equipment, net	160.5	156.1
Long-term receivables, net of allowance of \$1.2 (2025) and \$1.4 (2024)	33.8	35.9
Non-current restricted cash	22.0	19.5
Other non-current assets, net	57.1	45.3
Total assets	<u>\$ 1,737.7</u>	<u>\$ 1,790.6</u>
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 93.2	\$ 75.8
Gift card liability	182.7	177.6
Current portion of operating leases obligations	67.6	65.3
Current portion of finance leases	6.6	6.4
Accrued interest payable	7.3	6.4
Dividends payable	2.5	7.8
Deferred franchise revenue, short-term	5.6	6.0
Current portion of long-term debt	—	100.0
Total current liabilities	365.6	445.3
Long-term debt, net, less current portion	1,188.2	1,086.6
Operating lease obligations, less current portion	305.3	310.5
Finance lease obligations, less current portion	32.2	34.3
Deferred income taxes, net	51.2	54.6
Deferred franchise revenue, long-term	34.2	36.7
Other non-current liabilities	35.0	38.7
Total liabilities	<u>2,011.5</u>	<u>2,006.6</u>
Stockholders' deficit:		
Preferred stock, \$1 par value, 10,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.01 par value; shares: 40,000,000 authorized; 2025 - 24,623,226 issued, 13,326,537 outstanding; 2024 - 24,756,637 issued, 15,273,210 outstanding	0.2	0.2
Additional paid-in-capital	239.9	254.8
Retained earnings	175.1	183.6
Accumulated other comprehensive loss	(0.1)	(0.1)
Treasury stock, at cost; shares: 2025 - 11,296,689; 2024 - 9,483,427	(689.1)	(654.6)
Total stockholders' deficit	(273.9)	(216.0)
Total liabilities and stockholders' deficit	<u>\$ 1,737.7</u>	<u>\$ 1,790.6</u>

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
(In millions, except per share amounts)

	2025	2024	2023
Revenues:			
Franchise revenues:			
Royalties, franchise fees and other	\$ 383.7	\$ 395.5	\$ 405.6
Advertising revenues	281.8	290.4	300.8
Total franchise revenues	665.5	686.0	706.4
Company-owned restaurant revenues	104.6	9.3	2.1
Rental revenues	109.3	117.1	122.6
Total revenues	879.3	812.3	831.1
Cost of revenues:			
Franchise expenses:			
Advertising expenses	278.8	295.3	301.0
Other franchise expenses	44.4	44.6	43.4
Total franchise expenses	323.2	339.9	344.4
Company-owned restaurant expenses	112.6	9.9	2.1
Rental expenses	84.2	87.2	87.8
Total cost of revenues	520.0	437.0	434.4
Gross profit	359.3	375.3	396.7
General and administrative expenses	203.8	196.7	198.1
Interest expense, net	78.0	72.1	70.0
Closure and impairment charges	40.0	9.2	3.6
Amortization of intangible assets	11.9	10.8	10.9
Loss on extinguishment of debt	0.9	—	—
(Gain) loss on disposition of assets	(0.5)	(3.2)	2.4
Income before income taxes	25.2	89.5	111.7
Income tax provision	(8.1)	(24.7)	(14.5)
Net income	17.1	64.9	97.2
Other comprehensive income, net of tax:			
Foreign currency translation adjustment	—	—	—
Total comprehensive income	<u>\$ 17.1</u>	<u>\$ 64.9</u>	<u>\$ 97.2</u>
Net income available to common stockholders:			
Net income	\$ 17.1	\$ 64.9	\$ 97.2
Less: Net income allocated to unvested restricted stock	(1.1)	(1.9)	(2.3)
Net income available to common stockholders	<u>\$ 16.0</u>	<u>\$ 63.0</u>	<u>\$ 94.9</u>
Net income available to common stockholders per share:			
Basic	\$ 1.11	\$ 4.22	\$ 6.23
Diluted	<u>\$ 1.11</u>	<u>\$ 4.22</u>	<u>\$ 6.22</u>
Weighted average shares outstanding:			
Basic	14.3	14.9	15.2
Diluted	<u>14.3</u>	<u>14.9</u>	<u>15.2</u>

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Deficit
(In millions except share amounts)

					Accumulated Other Comprehensive Loss	Treasury Stock		Total Stockholders' Deficit
	Shares Outstanding	Common Stock	Additional Paid-in Capital	Retained Earnings		Shares	Cost	
Balance as of January 1, 2023	15,599,239	\$ 0.2	\$ 259.3	\$ 84.5	\$ (0.1)	9,360,733	\$ (645.1)	\$ (301.1)
Net income	—	—	—	97.2	—	—	—	97.2
Purchase of Company common stock	(446,189)	—	(0.1)	—	—	446,189	(26.0)	(26.1)
Reissuance of treasury stock	281,161	—	(9.6)	—	—	(281,161)	13.5	3.8
Net issuance of shares for stock plans	(28,069)	—	—	—	—	—	—	—
Repurchase of restricted shares for taxes	(61,374)	—	(4.4)	—	—	—	—	(4.4)
Stock-based compensation	—	—	12.0	—	—	—	—	12.0
Dividends on common stock	—	—	0.2	(31.7)	—	—	—	(31.5)
Tax payments for share settlement of restricted stock units	—	—	(0.9)	—	—	—	—	(0.9)
Balance as of December 31, 2023	15,344,768	0.2	256.5	150.0	(0.1)	9,525,761	(657.7)	(251.0)
Net income	—	—	—	64.9	—	—	—	64.9
Purchase of Company common stock	(269,621)	—	—	—	—	269,621	(12.0)	(12.0)
Reissuance of treasury stock	311,955	—	(15.2)	—	—	(311,955)	15.1	(0.1)
Net issuance of shares for stock plans	(56,246)	—	—	—	—	—	—	—
Repurchase of restricted shares for taxes	(57,646)	—	(2.7)	—	—	—	—	(2.7)
Stock-based compensation	—	—	16.0	—	—	—	—	16.0
Dividends on common stock	—	—	0.1	(31.3)	—	—	—	(31.1)
Balance as of December 29, 2024	15,273,210	0.2	254.8	183.6	(0.1)	9,483,427	(654.6)	(216.0)
Net income	—	—	—	17.1	—	—	—	17.1
Purchase of Company common stock	(2,352,636)	—	—	—	—	2,352,636	(60.1)	(60.1)
Reissuance of treasury stock	539,374	—	(26.2)	—	—	(539,374)	25.7	(0.6)
Net issuance of shares for stock plans	(55,532)	—	—	—	—	—	—	—
Repurchase of restricted shares for taxes	(77,879)	—	(2.0)	—	—	—	—	(2.0)
Stock-based compensation	—	—	13.2	—	—	—	—	13.2
Dividends on common stock	—	—	0.1	(25.6)	—	—	—	(25.5)
Balance as of December 28, 2025	13,326,537	\$ 0.2	\$ 239.9	\$ 175.1	\$ (0.1)	11,296,689	\$ (689.1)	\$ (273.9)

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In millions)

	2025	2024	2023
Cash flows from operating activities			
Net income	\$ 17.1	\$ 64.9	\$ 97.2
Adjustments to reconcile net income to cash flows provided by operating activities:			
Depreciation and amortization	42.9	39.2	35.6
Non-cash stock-based compensation expense	13.2	16.0	12.0
Non-cash closure and impairment charges	40.0	9.2	3.6
Non-cash interest expense	3.6	3.3	3.5
Deferred income taxes	(3.5)	(6.5)	(13.8)
Loss on extinguishment of debt	0.9	—	—
Provision for doubtful accounts	3.4	0.7	—
(Gain) loss on disposition of assets	(0.4)	(3.2)	2.4
Other	(2.7)	(4.2)	(3.6)
Changes in operating assets and liabilities:			
Receivables	(9.6)	(1.4)	1.9
Prepaid expenses	(9.9)	8.3	3.1
Other assets	(9.1)	4.8	9.0
Operating lease assets and liabilities	(13.5)	(12.5)	7.3
Gift card receivables and payables	4.8	(0.7)	5.1
Accounts payable and other accrued expenses	14.0	(7.1)	(28.9)
Accrued interest payable	0.9	(0.1)	1.0
Deferred revenue	(3.1)	(2.5)	(4.2)
Cash flows provided by operating activities	89.0	108.2	131.2
Cash flows from investing activities			
Principal receipts from notes, equipment contracts and other long-term receivables	8.1	12.3	9.3
Additions to property and equipment	(35.6)	(14.1)	(37.2)
Proceeds from sale of property and equipment	1.1	3.0	—
Additions to long-term receivables	(4.7)	(0.7)	(1.1)
Acquisition of business, net of cash acquired	1.6	(8.5)	(0.1)
Other	(2.0)	(0.5)	(1.0)
Cash flows used in investing activities	(31.6)	(8.5)	(30.1)
Cash flows from financing activities			
Proceeds from issuance of long-term debt, including revolving line of credit	600.0	—	530.0
Repayment of long-term debt	(594.0)	—	(651.7)
Repayments of revolving credit facility	—	—	(30.0)
Payment of debt issuance costs	(11.6)	—	(8.0)
Dividends paid on common stock	(31.0)	(31.3)	(31.7)
Repurchase of common stock	(60.7)	(12.1)	(26.1)
Principal payments of finance lease and financing obligations	(5.0)	(5.6)	(6.4)
Proceeds from stock options exercised	—	—	3.8
Repurchase of restricted stock for tax payments upon vesting	(2.0)	(2.7)	(4.4)
Tax payments for share settlement of restricted stock units	—	—	(0.9)
Cash flows used in financing activities	(104.3)	(51.7)	(225.4)
Net change in cash, cash equivalents and restricted cash	(46.9)	48.0	(124.4)
Cash, cash equivalents and restricted cash at beginning of year	248.6	200.6	325.0
Cash, cash equivalents and restricted cash at end of year	\$ 201.7	\$ 248.6	\$ 200.6
Supplemental disclosures			
Interest paid	\$ 83.7	\$ 79.2	\$ 74.0
Income taxes paid	\$ 15.9	\$ 38.3	\$ 28.4
Non-cash conversion of notes receivable	\$ 2.3	\$ 3.3	\$ 1.4
Non-cash balance sheet gross-up of receivables and other accrued expenses	\$ —	\$ 11.0	\$ (11.0)

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

1. The Company

The Company owns, franchises and operates three restaurant concepts: IHOP®, in the full-service family dining category; Applebee's Neighborhood Grill + Bar® ("Applebee's"), in the full-service casual dining category; and Fuzzy's Taco Shop®, in the limited service fast-casual dining category of the restaurant industry.

As of December 28, 2025, there were 1,824 IHOP restaurants, of which 1,658 were subject to franchise agreements, 154 were subject to area license agreements and 12 were company-owned. These IHOP restaurants were located in 48 states of the United States, the District of Columbia, two United States territories and 17 countries outside the United States. As of December 28, 2025, there were 1,579 Applebee's® restaurants, of which 1,520 were subject to franchise agreements and 59 were company-owned. These Applebee's restaurants were located in 49 states of the United States, two United States territories and 17 countries outside the United States. As of December 28, 2025, the Company had 106 Fuzzy's restaurants in 14 states of the United States, of which 105 were subject to franchise agreements and one was company-owned.

References herein to IHOP, Applebee's and Fuzzy's restaurants are to these restaurant concepts, whether operated by franchisees, area licensees or the Company.

2. Basis of Presentation and Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Dine Brands Global, Inc. and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. Certain amounts in the Consolidated Financial Statements and associated notes may not foot due to rounding.

Fiscal Periods

The Company has a 52/53 week fiscal year that ends on the Sunday nearest to December 31 of each year. In a 52-week fiscal year, each fiscal quarter contains 13 weeks, comprised of two, four-week fiscal months followed by a five-week fiscal month. In a 53-week fiscal year, the last month of the fourth fiscal quarter contains six weeks. There were 52 weeks in our 2025, 2024, and 2023 fiscal years that ended December 28, 2025, December 29, 2024, and December 31, 2023, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results may differ from those estimates.

Concentration of Credit Risk

The Company's cash, cash equivalents, restricted cash and accounts receivable are potentially subject to concentration of credit risk. Cash and cash equivalents are placed with financial institutions that management believes are creditworthy. The Company does not believe that it is exposed to any significant credit risk related to cash, cash equivalents and restricted cash. At times, cash, cash equivalents and restricted cash balances may be in excess of FDIC insurance limits.

Accounts receivable are derived from revenues earned from franchisees and area licensees located primarily in the United States. The Company is subject to a concentration of credit risk with respect to receivables from franchisees that own a large number of IHOP, Applebee's or Fuzzy's restaurants. As of December 28, 2025, two franchisees (one Applebee's franchisee and one franchisee with cross-brand ownership) operated a combined total of 780 IHOP and Applebee's restaurants in the United States, which comprised 24.5% of the total IHOP, Applebee's and Fuzzy's franchise restaurants in the United States. Revenues from these two franchisees represented 19.0%, 22.2%, and 21.1% of total consolidated revenue for the years ended December 28, 2025, December 29, 2024 and December 31, 2023, respectively. Receivables from these franchisees totaled \$20.0 million and \$20.1 million at December 28, 2025 and December 29, 2024, respectively. One of the two franchisees represented 13.5%, 14.4%, and 13.9% of total consolidated revenue for the years ended December 28, 2025, December 29, 2024 and December 31, 2023, respectively.

Cash and Cash Equivalents

The Company considers all highly liquid investment securities with remaining maturities at the date of purchase of three months or less to be cash equivalents. Cash held related to IHOP advertising funds and the Company's gift card programs is not

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

considered to be restricted cash as there are no restrictions on the use of these funds. The components of cash and cash equivalents were as follows:

	<u>December 28, 2025</u>	<u>December 29, 2024</u>
	(In millions)	
Money market funds	\$ 2.0	\$ 35.0
Other depository accounts, including IHOP advertising and gift card	126.2	151.7
Total cash and cash equivalents	<u>\$ 128.2</u>	<u>\$ 186.7</u>

Restricted Cash

Current

Current restricted cash primarily consisted of funds required to be held in trust in connection with the Company's securitized debt and cash for Applebee's and Fuzzy's advertising funds. The components of current restricted cash were as follows:

	<u>December 28, 2025</u>	<u>December 29, 2024</u>
	(In millions)	
Securitized debt reserves	\$ 46.0	\$ 40.0
Applebee's and Fuzzy's advertising funds	5.5	2.4
Total current restricted cash	<u>\$ 51.5</u>	<u>\$ 42.4</u>

Non-current

Non-current restricted cash of \$22.0 million and \$19.5 million as of December 28, 2025 and December 29, 2024, respectively, represents one quarter of interest reserves contractually restricted as required under the terms of our debt agreements.

Property and Equipment and Finite-Lived Intangible Assets

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives. Generally, the estimated useful lives are as follows:

Category	Depreciable Life
Buildings and improvements	25 to 40 years
Leaseholds and improvements	Shorter of primary lease term or useful life (up to 40 years)
Equipment and fixtures	Three to five years
Internal-use software	Three to 10 years
Properties under finance leases	Greater of lease term or remaining useful life
Finite-lived intangible assets	10 to 15 years

The Company assesses whether property and equipment and finite-lived intangible assets that are held and used are impaired whenever events or changes in circumstances indicate the carrying amount may not be recoverable. These assets are primarily made up of property and equipment and ROU assets of Company-owned restaurants, ROU assets leased or subleased to franchisees and Applebee's and Fuzzy's franchising rights. When there is an indication an asset may not be recoverable, the analysis requires the asset to be grouped together with assets used to generate cash flows that are largely independent of cash flows generated by other assets of the Company. The sum of the estimated undiscounted future cash flows of the group is compared to its carrying amount. If the carrying amount of the group of assets exceeds the sum of the estimated undiscounted future cash flows, the fair value of the group of assets is required to be determined. The fair value of the group of assets is primarily determined using the discounted cash flows. An impairment charge is recorded for the amount by which the group's carrying amount exceeds its fair value. For assets of Company-owned restaurants and ROU assets leased or subleased, we generally determine the individual restaurant to be the group of assets. For property and equipment and finite-lived intangible assets held for sale, the group of assets is written down to its fair value, less costs to sell.

See Note 12 - Closure and Long-lived Asset Impairment Charges, of the Notes to the Consolidated Financial Statements for additional information.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Goodwill and Intangible Assets

Goodwill and intangible assets considered to have an indefinite life are required to be tested for impairment annually or more frequently if indicators of impairment exist. Such indicators include, but are not limited to, events or circumstances such as a significant adverse change in our business, climate of the business, unanticipated competition, a loss of key personnel, adverse legal or regulatory developments or a significant decline in the market price of our common stock.

If no indicators of impairment exist, we perform our annual impairment test of goodwill and indefinite-lived intangible assets annually in the fourth fiscal quarter. In doing so, we first perform a qualitative assessment of whether it is more likely than not that an impairment exists. Factors considered in this assessment include, but are not limited to, macro-economic conditions, market and industry conditions, cost considerations, the competitive environment, share price fluctuations, overall financial performance and results of past impairment tests. If we qualitatively determine that it is more likely than not that an impairment exists, we perform a quantitative impairment test. Alternatively, in any given year, we may elect to skip the qualitative assessment and only perform a quantitative assessment of impairment.

Goodwill is tested for impairment at our reporting units. Reporting units are operating segments or one level below an operating segment. In performing a quantitative test for impairment of goodwill, we compare the carrying value of a reporting unit to its fair value. We primarily use a discounted cash flow method of valuation to determine the fair value of a reporting unit. In addition, we may use a market approach that includes the guideline public company method to determine the fair value of a reporting unit or to compare to the value derived from our discounted cash flow. Significant assumptions made by management in estimating fair value under the discounted cash flow model include restaurant sales trends, future development plans, restaurant closures, cost of revenues, operating expenses, and an appropriate discount rate based on our estimated cost of equity capital and after-tax cost of debt. Significant assumptions used to determine fair value under the guideline public company method include the selection of guideline companies and the valuation multiples applied. We believe our assumptions and valuation methodologies are consistent with those that would be used by a market participant.

Our indefinite-lived intangible assets have primarily consisted of the Applebee's and Fuzzy's tradenames. In performing a quantitative impairment test of these, we primarily use the relief from royalty method under the income approach of valuation. Significant assumptions used to determine fair value under the relief from royalty method include future trends in system sales, the royalty rate applied to system sales, and the discount rate used to calculate the present value of the forecasted cash flow stream.

There is an inherent degree of uncertainty in preparing any forecast of future results. Future trends in system sales are dependent to a large degree on national, regional and local economic conditions, and, to a lesser degree, on global economic conditions, particularly those conditions affecting the demographics of the guests that frequently patronize our restaurants. There are numerous potential events that could reasonably be expected to negatively affect the forecast of system sales, from a decrease in customers' disposable income to an unexpected event such as a global pandemic. As a result, our restaurants could experience a decline in system sales as a result of numerous factors.

During the year ended December 28, 2025, the Company performed a qualitative test of goodwill and the Applebee's tradename and a quantitative test of Fuzzy's tradename, using the approaches described above. Based on our qualitative assessment of goodwill and the Applebee's tradename we determined it was more likely than not that the fair value of the reporting units and Applebee's tradename were greater than their respective carrying values. Our quantitative test of the Fuzzy's tradename showed that the fair value was less than its carrying value and we recorded a non-cash impairment charge of \$29.0 million in the fourth quarter in the Franchise segment. In fiscal year 2024, our quantitative test of goodwill determined that the fair value of the Fuzzy's reporting unit was less than its carrying value and we recorded a non-cash impairment charge of \$7.1 million during the year in the Franchise segment.

Business Combinations

From time to time, the Company may enter into business combinations. The Company applies the acquisition method of accounting for acquisitions that meet the definition of a business. Under the acquisition method, the Company estimates the fair value of the identifiable assets and liabilities of the acquired entity as of the acquisition date. Acquired intangible assets are valued using different methods under the income approach, including but not limited to, the relief from royalty method. The Company measures goodwill as the excess of consideration transferred and liabilities assumed over the fair values of the identifiable assets acquired. Goodwill is assigned to each reporting unit that is expected to benefit from the synergies of the business combination. Acquisition-related expenses and transaction costs associated with business combinations are expensed in the period incurred.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Company's revenues are primarily derived from franchise operations, company-owned restaurant operations, and rental operations. Franchise revenues and revenues from company-owned restaurants are recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive for those goods or services.

Franchise Segment Revenues

The intellectual property subject to the franchise license is symbolic intellectual property as it does not have significant standalone functionality. Substantially all the utility is derived from its association with the Company's past or ongoing activities. The nature of the Company's promise in granting the franchise license is to provide the franchisee with access to the brand's symbolic intellectual property over the term of the license.

Accordingly, the Franchise Segment revenues are recognized as follows:

- Franchise and development fees – recognized on a straight-line basis over the term of the franchise agreement commencing with the restaurant opening date. As these fees are typically received in cash at or near the beginning of the franchise term, the cash received is initially recorded as a contract liability until recognized as revenue;
- Royalties and advertising fees – recognized as the franchisee's sales occur. Depending on timing within a fiscal period, the recognition of revenue results in either a contract asset (unbilled receivable) or, once billed, accounts receivable, on the balance sheet;
- Revenues from the sales of proprietary products (primarily pancake and waffle dry mix) are recognized in the period in which distributors ship the franchisee's order.

From time to time, the Company may provide franchisee incentives to develop restaurants in conducting its franchising activities. Generally, the Company recognizes incentives as a contract asset amortized against revenues over the expected term of the franchise agreement. Franchising arrangements do not contain a significant financing component.

Company-Owned Restaurant Revenues

Company-owned restaurant revenues represent sales of food and beverage items at company-owned restaurants and are recognized as these services are delivered to the customer. Company-owned restaurant revenues are reported net of sales taxes collected from guests that are remitted to the appropriate taxing authorities.

Rental Revenues

Rental revenues consist primarily of revenues from operating leases and interest income from real estate leases of property we own and lease to franchisees and leases from third parties and we then sublease to franchisees. Revenues are generally recognized over the term of the lease, beginning when control over the leased space is given to the franchisee.

Gift Card

The Company administers gift card programs for each restaurant concept. The Company records a liability in the period in which a gift card is sold and recognizes costs associated with its administration of the gift card programs as a prepaid asset when the costs are incurred. The liability and prepaid asset recorded on the Company's balance sheet are relieved when a gift card is redeemed and settlement with the restaurant where redemption occurred takes place. If redemption occurs at a restaurant of a franchisee, the gift card proceeds, net of costs, are remitted to the franchisee.

Allowance for Credit Losses

The Company's receivables and long-term receivables balances are primarily comprised of receivables from franchisees, distributors, and gift card vendors. Generally, accounts receivables are due from franchisees for royalty, advertising and other franchise-related fees, and from distributors related to the sale of proprietary products to franchisees through the Company's network of suppliers and distributors. Gift card receivables primarily consist of amounts due from third-party vendors for cash collected on purchased cards. Notes receivable balances primarily relate to the conversion of certain past due franchisee accounts receivable, cash loans to franchisees for working capital purposes, or financing of the sale of IHOP and Applebee's company restaurants and franchise fees. Interest accrues on notes receivable based on the contractual terms. Leases receivable primarily relate to the Previous IHOP Business Model.

The Company closely monitors the financial condition of our franchisees and estimates the allowance for credit losses based on historical collection experience, credit quality, and current market conditions.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Leases

Lessee arrangements:

The Company leases property under various operating and finance leases. An arrangement is or contains a lease if the Company receives substantially all the economic benefits and can direct the use of the asset. Operating lease assets (right-of-use or ROU) represent the right to use the asset over the lease term and are based on the operating lease liabilities adjusted for prepayments, certain costs, lease incentives and impairments of the asset. Lease liabilities represent the present value of lease payments not yet paid. The Company does not separate lease and non-lease components but has elected to include non-lease components in its ROU asset and lease liability calculation. The subsequent measurement of a lease is dependent on whether the lease is classified as an operating lease or a finance lease. Leases with initial term of twelve months or less are not recorded on the balance sheets.

The Company uses its incremental borrowing rate (IBR) which is defined as the rate of interest that the Company would have to pay to borrow, on a collateralized basis, an amount over a similar term as the lease payments.

The cost of an operating lease is generally recognized over the lease term on a straight-line basis. Certain leases may include rent escalations based on an index or contain contingent rental provisions that include a fixed base rent plus an additional percentage of the restaurant's sales. Subsequent escalations subject to such an index and contingent rental payments are recognized as variable lease expense in the period they occur.

As a lessee, rental payments on finance leases are recognized as interest expense and amortized as a reduction of finance lease obligation.

Lessor arrangements:

As part of its business, the Company enters into lease arrangements with certain franchisees that grants them the right to use properties to operate restaurants. The Company accounts for its lease agreements with franchisees as either an operating or sales-type lease.

The underlying assets subject to operating leases are shown in the Company's Consolidated Balance Sheets and are depreciated in accordance with its depreciation policies. Revenue from operating leases is recognized on a straight-line basis over the lease term. The Company recognizes a net investment in its sales type leases at the lease commencement date. The net investment consists of a lease receivable and the expected unguaranteed residual value, if any. Interest income on the net investment in the lease is recognized using the effective interest method to produce a consistent yield over the lease term. For sales-type leases, the Company recognizes a profit at the lease commencement date.

The Company's lease agreements with its franchisees include fixed lease payments and, in certain cases, may include variable lease payments based on a percentage of restaurant sales. The Company does not separate lease and non-lease components for its leases for which it is a lessor.

The lease term is determined at the lease commencement date as the noncancelable period plus any period subject to a renewal option that is deemed reasonably certain of being exercised. Generally, the Company does not include the renewal options as part of the lease term as it does not believe that it is reasonably certain that such options will be exercised.

Pre-opening Expenses

Expenditures related to the opening of new or relocated restaurants, such as training and labor costs, professional fees, and general and administrative expenses are charged to expense when incurred.

Advertising

Advertising expense reflected in the Consolidated Statements of Comprehensive Income represents the advertising and marketing costs of our advertising funds that we administer for our brands. Our company-owned restaurants also incur costs for their contributions to the funds. Costs of advertising are typically expensed the first time the advertising airs. Any excess of revenues over expenses is recognized only to the extent of previously recognized deficits. When advertising revenues exceed the related advertising expenses and there is no recovery of a previously recognized deficit, advertising costs are accrued up to the amount of revenues.

Fair Value Measurements

For financial assets and liabilities, as well as non-financial assets and liabilities that are recognized or disclosed at fair value, we may use the following inputs to derive the fair value:

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are observable for the asset or liability, either directly or indirectly, including quoted prices in active markets for similar assets or liabilities.
- Level 3 inputs are unobservable and reflect the Company's own assumptions.

The Company believes the fair values of cash and cash equivalents, restricted cash, accounts receivable and accounts payable approximate their carrying amounts due to their short duration.

The Company believes the fair value of the Credit Facility approximates its carrying value as it is based on the Secured Overnight Financing Rate ("SOFR") or prevailing benchmark rate. The fair value of the Company's long-term debt, excluding the Credit Facility, is based on quoted market prices which represent Level 1 inputs. The fair value of the Company's long-term debt, excluding the Credit Facility, as of December 28, 2025 and December 29, 2024 were as follows:

	<u>December 28, 2025</u>	<u>December 29, 2024</u>
	(In millions)	
Face Value	\$ 1,100.0	\$ 1,094.0
Fair Value	\$ 1,112.3	\$ 1,095.5

Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using enacted tax rates. The Company recognizes a tax benefit only to the extent it is more likely than not that the tax position will be sustained by taxing authorities based on its technical merits. A valuation allowance is recorded when it is more likely than not that some portion or all of a deferred tax asset may not be realized. The Company records an estimated tax liability to the extent a contingency is probable and can be reasonably estimated. The Company recognizes interest accrued related to unrecognized tax benefits and penalties as a component of the income tax expense recognized in the Consolidated Statements of Comprehensive Income.

Stock-Based Compensation

The Company accounts for all stock-based payments to employees and non-employee directors, including grants of stock options, restricted stock, restricted stock units and performance units to be recognized in the financial statements, based on their grant date fair values. The value of the portion of the award that is ultimately expected to vest is recognized as expense ratably over the requisite service periods.

The grant date fair value of restricted stock and stock-settled restricted stock units is determined based on the Company's stock price on the grant date. The Company estimates the grant date fair value of stock option awards using the Black-Scholes option pricing model, which considers, among other factors, a risk-free interest rate, the expected life of the award and the volatility of the Company's stock price. The Company estimates the grant date fair value of its long-term cash incentive awards ("LTIP awards") using a Monte Carlo simulation which considers, among other factors, the performance-based market condition, a risk-free interest rate, the expected life of the award and the historical volatility of the Company's stock price.

The Company estimates forfeitures for its restricted stock, stock-settled restricted stock units, and stock option plans at the time of grant based on historical turnover rates. As of December 28, 2025, the Company used a forfeiture rate of 14%. If actual forfeitures differ from this estimate, adjustments to compensation expense are recorded in the period the estimate is revised.

Net Income Per Share

Net income per share is calculated using the two-class method prescribed in U.S. GAAP. Basic net income (loss) per share is computed by dividing the net income available to common stockholders for the period by the weighted average number of common shares outstanding during the period. Diluted net income per share is computed by dividing the net income available to common stockholders for the period by the weighted average number of common shares outstanding and dilutive potential shares of common stock. The Company uses the treasury stock method to calculate the weighted average shares used in the diluted earnings per share calculation. Dilutive potential common shares include the assumed exercise of stock options. The Company had no dilutive potential shares outstanding for the periods presented.

Treasury Stock

Repurchases of the Company's common stock are included in treasury stock at the cost of shares repurchased which includes transaction costs. Treasury stock may be re-issued when vested stock options are exercised, when restricted stock

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

awards are granted and when restricted stock units vest. The cost of treasury stock re-issued is determined on the first-in, first-out ("FIFO") method.

Dividends

Dividends declared on common stock are recorded as a reduction of retained earnings to the extent retained earnings are available at the close of the period prior to the date of the dividend declaration. Dividends declared in excess of retained earnings are recorded as a reduction of additional paid-in capital.

Reportable Segments

The Company's Chief Executive Officer is the chief operating decision maker ("CODM"). The CODM regularly reviews revenues, segment profit and segment operating profits to allocate resources and assess performance against the annual budget and current forecasts. Based on the information regularly reviewed by the CODM, we have determined the Company has six operating segments: IHOP domestic franchise, Applebee's domestic franchise, Fuzzy's franchise, international franchise, Company-owned restaurants and Rental. The Company has three reportable segments: Franchise, Company-owned Restaurants and Rental. Prior to fiscal 2025, the Company used to report results inclusive of a Financing Segment. Given the insignificance of the operations from financing activities, the CODM no longer receives information related to financing activities and those activities are now reported in our Rental Segment. Fiscal years 2024 and 2023 have been recast to reflect that change. We do not present a measure of assets for our reportable segments as this information is not used by the CODM to allocate resources or assess performance.

Franchise Segment

As of December 28, 2025, the franchise reportable segment consisted of 1,520 restaurants operated by Applebee's franchisees, 1,812 restaurants operated by IHOP franchisees and area licensees, and 105 restaurants operated by Fuzzy's franchisees.

Franchise operations expenses include advertising expense, the cost of proprietary products, bad debt expense, pre-opening training expenses and other franchise-related costs.

Company-Owned Restaurants Segment

As of December 28, 2025, the Company owned 59 Applebee's restaurants, 12 IHOP restaurants and one Fuzzy's restaurant, all in the United States.

Company-owned restaurant expenses are operating expenses at company-owned restaurants and include food, beverage, labor, benefits, utilities, rent and other operating costs.

Rental Segment

Rental expenses are costs of operating leases and interest expense of finance leases. The Rental activities are primarily related to activities with IHOP franchisees. Applebee's and Fuzzy's have no or an insignificant amount of rental activity.

Accounting Standards Adopted in the Current Fiscal Year

In December 2025, the Company adopted ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures (ASU 2023-09)." The standard requires a reconciliation of a company's effective tax rate in both dollar amount and percentage as well as information on income taxes paid. The Company adopted ASU 2023-09 on a prospective basis. Accordingly, prior period disclosures have not been adjusted to reflect the new disclosure requirements. Refer to *Note 15 - Income Taxes* in the Notes to Consolidated Financial Statements for additional details.

Newly Issued Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, "Disaggregation of Income Statement Expenses," which requires public business entities to provide disaggregated disclosures of certain expense categories that are included in expense line items on the Statement of Comprehensive Income. The guidance is effective for the Company for annual periods beginning in 2027 and interim periods beginning in 2028. The Company is currently evaluating the impact of adopting this ASU on our disclosures.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

3. Revenues

The following table disaggregates our franchise revenues by major type:

	2025	2024	2023
<i>Franchise Revenues</i>	(In millions)		
Royalties	\$ 307.8	\$ 313.4	\$ 325.6
Advertising fees	281.8	290.4	300.8
Proprietary product sales and other	66.9	72.4	71.1
Franchise and development fees	9.0	9.7	8.9
Total franchise revenues	<u>\$ 665.5</u>	<u>\$ 686.0</u>	<u>\$ 706.4</u>

Changes in the Company's contract liability for deferred franchise and development fees during the year ended December 28, 2025 were as follows:

	Deferred Franchise Revenue (short- and long-term)
	(In millions)
Balance at December 29, 2024	\$ 42.7
Recognized during the year	(8.6)
Deferred during the year	5.7
Balance at December 28, 2025	<u>\$ 39.8</u>

The balance of deferred franchise revenue as of December 28, 2025 is expected to be recognized as follows:

Fiscal Years	(In millions)
2026	\$ 5.6
2027	4.7
2028	3.8
2029	3.3
2030	3.0
Thereafter	19.4
Total	<u>\$ 39.8</u>

4. Receivables

Total receivables balances at December 28, 2025 and December 29, 2024 were as follows:

<i>Receivables</i>	2025	2024
	(In millions)	
Accounts receivable	\$ 75.2	\$ 72.0
Gift card receivables	33.3	34.7
Notes receivable	20.9	14.7
Leases receivable	24.8	31.5
Other receivables	4.9	2.9
	159.1	155.8
Less: allowance for doubtful accounts and notes receivable	(6.3)	(4.7)
	152.8	151.1
Less: current portion	(119.0)	(115.2)
Long-term receivables	<u>\$ 33.8</u>	<u>\$ 35.9</u>

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

4. Receivables (Continued)

Changes in the allowance for credit losses during the years ended December 28, 2025 and December 29, 2024 were as follows:

	Total
	(In millions)
Balance, December 31, 2023	\$ 9.5
Bad debt expense (recovery)	0.7
Other	0.1
Write-offs	(5.5)
Balance, December 29, 2024	\$ 4.7
Bad debt expense (recovery)	3.4
Other	(0.3)
Write-offs	(1.5)
Balance, December 28, 2025	<u>\$ 6.3</u>

The \$5.5 million of write-offs for the year ended December 29, 2024 is primarily due to \$3.8 million recorded for notes receivable and \$1.0 million recorded for accounts receivable. The \$3.4 million of bad debt expense recorded for the year ended December 28, 2025 is primarily due to \$2.6 million recorded for accounts receivable. All other adjustments to the reserve for both years presented is not significant.

The Company's primary credit quality indicator for all portfolio segments is delinquency. Generally, the notes receivables, real estate leases receivables, equipment leases receivables, and other receivables (primarily consists of credit card receivables) are not delinquent.

The year of origination of the Company's notes and financing receivables at December 28, 2025 is as follows:

	Notes receivable, short and long- term	Leases Receivables	Total
		(In millions)	
2025	\$ 8.8	\$ 1.4	\$ 10.2
2024	7.2	2.0	9.2
2023	4.4	3.5	7.9
2022	0.3	7.3	7.6
2021	0.2	1.9	2.1
Prior	—	8.8	8.8
Total	<u>\$ 20.9</u>	<u>\$ 24.9</u>	<u>\$ 45.8</u>

The Company does not place its financing receivables in non-accrual status.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

5. Property and Equipment

Property and equipment by category:

	December 28, 2025	December 29, 2024
	(In millions)	
Leaseholds and improvements	\$ 226.2	\$ 222.2
Properties under finance leases	56.5	57.5
Equipment and fixtures	20.1	15.2
Buildings and improvements	44.9	48.2
Construction in progress	16.4	4.3
Internal-use software	74.0	71.5
Land	40.3	44.4
Property and equipment, gross	478.4	463.3
Less: accumulated depreciation and amortization	(317.9)	(307.2)
Property and equipment, net	<u>\$ 160.5</u>	<u>\$ 156.1</u>

The Company recorded depreciation expense on property and equipment of \$31.0 million, \$28.6 million and \$24.7 million for the years ended December 28, 2025, December 29, 2024 and December 31, 2023, respectively.

Accumulated depreciation and amortization includes accumulated amortization for properties under finance leases in the amount of \$40.9 million and \$41.3 million as of December 28, 2025 and December 29, 2024, respectively.

6. Goodwill

Changes in the carrying amount of goodwill for the years ended December 28, 2025, December 29, 2024 and December 31, 2023 were as follows:

	Franchise Segment	Company-Owned Restaurants Segment	Total
	(In millions)		
Balance at January 1, 2023	\$ 254.0	\$ —	\$ 254.0
Purchase price adjustment	0.1	—	0.1
Balance at December 31, 2023	254.1	—	254.1
Business acquisition	—	2.8	2.8
Impairment loss	(7.1)	—	(7.1)
Disposition of assets	—	(1.2)	(1.2)
Balance at December 29, 2024	247.0	1.6	248.6
Business acquisition	—	1.6	1.6
Purchase price adjustment	—	(0.6)	(0.6)
Balance at December 28, 2025	<u>\$ 247.0</u>	<u>\$ 2.6</u>	<u>\$ 249.6</u>

In November 2024, the Company acquired 56 Applebee's restaurants from franchisees, of which nine were simultaneously refranchised and sold to a different franchisee. The Company completed the purchase price allocation as described in *Note 18 - Business Acquisition* of the Notes to the Consolidated Financial Statements, and allocated \$2.8 million of resulting goodwill to the Company-owned restaurants Segment. The Company simultaneously allocated \$1.2 million of this goodwill to the disposal group related to the refranchising and sale of the restaurant assets of the nine Applebee's company-owned restaurants.

In May 2025, the Company acquired 12 Applebee's restaurants from a franchisee as described in *Note 18 - Business Acquisition* of the Notes to the Consolidated Financial Statements, and allocated \$1.6 million of resulting goodwill to the Company-owned restaurants Segment.

Gross and net carrying amounts of goodwill at December 28, 2025 and December 29, 2024 are as follows:

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

6. Goodwill (Continued)

	December 28, 2025			December 29, 2024		
	Gross	Accumulated Impairment Loss	Net	Gross	Accumulated Impairment Loss	Net
	(In millions)					
Franchise Segment	\$ 704.6	\$ (457.6)	\$ 247.0	\$ 704.6	\$ (457.6)	\$ 247.0
Company-Owned Restaurants Segment	2.6	—	2.6	1.6	—	1.6
Total	<u>\$ 707.2</u>	<u>\$ (457.6)</u>	<u>\$ 249.6</u>	<u>\$ 706.2</u>	<u>\$ (457.6)</u>	<u>\$ 248.6</u>

2025 Assessment

In the fourth quarter of 2025, the Company performed qualitative assessments of its goodwill in accordance with its accounting policies. As result of the qualitative assessment, the Company concluded it was more likely than not that the fair values of each reporting unit exceeded the respective carrying amounts and therefore, a quantitative test of impairment was not necessary.

2024 Assessment

In the fourth quarter of 2024, the Company noted, the unfavorable trend in Fuzzy's same-restaurant sales experienced throughout the year and a decrease in Fuzzy's revenue compared to the same period of the prior year. Based on these unfavorable developments, the Company determined that indicators of impairment existed and that a test of goodwill for impairment should be performed in the fourth quarter of 2024.

As a result of performing the quantitative test of impairment, the Company recognized an impairment of Fuzzy's goodwill of \$7.1 million. The amount of goodwill impairment was determined as the amount by which the carrying amount of the goodwill exceeded the fair value of the Fuzzy's goodwill within the franchise segment as estimated in the impairment test.

Also in the fourth quarter of fiscal 2024, the Company performed qualitative assessments of the remaining goodwill balance within the franchise segment in accordance with its accounting policies. As result of the qualitative assessment, the Company concluded it was more likely than not that the fair values exceeded the respective carrying amounts and therefore, a quantitative test for the remaining goodwill balance within the franchise segment was not necessary.

2023 Assessment

In the fourth quarter of 2023, the Company performed qualitative assessments of its goodwill in accordance with its accounting policies, and determined that it was more-likely-than-not that an impairment does not exist. As a result of performing the quantitative test of impairment, the fair value was substantially in excess of its respective carrying value as of the testing date.

7. Other Intangible Assets

Changes in the balance for the years ended December 28, 2025, December 29, 2024 and December 31, 2023 are as follows:

	Tradenames	Franchising Rights	Other	Total
	(In millions)			
Balance at December 31, 2023	525.2	53.0	7.8	586.0
Amortization expense	—	(10.7)	(0.1)	(10.8)
Additions	—	—	0.8	0.8
Disposition	—	—	(0.3)	(0.3)
Balance at December 29, 2024	525.2	42.3	8.2	575.7
Impairment	(29.0)	—	(2.8)	(31.8)
Amortization expense	—	(10.7)	(1.1)	(11.9)
Additions	—	—	2.1	2.1
Balance at December 28, 2025	<u>\$ 496.2</u>	<u>\$ 31.6</u>	<u>\$ 6.3</u>	<u>\$ 534.1</u>

The \$29.0 million Fuzzy's tradename impairment recorded in Closure and impairment charges in the Consolidated Statements of Comprehensive Income in fiscal year 2025 was determined by comparing the carrying amount of tradename to its fair value.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

7. Other Intangible Assets (Continued)

Gross and net carrying amounts of intangible assets subject to amortization and the respective weighted average amortization period at December 28, 2025 and December 29, 2024 are as follows:

	December 28, 2025				December 29, 2024			
	Gross	Accumulated Amortization	Net	Weighted Average Remaining Period	Gross	Accumulated Amortization	Net	Weighted Average Remaining Period
	(In millions)				(In millions)			
Franchising rights	\$ 214.8	\$ (183.2)	\$ 31.6	7.9	\$ 214.8	\$ (172.5)	\$ 42.3	7.6
Other	2.2	(1.2)	1.0	9.1	3.9	(0.7)	3.2	10.5
Total	\$ 217.0	\$ (184.4)	\$ 32.6	7.9	\$ 218.7	\$ (173.2)	\$ 45.5	7.8

Given the recent performance of the business, the Company reassessed the Fuzzy's tradename's life and determined it to be finite. The estimated annual amortization expense of the Fuzzy's tradename and other intangible assets is as follows:

	Franchising rights	Tradename and other	Total
	(In millions)		
2026	\$ 11.3	\$ 3.0	\$ 14.2
2027	10.3	2.9	13.1
2028	1.3	2.9	4.1
2029	1.3	2.9	4.1
2030	1.3	2.9	4.1
Thereafter	6.3	14.3	20.6

8. Long-Term Debt

The Company's long-term debt consists of the following:

	December 28, 2025	December 29, 2024
	(In millions)	
Series 2019-1 4.723% Fixed Rate Senior Secured Notes, Class A-2-II	—	594.0
Series 2022-1 Variable Funding Senior Notes, Class A-1 ^(a)	—	100.0
Series 2023-1 7.824% Fixed Rate Senior Secured Notes, Class A-2	500.0	500.0
Series 2025-1 6.720% Fixed Rate Senior Secured Notes, Class A-2	600.0	—
Series 2025-1 Variable Funding Senior Notes, Class A-1 ^(b)	100.0	—
Unamortized debt issuance costs	(11.8)	(7.4)
Long-term debt, net of debt issuance costs	1,188.2	1,186.6
Current portion of long-term debt	—	(100.0)
Long-term debt	\$ 1,188.2	\$ 1,086.6

(a) Variable interest rate of 7.14% at December 29, 2024.

(b) Variable interest rate of 6.56% at December 28, 2025.

Long-Term Debt

On April 17, 2023, Applebee's Funding LLC and IHOP Funding LLC (the "Co-Issuers") completed a refinancing transaction and issued \$500 million of Series 2023-1 7.824% Fixed Rate Senior Secured Notes, Class A-2 (the "2023 Class A-2 Notes"). The 2023 Class A-2 Notes were issued pursuant to an offering exempt from registration under the Securities Act of 1933, as amended.

On June 17, 2025, the Co-Issuers completed a refinancing transaction and issued \$600 million of Series 2025-1 6.720% Fixed Rate Senior Secured Notes, Class A-2 (the "2025 Class A-2 Notes"). The Company used the net proceeds of the 2025 Class A-2 Notes to repay the entire outstanding balance of approximately \$594.0 million of the Series 2019-1 4.723% Fixed Rate Senior Secured Notes, Class A-2-II (the "2019 Class A-2-II Notes") and to pay fees and expenses incurred in connection

8. Long-Term Debt (Continued)

with the issuance of the 2025 Class A-2 Notes. The 2023 Class A-2 Notes and the 2025 Class A-2 Notes are referred to collectively herein as the "A-2 Notes".

Also on June 17, 2025, the Co-Issuers established a new revolving financing facility, the Series 2025-1 Variable Funding Senior Notes, Class A-1 (the "Credit Facility"), that allows for drawings up to \$325 million of variable funding notes on a revolving basis and the issuance of letters of credit. In connection with this transaction, the Co-Issuers terminated their existing \$325 million revolving financing facility, the Series 2022-1 Variable Funding Senior Notes, Class A-1 (the "2022 Credit Facility"). The 2023 Class A-2 Notes, the Credit Facility and the 2025 Class A-2 Notes (collectively referred to herein as the "Notes") were issued in securitization transactions pursuant to which substantially all the domestic revenue-generating assets and domestic intellectual property held by the Co-Issuers and certain other special-purpose, wholly-owned indirect subsidiaries of the Company (the "Guarantors") were pledged as collateral.

The Notes were issued under a Base Indenture, dated as of September 30, 2014, amended and restated as of June 5, 2019 and April 17, 2023 (the "Base Indenture"). The 2023 Class A-2 Notes were issued under the related Series 2023-1 Supplement to the Base Indenture, dated April 17, 2023 (the "Series 2023-1 Supplement") and the 2025 Class A-2 Notes and the Credit Facility were issued under the related Series 2025-1 Supplement to the Base Indenture, dated June 17, 2025 (the "Series 2025-1 Supplement", collectively, the "Indenture").

The A-2 Notes

The legal final maturity of the 2023 Class A-2 Notes is in March 2053 and the 2025 Class A-2 Notes is in June 2055. However, it is anticipated that, unless repaid earlier to the extent permitted under the Indenture, the 2023 Class A-2 Notes will be repaid in June 2029 and the 2025 Class A-2 Notes in June 2030 (the "A-2 Anticipated Repayment Dates"). If the Co-Issuers have not repaid or refinanced the A-2 Notes by those respective dates, additional interest will accrue at the greater of: (A) 5.0% and (B) the amount, if any, by which the sum of the following exceeds the 2023 Class A-2 Notes' or the 2025 Class A-2 Notes', as applicable, stated interest rates: (x) the yield to maturity as of the A-2 Anticipated Repayment Dates of the United States Treasury Security having a term closest to 10 years plus (y) 9.24% with respect to the 2023 Class A-2 Notes or 7.85% with respect to the 2025 Class A-2 Notes.

While the A-2 Notes are outstanding, payment of principal and interest is required to be made on a quarterly basis. The quarterly principal payment of \$1.25 million on the 2023 Class A-2 Notes and \$1.5 million on the 2025 Class A-2 Notes may be suspended when the leverage ratio for the Company and its subsidiaries is less than or equal to 5.25x.

As of December 28, 2025, the Company's leverage ratio was approximately 4.84x. As a result, quarterly principal payments on the A-2 Notes are not required.

The Company may voluntarily repay the A-2 Notes at any time; however, if they are repaid prior to certain dates, the Company would be required to pay make-whole premiums. As of December 28, 2025, the make-whole premium associated with voluntary prepayment of the 2023 Class A-2 Notes was approximately \$17.4 million and \$37.1 million on the 2025 Class A-2 Notes. The Company is also subject to a make-whole premium in the event of a mandatory prepayment required following a Rapid Amortization Event or certain asset dispositions. The make-whole premiums are considered derivatives embedded in the A-2 Notes that must be bifurcated for separate accounting. The Company estimated the fair value of these derivatives to be immaterial as of December 28, 2025.

The Credit Facility

The applicable interest rate under the Credit Facility depends on the type of borrowing by the Co-Issuers. The applicable interest rate for advances is generally calculated at a per annum rate equal to the commercial paper funding rate or one-, two-, three- or six-month Term SOFR Rate, in either case, plus 2.50%. The applicable interest rate for swingline advances and unreimbursed draws on outstanding letters of credit is a per annum base rate equal to the sum of (a) the greatest of (A) the Prime Rate in effect from time to time, (B) the Federal Funds Rate in effect from time to time plus 0.50% and (C) Term SOFR for a one-month tenor in effect at such time plus 0.50% plus (b) 2.00%.

The legal final maturity of the Credit Facility is June 2055, but rapid amortization will apply if there are outstanding amounts under the Credit Facility after June 2030. The June 2030 date may be extended at the Co-Issuers' election for up to two successive one-year periods if certain conditions are met. If the Co-Issuers have not repaid or refinanced the Credit Facility by June 2030 (after giving effect to any extensions), then interest will accrue on the Credit Facility at a rate equal to 5.00% in addition to the regular interest rate applicable to the Credit Facility at that time.

As of December 28, 2025, the outstanding balance of the Credit Facility was \$100 million. The amount of \$0.6 million was pledged against the Credit Facility for outstanding letters of credit, leaving \$224.4 million of the Credit Facility available for

8. Long-Term Debt (Continued)

borrowing at December 28, 2025. It is anticipated that the principal and interest on the Credit Facility will be repaid in full on or prior to the quarterly payment date in June 2030, subject to the two extensions. The weighted average interest rate for the period outstanding during the twelve months ended December 28, 2025 was 6.78%.

Management Agreement

Under the terms of the Management Agreement, dated September 30, 2014, as amended and restated, among the Co-Issuers and the Guarantors (collectively, the “Securitization Entities”), the Company, Applebee’s Services, Inc., International House of Pancakes, LLC and the Trustee, the Company will act as the manager with respect to substantially all of the assets of the Securitization Entities (the “Securitized Assets”). The primary responsibilities of the manager will be to perform certain franchising, distribution, intellectual property and operational functions on behalf of the Securitization Entities with respect to the Securitized Assets pursuant to the Management Agreement. The manager will be entitled to the payment of the weekly management fee, as set forth in the Management Agreement and will be subject to the liabilities set forth in the Management Agreement.

Covenants and Restrictions

The Notes are subject to a series of covenants and restrictions customary for transactions of this type, including: (i) that the Co-Issuers maintain specified reserve accounts to be used to make required payments in respect of the Notes, (ii) provisions relating to optional and mandatory prepayments, and the related payment of specified amounts, including specified call redemption premiums in the case of the A-2 Notes; (iii) certain indemnification payments in the event, among other things, the transfers of the assets pledged as collateral for the Notes are in stated ways defective or ineffective and (iv) covenants relating to recordkeeping, access to information and similar matters. The Notes are subject to customary rapid amortization events provided for in the Indenture, including events tied to failure of the Securitization Entities (as defined in the Indenture) to maintain the stated debt service coverage ratio (“DSCR”), the sum of domestic retail sales for all restaurants being below certain levels on certain measurement dates, certain manager termination events, certain events of default and the failure to repay or refinance the A-2 Notes on the anticipated repayment dates. The Notes are also subject to certain events of default, including events relating to non-payment of required interest, principal or other amounts due on or with respect to the Notes, failure of the Securitization Entities to maintain the stated DSCR, failure to comply with covenants within certain time frames, certain bankruptcy events, breaches of specified representations and warranties and certain judgments.

In general, the DSCR ratio is Net Cash Flow (as defined in the Indenture) for the four quarters preceding the calculation date divided by the total debt service payments (as defined in the Indenture) of the preceding four quarters. The complete definitions of the DSCR and all calculation elements are contained in the Indenture. Failure to maintain a prescribed DSCR can trigger a Cash Trapping Event, A Rapid Amortization Event, a Manager Termination Event or a Default Event (each as defined in the Indenture) as described below. In a Cash Trapping Event, the Trustee is required to retain respective Cash Trapping Percentage (as defined in the Indenture) of excess cash flow in a restricted account. In a Rapid Amortization Event, all excess cash flow is retained and used to retire principal amounts of debt. In a Manager Termination Event, the Company may be replaced as manager of the assets securitized under the Indenture. In a Default Event, the outstanding principal amount and any accrued but unpaid interest can be called to become immediately due and payable. Key DSCRs are as follows:

- DSCR less than 1.75x - Cash Flow Sweeping Event
- DSCR less than 1.20x - Rapid Amortization Event
- Interest-only DSCR less than 1.20x - Manager Termination Event
- Interest-only DSCR less than 1.10x - Default Event

The Company's DSCR for the reporting period ended December 28, 2025 was approximately 3.0x.

Repurchase Program

On February 16, 2023, the Company's Board of Directors authorized a debt repurchase program of up to \$100 million. Repurchases of the Company's debt, if any, are expected to reduce future interest payments, as well as future amounts due at maturity or upon redemption. Under the authorization, the Company may make repurchases of the Company's debt from time to time in the open market or in privately negotiated transactions upon such terms and at such prices as management may determine.

8. Long-Term Debt (Continued)

Debt Issuance Costs

Credit Facility

In June 2025, the Company incurred costs of approximately \$4.1 million in connection with the issuance of the Credit Facility. These debt issuance costs are deferred along with the unamortized costs of the terminated 2022 Credit Facility and are being amortized over the terms of the new arrangement. Amortization costs of \$1.2 million, \$1.2 million and \$1.2 million were included in interest expense for the years ended December 28, 2025, December 29, 2024 and December 31, 2023. As of December 28, 2025, total unamortized debt issuance costs of \$6.3 million related to the Credit Facility are classified as other non-current assets in the Consolidated Balance Sheets.

2025 Class A-2 Notes

The Company incurred costs of approximately \$7.6 million in connection with the issuance of the 2025 Class A-2 Notes. These debt issuance costs are being amortized using the effective interest method over estimated life of the 2025 Class A-2 Notes. Amortization costs of \$0.7 million were included in interest expense for the year ended December 28, 2025. As of December 28, 2025, unamortized debt issuance costs of \$6.8 million are reported as a direct reduction of the 2025 Class A-2 Notes in the Consolidated Balance Sheets.

2023 Class A-2 Notes

The Company incurred costs of approximately \$8.0 million in connection with the issuance of the 2023 Class A-2 Notes. These debt issuance costs are being amortized using the effective interest method over the estimated life of the 2023 Class A-2 Notes. Amortization costs of \$1.2 million, \$1.1 million, and \$0.7 million were included in interest expense for the years ended December 28, 2025, December 29, 2024 and December 31, 2023, respectively. As of December 28, 2025, unamortized debt issuance costs of \$5.0 million are reported as a direct reduction of the 2023 Class A-2 Notes in the Condensed Consolidated Balance Sheets.

2019 Class A-2-II Notes

Debt issuance costs incurred in connection with the issuance of the 2019 Class A-2-II Notes were amortized using the effective interest method over the estimated life of the 2019 Class A-2-II Notes. The 2019 Class A-2-II Notes amortization costs of \$0.4 million, \$1.0 million, and \$1.6 million were included in interest expense for the years ended December 28, 2025, December 29, 2024 and December 31, 2023, respectively. In connection with the repayment of the 2019 Class A-2-II Notes discussed above, the Company recognized a loss on extinguishment of debt of \$0.9 million, representing the remaining unamortized debt issuance costs.

9. Leases

The Company currently leases from third parties the real property for company-owned and certain of its franchise operated restaurants and subleases to the franchisees for franchise operated restaurants. The Company also leases office space for its principal corporate office in Pasadena, California and a restaurant support center in Irving, Texas. The Company does not have a significant amount of non-real estate leases.

The Company's existing leases/subleases related to IHOP restaurants generally provide for an initial term of 20 to 25 years, with most having one or more five-year renewal options. Leases related to Applebee's restaurants generally have an initial term of 10 to 20 years, with renewal terms of five to 20 years. Option periods were not included in determining liabilities and right-of-use assets related to operating leases. Leases also include variable rental payments based on a percentage of restaurant sales if restaurant sales threshold are met.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

9. Leases (Continued)

The Company's lease cost for the years ended December 28, 2025, December 29, 2024 and December 31, 2023 was as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	(In millions)		
Finance lease cost:			
Amortization of right-of-use assets	\$ 2.7	\$ 2.6	\$ 2.5
Interest on lease liabilities	2.7	2.9	2.8
Operating lease cost	81.9	74.1	75.3
Variable lease cost	7.9	8.0	7.8
Short-term lease cost	—	—	—
Lease cost	<u>\$ 95.2</u>	<u>\$ 87.6</u>	<u>\$ 88.4</u>

Maturity analysis of the finance lease and operating lease liabilities as of December 28, 2025 were as follows:

	<u>Finance Leases</u>	<u>Operating Leases</u>
	(In millions)	
Fiscal Years		
2026	\$ 7.6	\$ 91.7
2027	6.8	72.3
2028	5.3	56.1
2029	5.4	53.6
2030	4.9	48.5
Thereafter	19.0	156.4
Total minimum lease payments	<u>49.0</u>	<u>478.6</u>
Less: interest/imputed interest	(11.7)	(105.7)
Total obligations	<u>37.3</u>	<u>372.9</u>
Less: current portion	(5.1)	(67.6)
Long-term lease obligations	<u>\$ 32.2</u>	<u>\$ 305.3</u>

Other lease information is as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	(In millions)		
Assets obtained in exchange for operating lease obligations	\$ 72.3	\$ 109.4	\$ 47.9
Assets obtained in exchange for finance lease obligations	\$ 3.8	\$ 6.8	\$ 10.5

	<u>2025</u>	<u>2024</u>
	(In millions)	
Weighted-average remaining lease term - operating leases	6.4 years	6.2 years
Weighted-average remaining lease term - finance leases	5.3 years	5.5 years
Weighted-average discount rate - operating leases	6.2 %	6.1 %
Weighted-average discount rate - finance leases	9.1 %	9.2 %

During the years ended December 28, 2025, December 29, 2024 and December 31, 2023, the Company made the following cash payments for leases:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	(In millions)		
Cash paid on operating leases	\$ 89.0	\$ 83.8	\$ 75.2
Cash paid on finance leases	5.0	5.6	6.4

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

9. Leases (Continued)

The Company's income from operating leases for the years ended December 28, 2025, December 29, 2024 and December 31, 2023 was as follows:

	2025	2024	2023
		(In millions)	
Minimum lease payments	\$ 89.1	\$ 96.0	100.7
Variable lease income	17.1	17.4	17.5
Total operating lease income	<u>\$ 106.2</u>	<u>\$ 113.4</u>	<u>\$ 118.2</u>

The Company's income from real estate leases receivable at December 28, 2025, December 29, 2024 and December 31, 2023 was as follows:

	2025	2024	2023
		(In millions)	
Selling profit	\$ 0.4	\$ 0.2	\$ 0.2
Interest income	1.2	1.2	1.1
Variable lease income	0.3	0.3	0.4
Total financing lease income	<u>\$ 1.9</u>	<u>\$ 1.7</u>	<u>\$ 1.7</u>

Future lease payments to be received as lessor under noncancellable real estate leases as of December 28, 2025 were as follows:

Fiscal Years	Sales-Type Leases	Operating Leases
	(in millions)	
2026	\$ 2.7	\$ 88.8
2027	2.7	73.2
2028	2.7	58.9
2029	2.6	51.4
2030	2.5	47.2
Thereafter	11.5	158.5
Total minimum rents receivable	24.8	478.0
Less: unearned income	(6.6)	
Total real estate leases receivable	18.2	
Less: current portion	(1.6)	
Long-term real estate leases receivable	<u>\$ 16.6</u>	

Sale-Leaseback Transaction

In 2007, the Company entered into a Purchase and Sale Agreement relating to the sale and leaseback of 181 parcels of real property (the "Sale-Leaseback Transaction"), each of which is improved with a restaurant operating as an Applebee's Neighborhood Grill and Bar (the "Properties"). Under these agreements, the Company sold the Properties and then leased the Properties back through leaseback transactions.

Based on certain criteria and in accordance with GAAP under ASC 842, Leases, these transactions were accounted for as failed sale-leasebacks. As a result, the assets of the Properties remain on the Consolidated Balance Sheet at their historical net book value and are depreciated over the remaining term of the applicable master lease. Financing liabilities were recognized in the amount of the proceeds received. The Company does not recognize rent expense related to the leased assets. Instead, monthly rent payments under the applicable master lease agreement are recorded as interest expense and a reduction of the outstanding liability.

As of December 28, 2025 the long-term outstanding liability of \$19.3 million was recorded in Other non-current liabilities and the current outstanding liability of \$1.5 million was recorded in Current portion of finance leases on the Consolidated Balance Sheets related to the financing liability.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

9. Leases (Continued)

As of December 28, 2025, future minimum lease payments under financing obligations during the initial terms of the leases related to the sale-leaseback transactions are as follows:

Fiscal Years	(In millions)
2026	\$ 4.0
2027	3.7
2028	18.4
2029	—
2030	—
Thereafter	—
Total minimum lease payments	26.1
Less: interest	(5.4)
Total financing obligations	20.7
Less: current portion	(1.5)
Long-term financing obligations	\$ 19.3

10. Commitments and Contingencies

Purchase Commitments

In some instances, the Company enters into commitments to purchase advertising and other items. Most of these agreements are fixed price purchase commitments. As of December 28, 2025, the outstanding purchase commitments were \$104.4 million, of which \$82.6 million related to advertising over the next twelve months.

Lease Guarantees

In connection with refranchising restaurants to franchisees, in certain cases the Company has guaranteed lease payments. As of December 28, 2025 and December 29, 2024 the notional amount of lease guarantees by the Company were \$323.1 million and \$345.0 million, respectively. Excluding unexercised option periods, the Company's potential liability for future payments under these leases were \$83.1 million and \$90.5 million as of December 28, 2025 and December 29, 2024, respectively. These amounts represent the maximum potential liability of future payments under these leases. These leases expire at the end of the respective lease terms, which range from 2026 through 2058. In the event of default, the indemnity and default clauses in our sale or assignment agreements govern our ability to pursue and recover damages incurred. No material liabilities for these guarantees have been recorded as of December 28, 2025.

Litigation, Claims and Disputes

The Company is subject to various lawsuits, governmental inspections, administrative proceedings, audits, and claims arising in the ordinary course of business. Some of these lawsuits purport to be class actions and/or seek substantial damages. The Company is required to record an accrual for litigation loss contingencies that are both probable and reasonably estimable. Legal fees and expenses associated with the defense of the Company's litigation are expensed as incurred. In the opinion of management, these matters are adequately covered by insurance or, if not so covered, are without merit or are of such a nature or involve amounts that would not have a material adverse impact on the Company's business or consolidated financial statements. Management regularly assesses the Company's insurance deductibles, analyzes litigation information with the Company's attorneys and evaluates its loss experience in connection with pending legal proceedings. While the Company does not presently believe that any of the legal proceedings to which the Company is currently a party will ultimately have a material adverse impact on the Company, there can be no assurance that the Company will prevail in all the proceedings the Company is party to, or that the Company will not incur material losses from them.

Letters of Credit

The Company provides letters of credit, primarily to various insurance carriers to collateralize obligations for outstanding claims. As of December 28, 2025, the Company had approximately \$0.6 million of unused letters of credit outstanding that reduce the Company's available borrowing under its Credit Facility. These letters of credit expire on various dates in 2026 and are automatically renewed for an additional year if no cancellation notice is submitted.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

11. Stockholders' Deficit

Stock Repurchase Programs

On February 17, 2022, the Company's Board of Directors authorized a share repurchase program, effective April 1, 2022, of up to \$250 million (the "2022 Repurchase Program"). In connection with the approval of the 2022 Repurchase Program, all prior repurchase programs terminated effective April 1, 2022.

A summary of shares repurchased under the current 2022 Repurchase Program and prior programs, during the years ended December 28, 2025, December 29, 2024 and December 31, 2023 is as follows:

	Shares	Cost of shares (In millions)
Repurchased during the year ended December 28, 2025	2,352,636	\$ 60.1
Repurchased during the year ended December 29, 2024	269,621	\$ 12.0
Repurchased during the year ended December 31, 2023	446,189	\$ 26.1
Repurchases prior to fiscal year 2023	1,149,589	\$ 78.7
Cumulative repurchases	4,218,035	\$ 176.8
Remaining value of shares that may be repurchased under the 2022 Repurchase Program	n/a	\$ 73.2

Dividends

During the fiscal years ended December 28, 2025, December 29, 2024 and December 31, 2023, the Company declared and paid dividends on common stock as follows:

Year ended December 28, 2025	Declaration Date	Payment Date	Dividends declared per share	Total dividends declared (In millions)	Total dividends paid (In millions)
Payment of prior year declaration	n/a	January 7, 2025	\$ —	\$ 7.8	\$ 7.8
First quarter	February 21, 2025	April 4, 2025	0.51	8.0	8.0
Second quarter	May 14, 2025	July 9, 2025	0.51	7.8	7.8
Third quarter	September 4, 2025	October 8, 2025	0.51	7.4	7.4
Fourth quarter	November 5, 2025	January 7, 2026	0.19	2.5	—
Total			\$ 1.72	\$ 33.5	\$ 31.0

Year ended December 29, 2024	Declaration Date	Payment Date	Dividends declared per share	Total dividends declared	Total dividends paid
Payment of prior year declaration	n/a	January 5, 2024	\$ —	\$ 7.7	\$ 7.7
First quarter	February 26, 2024	April 5, 2024	0.51	7.9	7.9
Second quarter	May 14, 2024	July 5, 2024	0.51	7.8	7.8
Third quarter	September 5, 2024	October 8, 2024	0.51	7.8	7.8
Fourth quarter	November 22, 2024	January 7, 2025	0.51	7.8	—
Total			\$ 2.04	\$ 39.0	\$ 31.3

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

11. Stockholders' Deficit (Continued)

<u>Year ended December 31, 2023</u>	<u>Declaration Date</u>	<u>Payment Date</u>	<u>Dividends declared per share</u>	<u>Total dividends declared</u>	<u>Total dividends paid</u>
Payment of prior year declaration	n/a	January 6, 2023	\$ —	\$ 8.0	\$ 8.0
First quarter	February 21, 2023	March 31, 2023	0.51	8.0	8.0
Second quarter	May 11, 2023	July 7, 2023	0.51	7.9	7.9
Third quarter	September 7, 2023	September 29, 2023	0.51	7.8	7.8
Fourth quarter	November 30, 2023	January 5, 2024	0.51	7.7	\$ —
Total			<u>\$ 2.04</u>	<u>\$ 39.4</u>	<u>\$ 31.7</u>

Dividends declared on common stock are recorded as a reduction of retained earnings.

12. Closure and Impairment Charges

	<u>2025</u>	<u>2024</u>	<u>Change</u>
	<u>(In millions)</u>		
Closure charges	\$ 5.0	\$ 2.2	\$ (2.8)
Goodwill impairment	—	7.1	7.1
Tradenname impairment	29.0	—	(29.0)
Other asset impairment charges	6.0	—	(6.0)
Total	<u>\$ 40.0</u>	<u>\$ 9.2</u>	<u>\$ (30.7)</u>

Closure charges

For the year ended December 28, 2025, the Company recorded \$5.0 million of closure charges primarily comprised of \$3.6 million for restaurant closure costs related to IHOP restaurants closed in 2025 or earlier. This includes \$2.0 million related to two leased properties the Company acquired in March 2025 and closed during 2025 related to the acquisition and closure of certain IHOP restaurants. The Company also incurred \$0.7 million related to the exit of office space in the Leawood, Kansas restaurant support center.

The closure charges of \$2.2 million for the year ended December 29, 2024 were \$1.5 million for revisions to existing reserves, for approximately 21 IHOP restaurants closed prior to 2023, and \$0.6 million related to the office space in the Leawood, Kansas restaurant support center referenced above.

Intangible assets impairment charges

In the fourth quarter of 2025, the Company determined the Fuzzy's tradenname intangible asset was impaired and recorded a \$29.0 million noncash impairment charge. In the fourth quarter of 2024, the Company wrote off goodwill of \$7.1 million related to our acquisition of Fuzzy's. See *Note 2 - Basis of Presentation and Summary of Significant Accounting Policy*, *Note 6 - Goodwill* and *Note 7 - Other Intangible Assets* of the Notes to the Consolidated Financial Statements.

Asset Impairment Charges

The \$6.0 million impairment charge of other assets for the year ended December 28, 2025 primarily relates to \$2.7 million of off-market leases attributable to the acquisition and closure of certain IHOP restaurants in March 2025, \$2.0 million write-off of work-in-process assets associated with the transition of Applebee's to a new point-of-sale platform, and a \$1.0 million write off of an investment the Company had in a robotic automation company focused on developing automation solutions for the food industry.

13. Stock-Based Incentive Plans

General Description

Currently, the Company is authorized to grant stock options, stock appreciation rights, restricted stock, cash-settled and stock-settled restricted stock units and performance units to employees and non-employee directors under the Dine Brands

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

13. Stock-Based Incentive Plans (Continued)

Global, Inc. 2019 Stock Incentive Plan (the “Plan”). The Plan was approved by stockholders on May 14, 2019 to permit the issuance of up to 2,050,000 shares (subject to adjustment as defined in the Plan for shares that may become available from prior plans) of the Company’s common stock for incentive stock awards. The Plan was amended and approved by stockholders on May 14, 2022 to permit the issuance of an additional 2,020,000 shares (subject to adjustment as defined in the Plan Amendment for shares that may become available from prior plans) of the Company’s common stock for incentive stock awards. The Plan will expire in May 2029.

Stock-Based Compensation Expense

Non-qualified stock options generally vest ratably over a three-year period in one-third increments and have a life of ten years from the grant date. Options vest immediately upon a change in control of the Company, as defined in the Plan. Option exercise prices equal the closing price of the Company's common stock on the New York Stock Exchange on the date of grant. Restricted stock and restricted stock units are issued at no cost to the holder and vest over terms as determined under the Plan. Generally, these awards vest either three years from the date of grant or in one-third increments over three years. These awards also vest immediately upon a change in control of the Company, as defined in the Plan. The Company utilizes treasury stock or issues new shares from its authorized but unissued share pool when vested stock options are exercised, restricted stock awards are granted and when restricted stock units vest. See *Note 11, Stockholders' Deficit*, of Notes to the Consolidated Financial Statements, for treasury shares utilized related to equity grants during the years ended December 28, 2025, December 29, 2024 and December 31, 2023.

The following table summarizes the Company's stock-based compensation expense included as a component of general and administrative expenses in the Consolidated Statements of Comprehensive Income:

	2025	2024	2023
	(In millions)		
Equity classified awards expense	\$ 13.4	\$ 16.0	\$ 12.0
Liability classified awards expense	2.5	0.3	(1.4)
Total stock-based compensation expense	<u>15.9</u>	<u>16.3</u>	<u>10.6</u>

As of December 28, 2025, total unrecognized compensation cost related to restricted stock awards and restricted stock units of \$14.6 million and \$0.8 million related to stock options is expected to be recognized over a weighted average period of approximately 1.4 years for restricted stock and restricted stock units and 0.8 years for stock options.

Equity Classified Awards - Stock Options

The per share fair values of the stock options granted have been estimated as of the grant date using the Black-Scholes option pricing model. The Black-Scholes model considers, among other factors, the expected life of the option and the historical volatility of the Company's share price.

The following table summarizes the assumptions used in the Black-Scholes model for stock options granted in the years then ended. No options were granted for the year ended December 28, 2025.

	2024	2023
Risk free interest rate	4.3 %	4.4 %
Weighted average historical volatility	70.2 %	70.9 %
Dividend yield	4.2 %	2.7 %
Expected years until exercise	4.5	4.5
Weighted average fair value of options granted	\$ 22.3	\$ 37.4

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

13. Stock-Based Incentive Plans (Continued)

Stock option activity for the year ended December 28, 2025 is summarized as follows:

	Number of Shares Under Option	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2023	539,575	75.65	n/a	n/a
Granted	74,390	74.94	n/a	n/a
Exercised	(69,443)	54.90	n/a	n/a
Forfeited	(20,876)	79.11	n/a	n/a
Expired	(61,140)	82.47	n/a	n/a
Outstanding at December 31, 2023	462,506	77.59	n/a	n/a
Granted	133,729	49.06	n/a	n/a
Forfeited	(14,717)	56.03	n/a	n/a
Expired	(56,872)	87.07	n/a	n/a
Outstanding at December 29, 2024	524,646	69.89	n/a	n/a
Forfeited	(10,318)	54.10	n/a	n/a
Expired	(33,746)	85.57	n/a	n/a
Outstanding at December 28, 2025	480,582	69.13	4.57	\$ —
Vested and Expected to Vest at December 28, 2025	476,186	\$ 69.30	4.54	\$ —
Exercisable at December 28, 2025	405,052	\$ 71.91	3.94	\$ —

The total intrinsic value of options exercised during the year ended December 31, 2023 was \$1.1 million.

Cash received from options exercised under all stock-based payment arrangements for the year ended December 31, 2023 was \$3.8 million. The tax benefit realized for the tax deduction from option exercises under the stock-based payment arrangements for the year ended December 31, 2023 was \$0.3 million.

Equity Classified Awards - Restricted Stock and Restricted Stock Units

Activity in equity classified awards of restricted stock and restricted stock units for the years then ended is as follows:

	Shares of Restricted Stock	Weighted Average Grant-Date Per Share Fair Value	Restricted Stock Units	Weighted Average Grant-Date Per Share Fair Value
Outstanding at January 1, 2023	355,900	\$ 73.57	123,895	\$ 62.11
Granted	211,820	73.12	21,731	74.01
Vested/Distributed	(165,533)	73.64	(47,857)	64.04
Forfeited	(63,565)	73.15	(39,294)	77.23
Outstanding at December 31, 2023	338,622	73.33	58,475	54.07
Granted	311,955	47.55	32,630	49.06
Vested/Distributed	(155,368)	74.37	(18,115)	73.97
Forfeited	(73,750)	60.10	(37)	74.94
Outstanding at December 29, 2024	421,459	56.18	72,953	46.83
Granted	539,374	26.13	56,213	26.13
Vested/Distributed	(199,439)	59.81	(34,030)	47.70
Forfeited	(88,735)	39.08	(36,516)	39.61
Outstanding at December 28, 2025	672,659	\$ 33.26	58,620	\$ 31.78

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

13. Stock-Based Incentive Plans (Continued)

Liability Classified Awards - Long-Term Incentive Awards

The Company has granted annual cash LTIP awards that vest over a three-year period. The awards use a multiplier from 0% to 200% of the target amount based on the total stockholder return of the Company's common stock compared to the total stockholder returns of a peer group of companies. The expense for these awards are recognized ratably over their life. For the years ended December 28, 2025, December 29, 2024 and December 31, 2023, the Company recorded an expense of \$2.4 million, \$0.2 million and a reversal of expense of \$1.4 million, respectively. As of December 28, 2025 and December 29, 2024, a liability of \$3.3 million and \$0.8 million, respectively, was recorded as Other non-current liabilities on the Consolidated Balance Sheets.

14. Employee Benefit Plans

401(k) Savings and Investment Plan

The Company matches 100% of the first four percent of the employee's eligible compensation deferral and 50% of the next two percent of the employee's eligible compensation deferral. All contributions under this plan vest immediately. Substantially all of the administrative cost of the 401(k) plan is borne by the Company. For the years ended December 28, 2025, December 29, 2024 and December 31, 2023 the Company's matching contribution expense was \$3.8 million, \$3.4 million and \$3.3 million, respectively.

15. Income Taxes

The income from continuing operations before income taxes and provision (benefit) for income taxes for the years ended December 28, 2025, December 29, 2024 and December 31, 2023 was as follows:

Income from continuing operations before income tax expense (benefit)

	2025	2024	2023
	(In millions)		
U.S. ⁽¹⁾	\$ 24.9	\$ 88.7	\$ 110.9
Foreign	0.3	0.8	0.8
Total	\$ 25.2	\$ 89.5	\$ 111.7

Income tax expense (benefit) from continuing operations

	2025	2024	2023
Current			
Federal	\$ 7.2	\$ 25.0	\$ 25.6
State	2.7	3.8	0.6
Foreign ⁽¹⁾	1.6	2.0	2.2
Total Current	11.5	30.8	28.4
Deferred			
Federal	(2.1)	(8.1)	(1.2)
State	(1.3)	2.0	(12.6)
Total Deferred	(3.4)	(6.1)	(13.8)
Total income tax expense			
Federal	5.1	16.9	24.4
State	1.4	5.8	(12.1)
Foreign	1.6	2.0	2.2
Provision (benefit) for income taxes	\$ 8.1	\$ 24.7	\$ 14.5

⁽¹⁾ Certain foreign-source income is included in U.S. income from continuing operations before income tax expense, while the related withholding taxes are recorded within foreign income tax expense from continuing operations.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

15. Income Taxes (Continued)

The provision (benefit) for income taxes differs from the statutory Federal income tax for the years ended December 28, 2025, December 29, 2024 and December 31, 2023 as follows:

	2025	
	Amount (in millions)	Percent (%)
U.S Federal statutory tax rate	\$ 5.3	21.0 %
State and local income taxes, net of federal⁽¹⁾	\$ 2.0	7.8 %
Foreign tax effects		
Mexico		
Withholding taxes	0.5	2.0 %
Puerto Rico		
Withholding taxes	0.3	1.4 %
Canada		
Withholding taxes	0.3	0.8 %
Other jurisdictions	0.5	2.3 %
Total foreign tax effects	\$ 1.6	6.5 %
Effect of changes in tax laws or rates enacted in the current period	—	— %
Effect of cross-border tax laws		
Foreign tax credit	(1.5)	(6.1) %
Foreign-derived intangible income (FDII)	(0.3)	(1.0) %
Total effect of cross-border tax laws	\$ (1.8)	(7.1) %
Tax credits		
R&D tax credit	(0.6)	(2.4) %
FICA tip credit	(0.4)	(1.6) %
Total tax credits	\$ (1.0)	(4.0) %
Changes in valuation allowances	\$ 0.4	1.6 %
Nontaxable or nondeductible items		
Nondeductible stock compensation	1.3	5.3 %
Nondeductible officer's compensation	0.9	3.8 %
Other nontaxable or nondeductible items	0.1	0.3 %
Total nontaxable or nondeductible items	\$ 2.3	9.3 %
Changes in unrecognized tax benefits	\$ (0.8)	(3.2) %
Other adjustments	\$ 0.1	0.1 %
Income tax expense	\$ 8.1	32.0 %

⁽¹⁾ State taxes in GA, TX, NJ and MI made up the majority (greater than 50%) of the tax effect in this category.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

15. Income Taxes (Continued)

	2024	2023
Statutory federal income tax rate	21.0 %	21.0 %
Non-deductibility of goodwill	0.4	—
Non-deductibility of officer's compensation	1.1	1.1
State and other taxes, net of federal tax benefit	3.9	3.8
State income tax audit settlement	—	(13.5)
Excess tax deficiencies or (benefits)	1.2	(0.7)
Change in unrecognized tax benefits	—	1.1
Change in valuation allowance	0.8	0.7
Changes in tax rates and state tax laws	0.6	—
General business credits	(0.7)	(0.7)
Other	(0.8)	0.2
Effective tax rate	27.5 %	13.0 %

The Company or one of its subsidiaries files federal income tax returns and tax returns in various state and international jurisdictions. With few exceptions, the Company is no longer subject to federal tax examinations by tax authorities for years before 2022 and state or non-United States tax examinations by tax authorities for years before 2020.

Disclosed below is a summary of income taxes paid, net of refunds by jurisdiction for the year ended December 28, 2025:

	(in millions)
United States - Federal	\$ 10.9
United States - State and local ⁽¹⁾	3.3
Total U.S. Federal, State and local	\$ 14.2
Foreign ⁽¹⁾	1.7
Total income taxes paid, net of refunds	\$ 15.9

⁽¹⁾ The amount of income taxes paid during the year for state and foreign does not meet the 5% disaggregation threshold.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

15. Income Taxes (Continued)

Net deferred tax assets (liabilities) as of December 28, 2025 and December 29, 2024 consisted of the following components:

	2025	2024
	(In millions)	
Lease liabilities	\$ 102.2	\$ 104.3
Employee compensation	10.9	8.8
Deferred revenue	37.8	38.9
Tax attributes	13.2	13.5
Other	13.8	8.1
Deferred tax assets	\$ 177.9	\$ 173.6
Valuation allowance	(5.4)	(5.0)
Total deferred tax assets after valuation allowance	\$ 172.5	\$ 168.6
Capitalization and depreciation ⁽¹⁾	(124.6)	(122.1)
Lease assets	(94.8)	(96.1)
Other	(4.3)	(5.0)
Deferred tax liabilities	\$ (223.7)	\$ (223.2)
Net deferred tax liabilities	\$ (51.2)	\$ (54.6)

⁽¹⁾ Primarily related to the 2007 Applebee's acquisition.

The Company considers new evidence, both positive and negative, that could impact management's view with regards to future realization of deferred tax assets. Management believes that the future realizability of benefits arising from foreign tax credit carryforwards and certain state net operating loss carryforwards does not meet the more-likely-than-not threshold. In recognition of this risk, there is a valuation allowance of \$5.4 million as of December 28, 2025.

The Company had gross operating loss carryforwards for state tax purposes of \$112.4 million and \$113.7 million as of December 28, 2025 and December 29, 2024, respectively. Certain net operating loss carryforwards will expire in 2029 if not utilized. The Company had income tax credit carryforwards of \$7.5 million and \$7.5 million as of December 28, 2025 and December 29, 2024, respectively. Certain income tax credit carryforwards will begin to expire in 2029 if not utilized.

The total gross unrecognized tax benefit as of December 28, 2025 and December 29, 2024 was \$3.0 million and \$2.5 million, respectively, excluding interest, penalties and related income tax benefits. If recognized, these amounts would affect the Company's effective income tax rates.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2025	2024	2023
	(In millions)		
Beginning unrecognized tax benefit	\$ 2.5	\$ 3.5	\$ 2.1
Changes for tax positions of prior years	(0.5)	—	—
Increases for tax positions related to the current year	1.1	0.4	1.9
Decreases relating to settlements and lapsing of statutes of limitations	(0.1)	(1.4)	(0.5)
Ending unrecognized tax benefit	\$ 3.0	\$ 2.5	\$ 3.5

As of December 28, 2025, the accrued interest was \$0.2 million, excluding any related income tax benefits. As of December 29, 2024, the accrued interest and penalties were \$0.8 million, excluding any related income tax benefits. The Company recognizes interest accrued related to unrecognized tax benefits and penalties as a component of the income tax provision recognized in the Consolidated Statements of Comprehensive Income.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

16. Net Income Per Share

The computation of the Company's basic and diluted net income per share for the years then ended is as follows:

	2025	2024	2023
	(in millions, except per share data)		
Numerator for basic and diluted income per common share			
Net income	\$ 17.1	\$ 64.9	\$ 97.2
Less: Net income allocated to restricted stock	(1.1)	(1.9)	(2.3)
Net income available to common stockholders - basic and diluted	16.0	63.0	94.9
Denominator			
Weighted average outstanding shares of common stock - basic	14.3	14.9	15.2
Weighted average outstanding shares of common stock - diluted	14.3	14.9	15.2
Net income per common share			
Basic	\$ 1.11	\$ 4.22	\$ 6.23
Diluted	\$ 1.11	\$ 4.22	\$ 6.22

17. Reportable Segments

Information on segments and a reconciliation of segment operating profit to income before income taxes is as follows:

	2025			
	Franchise	Company-Owned Restaurants	Rental	Total
	(In millions)			
Revenues	\$ 665.5	\$ 104.6	\$ 109.3	\$ 879.3
Less: Advertising revenue	281.8	—	—	281.8
Revenues excluding advertising revenue	383.7	104.6	109.3	597.5
<i>Less:</i>				
Interest expense from finance leases	—	—	2.7	2.7
Depreciation and amortization	0.6	3.1	9.6	13.3
Other segment items ^(a)	40.8	109.5	71.9	222.2
Segment profit	342.3	(8.1)	25.0	359.3
Stock based compensation (direct)	3.6	—	—	3.6
Gain on disposition of assets	(0.5)	—	—	(0.5)
Other G&A expenses (direct and allocated)	125.0	7.9	—	132.9
Segment operating profit	\$ 214.2	\$ (16.0)	\$ 25.0	\$ 223.3
<i>Reconciliation of segment operating profit</i>				
Segment operating profit				\$ 223.3
Depreciation and amortization (unallocated)				17.5
Stock based compensation (unallocated)				9.6
Other G&A expenses (unallocated)				40.2
Interest expense, net				78.0
Closure and impairment charges				40.0
Amortization of intangible assets				11.9
Loss on extinguishment of debt				0.9
Income before income taxes				\$ 25.2

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

17. Reportable Segments (Continued)

	2024			
	Franchise	Company- Owned Restaurants	Rental	Total
	(In millions)			
Revenues	\$ 686.0	\$ 9.3	\$ 117.1	\$ 812.3
Less: Advertising revenue	290.4	—	—	290.4
Revenues excluding advertising revenue	395.5	9.3	117.1	521.9
<i>Less:</i>				
Interest expense from finance leases	—	—	2.9	2.9
Depreciation and amortization	1.4	(0.6)	10.1	11.0
Other segment items ^(a)	48.0	10.5	74.2	132.7
Segment profit	346.1	(0.6)	29.9	375.3
Stock based compensation (direct)	5.7	—	—	5.7
Gain on disposition of assets	—	(2.2)	(1.0)	(3.2)
Other G&A expenses (direct and allocated)	119.3	—	—	119.3
Segment operating profit	\$ 221.1	\$ 1.6	\$ 30.9	\$ 253.5
<i>Reconciliation of segment operating profit</i>				
Segment operating profit				\$ 253.5
Depreciation and amortization (unallocated)				17.4
Stock based compensation (unallocated)				10.2
Other G&A expenses (unallocated)				44.2
Interest expense, net				72.1
Closure and impairment charges				9.2
Amortization of intangible assets				10.8
Income before income taxes				\$ 89.5

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

17. Reportable Segments (Continued)

	2023			
	Franchise	Company-Owned Restaurants	Rental	Total
	(In millions)			
Revenues	\$ 706.4	\$ 2.1	\$ 122.6	\$ 831.1
Less: Advertising revenue	300.8	—	—	300.8
Revenues excluding advertising revenue	405.6	2.1	122.6	530.3
<i>Less:</i>				
Interest expense from finance leases	—	—	2.8	2.8
Depreciation and amortization	1.1	(0.2)	10.5	11.4
Other segment items ^(a)	42.5	2.4	74.6	119.4
Segment profit	362.0	0.0	34.7	396.7
Stock based compensation (direct)	2.5	—	—	2.5
Loss on disposition of assets	—	0.2	0.3	0.6
Other G&A expenses (direct and allocated)	126.9	—	—	126.9
Segment operating profit	\$ 232.5	\$ (0.2)	\$ 34.4	\$ 266.7
<i>Reconciliation of segment operating profit</i>				
Segment operating profit				\$ 266.7
Depreciation and amortization (unallocated)				13.3
Stock based compensation (unallocated)				9.5
Other G&A expenses (unallocated)				45.8
Loss on disposition of assets (unallocated)				1.8
Interest expense, net				70.0
Closure and impairment charges				3.6
Amortization of intangible assets				10.9
Income before income taxes				\$ 111.7

(a) Segment items include:

Franchise: Costs of proprietary products, bad debt expense, pre-opening training expenses and other franchise-related costs.

Company-owned restaurants: Operating expenses at company-owned restaurants include food, beverage, labor, benefits, utilities, rent and other operating costs.

Rental: Costs of operating leases, such as rent expense, and interest expense of finance leases on franchisee-operated restaurants.

18. Business Acquisition

From time to time, the Company may acquire restaurants from franchisees to invest in the system, improve operations through innovation tests and create a blueprint for franchisee success and growth.

2025 Acquisitions

On March 5, 2025, the Company entered into an agreement with an IHOP franchisee to acquire 10 IHOP restaurants across Ohio and Kentucky for \$0.2 million of consideration. Due to the fair value of the assets acquired exceeding the consideration transferred, the transaction resulted in a \$0.2 million gain on bargain purchase, recorded in general and administrative expenses in the Condensed Consolidated Statements of Comprehensive Income for the year ended December 28, 2025.

On May 19, 2025, the Company entered into an agreement with an Applebee's franchisee to acquire 12 Applebee's restaurants across Kentucky, Indiana, Arkansas, and Oklahoma for \$1.3 million of consideration. The following table summarizes the estimated fair value of net assets acquired at the date of acquisition:

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

18. Business Acquisition (Continued)

	(In millions)
Off-market leases	\$ 1.2
Cash	0.9
Inventory and other current assets	0.4
Total identifiable assets acquired	2.5
Liabilities assumed	(2.8)
Net identifiable liabilities acquired	(0.3)
Goodwill	1.6
Consideration transferred	\$ 1.3

The excess of the purchase price over the fair value of identifiable net assets acquired amounted to \$1.6 million. During the allowable allocation period in 2025, the Company recorded a \$0.1 million purchase price adjustment. The goodwill allocated to the Company-owned restaurants Segment of \$1.7 million as of December 28, 2025 is deductible for federal income tax purposes.

2024 Acquisitions

On November 11, 2024, the Company entered into an agreement with a former Applebee's franchisee to acquire 15 Applebee's restaurants. The transaction was structured as a non-cash transaction, for no consideration transferred by the Company. This resulted in a \$0.6 million gain on bargain purchase, which was recognized in the General and administrative expenses in the Consolidated Statements of Comprehensive Income for the year ended December 29, 2024.

The following table summarizes the estimated fair value of net assets acquired at the date of acquisition:

	(In millions)
Equipment and fixtures	\$ 1.1
Inventory and other current assets	0.2
Total identifiable assets acquired	1.3
Liabilities assumed	(0.7)
Bargain purchase gain	\$ 0.6

On November 19, 2024, the Company entered into an agreement with an Applebee's franchisee to acquire 41 Applebee's restaurants for consideration transferred of \$8.3 million.

The following table summarizes the recognized amount of assets acquired and liabilities assumed as of the date of acquisition:

	(In millions)
Equipment and fixtures	\$ 12.0
Inventory and other current assets	0.9
Reacquired franchise rights	0.3
Off-market leases	(4.1)
Total identifiable assets acquired	9.1
Liabilities assumed	(3.6)
Total identifiable net assets	5.5
Goodwill	2.8
Consideration transferred	\$ 8.3

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

18. Business Acquisition (Continued)

The excess of the purchase price over the fair value of identifiable net assets acquired amounted to \$2.8 million. During the allowable allocation period in 2025, the Company recorded a \$(1.0) million purchase price adjustment.

The results of operation of these restaurants are included in the Company's consolidated results from the acquisition date. The Company has not presented pro forma results of the restaurants for periods prior to the acquisition because the business is not considered significant as measured by the amount of the Company's investment in and assets of the business relative to the Company's consolidated balance sheet and by the income before income taxes of the business relative to the Company's average consolidated income before income taxes for the most recent five-year period excluding loss years.

19. Refranchising of Company-Owned Restaurants

On November 19, 2024, the Company completed the refranchising and sale of related restaurant assets of nine company-owned Applebee's restaurants in Texas to a franchisee. As part of the transaction, the Company entered into an asset purchase agreement and nine franchise agreements. The Company received cash of \$1.4 million and a note receivable for \$5.9 million. The Company recognized a gain of \$1.8 million on the refranchising and sale as the difference between the book value of the assets sold compared to the consideration received. For the year ended December 29, 2024 the gain was recognized in the (Gain) loss on disposition of assets in the Consolidated Statements of Comprehensive Income.

20. Subsequent Events

On February 20, 2026, our Board of Directors declared a first quarter 2026 cash dividend of \$0.19 per share of common stock, payable on April 10, 2026 to the stockholders of record as of the close of business on March 18, 2026.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Dine Brands Global, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Dine Brands Global, Inc. and Subsidiaries (the Company) as of December 29, 2024 and December 31, 2023, the related consolidated statements of comprehensive income, stockholders' deficit and cash flows for each of the three years in the period ended December 29, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 29, 2024 and December 31, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 29, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 29, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated March 5, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill and Indefinite Lived Intangible Assets Impairment Assessment

Description of the Matter

At December 29, 2024, the Company's goodwill and indefinite lived tradename intangible asset balances related to the Fuzzy's franchised restaurants reporting unit (Fuzzy's franchise unit) were \$7.1 million and \$57.2 million, respectively. As discussed in Notes 2, 6 and 7 to the consolidated financial statements, goodwill and tradename are tested for impairment at least annually, and more frequently if the Company believes indicators of impairment exist or at management's discretion. As a result of identifying impairment indicators, Management performed a quantitative impairment test of the Fuzzy's franchise unit goodwill and tradename assets as of December 29, 2024. The impairment test concluded that the estimated fair value of the tradename exceeded the carrying value and the carrying value of the reporting unit exceeded the estimated fair value resulting in a goodwill impairment loss of \$7.1 million.

Auditing management's goodwill and tradename impairment tests was especially challenging and complex due to the significant estimation underlying the determination of fair values. In particular, the fair value estimates were sensitive to changes in the significant assumptions used under the income and market approaches utilized to determine the fair value of the Fuzzy's franchise unit and the relief of royalty method utilized to determine the fair value of tradename. Significant assumptions made by management in estimating fair value of the Fuzzy's franchise unit under the income and market approaches included future trends in royalty revenue, sales growth rates for royalty revenue and other franchise revenue, and the appropriate discount rate. Significant assumptions used to determine fair value of the tradename under the relief of royalty method included future trends in system-wide sales, system-wide sales growth rate, and royalty rate.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill and tradename impairment tests, including controls over the review of the assumptions used and the accuracy of the underlying data.

Our testing of the Company's impairment assessment included, among other procedures, evaluating the significant assumptions and data used in estimating fair values. For example, we compared the forecasted future sales growth rates to historical results and industry trends. We also performed sensitivity analyses on the significant assumptions used, agreed historical balances to accounting records, and recalculated management's estimates. Additionally, we involved our valuation specialists to assist with our evaluation of the methodology used and to assess whether assumptions such as discount rates and royalty rates were comparable to observable market data.

Measurement and Valuation of Allowance for Credit Losses

***Description of
the Matter***

As of December 29, 2024, the Company's allowance for credit losses was \$4.7 million against a gross accounts receivable balance of \$155.8 million. As discussed in Notes 2 and 4 to the consolidated financial statements, the Company's gross receivables primarily consist of franchise-related accounts receivable, gift card receivables, notes receivable, equipment leases receivable, real estate leases receivable, and distributor receivables. The carrying amounts of the receivables, net of the allowance, represent the total amounts expected to be collected over the life of the receivables. Included in the allowance for credit losses are specific reserves against account balances due from franchisees which are deemed to be at risk for collection based on payment delinquency and a reserve for receivables that are not currently deemed at risk that is based on past events, current conditions, and expectations of the future effects of macroeconomic factors.

Auditing the allowance for credit losses was complex due to the judgmental nature and degree of subjectivity involved in evaluating management's assessment of the collectability of receivables. Estimates of the amounts expected to be collected include assessments of franchisee financial health and creditworthiness.

***How We
Addressed the
Matter in Our
Audit***

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's controls over the allowance for credit losses process, including management's review and approval of the model used to calculate the estimate and the evaluation of the completeness and accuracy of data inputs, assumptions, and outputs of the model.

Our audit procedures included, among others, validating the completeness of the identified at-risk receivables based on payment delinquency. We tested the completeness and accuracy of the underlying inputs considered in management's model. We evaluated the reasonableness of the overall allowance estimate, inclusive of the assumptions, and performed sensitivity analyses on the significant assumptions used. We also reviewed subsequent events and transactions and considered whether they corroborated or contradicted the Company's estimate conclusion.

/s/ ERNST & YOUNG LLP

We have served as the Company's auditor since 2004.

Los Angeles, California
March 5, 2025

Dine Brands Global, Inc. and Subsidiaries
Consolidated Balance Sheets
(In thousands, except share amounts)

Assets	December 31,	
	2024	2023
Current assets:		
Cash and cash equivalents	\$ 186,650	\$ 146,034
Receivables, net of allowance of \$3,383 (2024) and \$4,462 (2023)	115,218	127,937
Restricted cash	42,448	35,058
Prepaid gift card costs	28,552	29,545
Prepaid income taxes	1,446	3,445
Other current assets	11,685	15,759
Total current assets	385,999	357,778
Other intangible assets, net	575,654	586,033
Operating lease right-of-use assets	323,468	275,214
Goodwill	248,622	254,062
Property and equipment, net	156,134	161,891
Long-term receivables, net of allowance of \$1,354 (2024) and \$5,002 (2023)	35,873	35,602
Deferred rent receivable	24,804	33,326
Non-current restricted cash	19,500	19,500
Other non-current assets, net	20,530	16,881
Total assets	<u>\$ 1,790,584</u>	<u>\$ 1,740,287</u>
Liabilities and Stockholders' Deficit		
Current liabilities:		
Current maturities of long-term debt	\$ 100,000	\$ 100,000
Accounts payable	37,718	36,193
Gift card liability	177,584	175,640
Current maturities of operating lease obligations	65,336	63,498
Current maturities of finance lease and financing obligations	6,387	7,243
Accrued employee compensation and benefits	16,674	23,211
Accrued advertising expenses	4,735	9,446
Dividends payable	7,790	7,827
Other accrued expenses	29,081	37,394
Total current liabilities	445,305	460,452
Long-term debt, net, less current maturities	1,086,551	1,084,502
Operating lease obligations, less current maturities	310,476	269,097
Finance lease obligations, less current maturities	34,286	34,389
Financing obligations, less current maturities	23,251	26,984
Deferred income taxes, net	54,572	60,829
Deferred franchise revenue, long-term	36,700	38,658
Other non-current liabilities	15,462	16,350
Total liabilities	<u>2,006,603</u>	<u>1,991,261</u>
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock, \$1 par value, 10,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.01 par value; shares: 40,000,000 authorized; 2024 -24,756,637 issued, 15,273,210 outstanding; 2023 - 24,870,529 issued, 15,344,768 outstanding	248	249
Additional paid-in-capital	254,814	256,542
Retained earnings	183,614	150,008
Accumulated other comprehensive loss	(76)	(64)
Treasury stock, at cost; shares: 2024 - 9,483,427; 2023 - 9,525,761	(654,619)	(657,709)
Total stockholders' deficit	<u>(216,019)</u>	<u>(250,974)</u>
Total liabilities and stockholders' deficit	<u>\$ 1,790,584</u>	<u>\$ 1,740,287</u>

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
(In thousands, except per share amounts)

	Year Ended December 31,		
	2024	2023	2022
Revenues:			
Franchise revenues:			
Royalties, franchise fees and other	\$ 395,524	\$ 405,569	\$ 373,110
Advertising revenues	290,436	300,796	289,328
Total franchise revenues	685,960	706,365	662,438
Company restaurant sales	9,262	2,128	126,869
Rental revenues	115,286	119,970	116,491
Financing revenues	1,798	2,605	3,604
Total revenues	812,306	831,068	909,402
Cost of revenues:			
Franchise expenses:			
Advertising expenses	295,263	300,962	287,063
Bad debt expense	701	2,659	261
Other franchise expenses	43,892	40,782	34,584
Total franchise expenses	339,856	344,403	321,908
Company restaurant expenses	9,920	2,136	121,722
Rental expenses:			
Interest expense from finance leases	2,904	2,771	2,962
Other rental expenses	84,008	84,705	85,033
Total rental expenses	86,912	87,476	87,995
Financing expenses	309	369	419
Total cost of revenues	436,997	434,384	532,044
Gross profit	375,309	396,684	377,358
General and administrative expenses	196,702	198,057	190,746
Interest expense, net	72,142	70,047	60,952
Closure and impairment charges	9,240	3,594	3,062
Amortization of intangible assets	10,832	10,923	10,559
Loss (gain) on extinguishment of debt	—	10	(210)
(Gain) loss on disposition of assets	(3,150)	2,350	(2,536)
Income before income taxes	89,543	111,703	114,785
Income tax provision	(24,653)	(14,527)	(33,674)
Net income	64,890	97,176	81,111
Other comprehensive income, net of tax:			
Foreign currency translation adjustment	(12)	1	(6)
Total comprehensive income	\$ 64,878	\$ 97,177	\$ 81,105
Net income available to common stockholders:			
Net income	\$ 64,890	\$ 97,176	\$ 81,111
Less: Net income allocated to unvested participating restricted stock	(1,915)	(2,317)	(2,174)
Net income available to common stockholders	\$ 62,975	\$ 94,859	\$ 78,937
Net income available to common stockholders per share:			
Basic	\$ 4.22	\$ 6.23	\$ 4.97
Diluted	\$ 4.22	\$ 6.22	\$ 4.96
Weighted average shares outstanding:			
Basic	14,931	15,233	15,873
Diluted	14,931	15,242	15,901

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Deficit
(In thousands except share amounts)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock		
	Shares Outstanding	Amount				Shares	Cost	Total
Balance at December 31, 2021	17,163,946	\$ 250	\$ 256,189	\$ 35,415	\$ (59)	7,828,329	\$ (534,602)	\$ (242,807)
Net income	—	—	—	81,111	—	—	—	81,111
Other comprehensive loss	—	—	—	—	(6)	—	—	(6)
Purchase of Company common stock	(1,737,697)	—	—	—	—	1,737,697	(120,163)	(120,163)
Reissuance of treasury stock	205,293	—	(9,378)	—	—	(205,293)	9,619	241
Net issuance of shares for stock plans	6,886	—	—	—	—	—	—	—
Repurchase of restricted shares for taxes	(39,189)	—	(2,867)	—	—	—	—	(2,867)
Stock-based compensation	—	—	16,131	—	—	—	—	16,131
Dividends on common stock	—	—	219	(31,988)	—	—	—	(31,769)
Tax payments for share settlement of restricted stock units	—	—	(955)	—	—	—	—	(955)
Balance at December 31, 2022	15,599,239	250	259,339	84,538	(65)	9,360,733	(645,146)	(301,084)
Net income	—	—	—	97,176	—	—	—	97,176
Other comprehensive income	—	—	—	—	1	—	—	1
Purchase of Company common stock	(446,189)	—	(113)	—	—	446,189	(26,017)	(26,130)
Reissuance of treasury stock	281,161	(1)	(9,641)	—	—	(281,161)	13,454	3,812
Net issuance of shares for stock plans	(28,069)	—	—	—	—	—	—	—
Repurchase of restricted shares for taxes	(61,374)	—	(4,355)	—	—	—	—	(4,355)
Stock-based compensation	—	—	11,990	—	—	—	—	11,990
Dividends on common stock	—	—	181	(31,706)	—	—	—	(31,525)
Tax payments for share settlement of restricted stock units	—	—	(859)	—	—	—	—	(859)
Balance at December 31, 2023	15,344,768	249	256,542	150,008	(64)	9,525,761	(657,709)	(250,974)
Net income	—	—	—	64,890	—	—	—	64,890
Other comprehensive loss	—	—	—	—	(12)	—	—	(12)
Purchase of Company common stock	(269,621)	—	—	—	—	269,621	(12,000)	(12,000)
Reissuance of treasury stock	311,955	(1)	(15,155)	—	—	(311,955)	15,090	(66)
Net issuance of shares for stock plans	(56,246)	—	—	—	—	—	—	—
Repurchase of restricted shares for taxes	(57,646)	—	(2,667)	—	—	—	—	(2,667)
Stock-based compensation	—	—	15,978	—	—	—	—	15,978
Dividends on common stock	—	—	146	(31,284)	—	—	—	(31,138)
Tax payments for share settlement of restricted stock units	—	—	(30)	—	—	—	—	(30)
Balance at December 31, 2024	15,273,210	\$ 248	\$ 254,814	\$ 183,614	\$ (76)	9,483,427	\$ (654,619)	\$ (216,019)

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In thousands)

	Year Ended December 31,		
	2024	2023	2022
Cash flows from operating activities			
Net income	\$ 64,890	\$ 97,176	\$ 81,111
Adjustments to reconcile net income to cash flows provided by operating activities:			
Depreciation and amortization	39,153	35,630	37,952
Non-cash stock-based compensation expense	15,978	11,990	16,131
Non-cash closure and impairment charges	9,240	3,594	2,927
Non-cash interest expense	3,290	3,505	3,226
Deferred income taxes	(6,520)	(13,822)	(1,071)
Deferred revenue	(6,278)	(4,224)	(4,474)
Loss (gain) on extinguishment of debt	—	10	(210)
(Gain) loss on disposition of assets	(3,150)	2,359	(2,536)
Other	(4,204)	(3,552)	(5,160)
Changes in operating assets and liabilities:			
Accounts receivable, net	(671)	1,913	(2,574)
Deferred rent receivable	8,522	9,003	7,928
Income tax receivables and payables	667	1,160	8,326
Operating lease assets and liabilities	(12,530)	7,256	(11,823)
Gift card receivables and payables	(678)	5,095	2,783
Other current assets	7,618	1,911	(12,706)
Accounts payable	1,032	(16,027)	(3,665)
Accrued employee compensation and benefits	(6,368)	(1,748)	(16,264)
Accrued advertising expenses	(1,441)	(14,711)	(10,020)
Other current liabilities	(390)	4,622	(545)
Cash flows provided by operating activities	108,160	131,140	89,336
Cash flows from investing activities			
Principal receipts from notes, equipment contracts and other long-term receivables	12,264	9,319	17,057
Additions to property and equipment	(14,069)	(37,172)	(35,318)
Proceeds from sale of property and equipment	3,021	10	17,028
Additions to long-term receivables	(718)	(1,069)	(1,069)
Acquisition of business, net of cash acquired	(8,452)	(101)	(78,264)
Other	(497)	(1,084)	(338)
Cash flows used in investing activities	(8,451)	(30,097)	(80,904)
Cash flows from financing activities			
Proceeds from issuance of long-term debt, including revolving line of credit	—	530,000	100,000
Repayment of long-term debt	—	(651,713)	(38,768)
Borrowings from revolving credit facility	—	—	—
Repayments of revolving credit facility	—	(30,000)	—
Payment of debt issuance costs	—	(8,044)	(6,289)
Dividends paid on common stock	(31,302)	(31,715)	(30,765)
Repurchase of common stock	(12,066)	(26,130)	(120,452)
Principal payments of finance lease and financing obligations	(5,638)	(6,431)	(8,946)
Proceeds from stock options exercised	—	3,812	241
Repurchase of restricted stock for tax payments upon vesting	(2,667)	(4,355)	(2,867)
Tax payments for share settlement of restricted stock units	(30)	(859)	(955)
Cash flows used in financing activities	(51,703)	(225,435)	(108,801)
Net change in cash, cash equivalents and restricted cash	48,006	(124,392)	(100,369)
Cash, cash equivalents and restricted cash at beginning of year	200,592	324,984	425,353
Cash, cash equivalents and restricted cash at end of year	\$ 248,598	\$ 200,592	\$ 324,984
Supplemental disclosures			
Interest paid	\$ 79,231	\$ 73,976	\$ 64,599
Income taxes paid	\$ 38,332	\$ 28,409	\$ 28,085
Non-cash conversion of accounts receivable to notes receivable	\$ 3,254	\$ 1,367	\$ 84
Non-cash balance sheet gross-up of receivables and other accrued expenses	\$ 11,000	\$ (11,000)	\$ —

See the accompanying notes to the consolidated financial statements.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

1. The Company

The first International House of Pancakes® (“IHOP”) restaurant opened in 1958 in Toluca Lake, California. Shortly thereafter, the Company began developing and franchising additional restaurants. The Company was incorporated as IHOP Corp. under the laws of the State of Delaware in 1976. In November 2007, the Company acquired Applebee's International, Inc., which became a wholly-owned subsidiary of the Company. Effective June 2, 2008, the name of the Company was changed to DineEquity, Inc. and on February 20, 2018, the name of the Company was changed to Dine Brands Global, Inc.® (“Dine Brands Global”). In December 2022, the Company acquired FTO Holding Company, LLC (“Fuzzy's”), which owns the Fuzzy's Taco Shop® concept and became a wholly-owned subsidiary of the Company.

The Company owns, franchises and operates three restaurant concepts: Applebee's Neighborhood Grill + Bar® (“Applebee's”), in the American full-service restaurant segment within the casual dining category of the restaurant industry; IHOP®, in the family dining mid-scale full-service category of the restaurant industry; and Fuzzy's Taco Shop®, in the Mexican food segment within the fast-casual dining category of the restaurant industry.

As of December 31, 2024, there were 1,824 IHOP restaurants, of which 1,670 were subject to franchise agreements and 154 were subject to area license agreements. These IHOP restaurants were located in 49 states of the United States, the District of Columbia, two United States territories and 14 countries outside the United States. As of December 31, 2024, there were 1,614 Applebee's® restaurants, of which 1,567 were subject to franchise agreements and 47 were company-operated. These Applebee's restaurants were located in 49 states of the United States, two United States territories and 15 countries outside the United States. As of December 31, 2024, the Company had 117 Fuzzy restaurants in 15 states of the United States, of which 116 were subject to franchise agreements and one was company-operated.

References herein to Applebee's, IHOP and Fuzzy's restaurants are to these restaurant concepts, whether operated by franchisees, area licensees or the Company. Retail sales at restaurants that are owned by franchisees and area licensees are not attributable to the Company.

2. Basis of Presentation and Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Dine Brands Global, Inc. and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. Certain amounts in the Consolidated Financial Statements and associated notes may not foot due to rounding.

Fiscal Periods

The Company has a 52/53 week fiscal year that ends on the Sunday nearest to December 31 of each year. In a 52-week fiscal year, each fiscal quarter contains 13 weeks, comprised of two, four-week fiscal months followed by a five-week fiscal month. In a 53-week fiscal year, the last month of the fourth fiscal quarter contains six weeks. For convenience, the Company refers to its fiscal years as ending on December 31 and its fiscal quarters as ending on March 31, June 30 and September 30. There were 52 calendar weeks in our 2024, 2023, and 2022 fiscal year that ended December 29, 2024, December 31, 2023, and January 1, 2023, respectively.

Use of Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles (“U.S. GAAP”) requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, if any, at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates are made in the calculation and assessment of the following: impairment of tangible and intangible assets and goodwill; purchase price allocation of acquired companies to the assets acquired and liabilities assumed; income taxes; allowance for doubtful accounts and notes receivables; lease accounting estimates; contingencies; and stock-based compensation. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Concentration of Credit Risk

The Company's cash, cash equivalents, restricted cash and accounts receivable are potentially subject to concentration of credit risk. Cash and cash equivalents are placed with financial institutions that management believes are creditworthy. The Company does not believe that it is exposed to any significant credit risk on cash, cash equivalents and restricted cash. At times, cash, cash equivalents and restricted cash balances may be in excess of FDIC insurance limits.

Accounts receivable are derived from revenues earned from franchisees and area licensees located primarily in the United States. Financing receivables arise from the financing of restaurant equipment, real estate leases or franchise fees with the Company by IHOP franchisees. The Company is subject to a concentration of credit risk with respect to receivables from franchisees that own a large number of Applebee's, IHOP or Fuzzy's restaurants. As of December 31, 2024, two franchisees (one Applebee's franchisee and one franchisee with cross-brand ownership) operated a combined total of 790 Applebee's and IHOP restaurants in the United States, which comprised 23.9% of the total Applebee's, IHOP and Fuzzy's franchise and area license restaurants in the United States. Revenues from these two franchisees represented 22.2%, 21.1%, and 18.8% of total consolidated revenue for the years ended December 31, 2024, 2023 and 2022, respectively. One franchisee represented 14.4%, 13.9%, and 12.5% of total consolidated revenue for the years ended December 31, 2024, 2023 and 2022, respectively. Receivables from these franchisees totaled \$20.1 million and \$19.7 million at December 31, 2024 and 2023, respectively.

Cash and Cash Equivalents

The Company considers all highly liquid investment securities with remaining maturities at the date of purchase of three months or less to be cash equivalents. These cash equivalents are stated at cost which approximates market value. Cash held related to IHOP advertising funds and the Company's gift card programs is not considered to be restricted cash as there are no restrictions on the use of these funds. The components of cash and cash equivalents were as follows:

	December 31,	
	2024	2023
	(In millions)	
Money market funds	\$ 35.0	\$ 42.0
IHOP advertising funds and gift card programs	73.1	82.8
Other depository accounts	78.6	21.2
Total cash and cash equivalents	<u>\$ 186.7</u>	<u>\$ 146.0</u>

Restricted Cash

Current

Current restricted cash primarily consisted of funds required to be held in trust in connection with the Company's securitized debt and funds from Applebee's and Fuzzy's franchisees pursuant to franchise agreements, usage of which was restricted to advertising activities. The components of current restricted cash were as follows:

	December 31,	
	2024	2023
	(In millions)	
Securitized debt reserves	\$ 40.0	\$ 31.2
Applebee's advertising funds	1.6	2.0
Other	0.8	1.9
Total current restricted cash	<u>\$ 42.4</u>	<u>\$ 35.1</u>

Non-current

Non-current restricted cash of \$19.5 million at December 31, 2024 and 2023, represents interest reserves set aside for the duration of the securitized debt. The required reserve is approximately one quarter's interest payment on the Company's securitized debt.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation. Properties under finance leases are stated at the present value of the minimum lease payments. Depreciation is computed using the straight-line method over the estimated useful lives of the assets or remaining useful lives. Leasehold improvements and properties under finance leases are amortized

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

on a straight-line basis over their estimated useful lives or the lease term, if less. The general ranges of depreciable and amortizable lives are as follows:

Category	Depreciable Life
Buildings and improvements	25 to 40 years
Leaseholds and improvements	Shorter of primary lease term or between three to 40 years
Equipment and fixtures	Three to five years
Internal-use software	Three to 10 years
Properties under finance leases	Primary lease term or remaining primary lease term

Long-Lived Assets

On a regular basis, the Company assesses whether events or changes in circumstances have occurred that potentially indicate the carrying value of long-lived assets (primarily assets related to property and equipment leased or subleased to franchisees) may not be recoverable. The analysis is performed at the restaurant level for indicators of impairment. The Company tests for impairment using current and historical operating results and cash flows as well as other relevant facts and circumstances as the primary basis for estimates of future cash flows. The Company considers factors such as the number of years the franchisee's restaurant has been in operation, sales trends, cash flow trends, remaining lease life and other factors which apply on a case-by-case basis. Continuing losses associated with an asset are an indicator of impairment.

If it is decided that there has been an impairment, the carrying amount of the asset is written down to the estimated fair value as determined in accordance with U.S. GAAP governing fair value measurements. The primary method of estimating fair value is based on a discounted cash flow analysis. Any loss resulting from impairment is recognized as a charge against operations.

See *Note 13 - Closure and Long-lived Tangible Asset Impairment Charges*, of the Notes to the Consolidated Financial Statements for additional information.

Goodwill and Intangible Assets

Goodwill is recorded when the aggregate purchase price of an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired. Intangible assets resulting from an acquisition are accounted for using the purchase method of accounting and are estimated by management based on the fair value of the assets received. The Company's identifiable intangible assets are comprised primarily of the Applebee's tradename, Applebee's franchising rights, Fuzzy's tradename and Fuzzy's franchising rights. Identifiable intangible assets with finite lives are amortized over the estimated useful lives using the straight-line method. Goodwill and intangible assets considered to have an indefinite life (primarily tradenames) are not subject to amortization. The determination of indefinite life is subject to reassessment if changes in facts and circumstances indicate the period of benefit has become finite.

Goodwill has been allocated to two reporting segments. The significant majority of the Company's goodwill resulted from the November 29, 2007 acquisition of Applebee's and was allocated between the franchise operations segment ("franchise segment") and company restaurants operations segment ("company restaurants segment"). Smaller amounts of goodwill arising from other business combinations has been allocated to the franchise segment. In November 2024, the Company acquired 47 Applebee's restaurants and the goodwill arising from the acquisition have been allocated to the company restaurants segment. See *Note 6 - Goodwill* and *Note 19 - Business Acquisition*, of the Notes to the Consolidated Financial Statements for additional information.

The Company evaluates the majority of its goodwill for impairment as of October 31 and the remaining as of December 31 of each year. In addition to the annual evaluation for impairment, goodwill and indefinite-lived intangible assets are evaluated more frequently if the Company believes indicators of impairment exist.

When evaluating goodwill and indefinite-lived intangible assets for impairment, under U.S. GAAP, the Company may first perform an assessment of qualitative factors to determine if the fair value of the reporting unit or the intangible asset is more-likely-than-not greater than the carrying amount. Such qualitative factors include, but are not limited to, macro-economic conditions, market and industry conditions, cost considerations, current and future income tax rates, the competitive environment, fluctuations in the market value of the Company's common stock, absolute and relative to peers, overall financial performance and results of past impairment tests. If, based on a review of the qualitative factors, the Company determines it is more-likely-than-not that the fair value is greater than the carrying value, the Company may bypass a quantitative test for impairment. Additionally, in any given year, the Company can elect to perform a quantitative assessment of impairment.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

In performing the quantitative test for impairment of goodwill, the Company primarily uses the income approach method of valuation that includes the discounted cash flow method and the market approach that includes the guideline public company method. Significant assumptions used to determine fair value under the discounted cash flow method include expected restaurant sales trends, future development plans, restaurant closures, cost of revenues, operating expenses, and an appropriate discount rate based on the Company's estimated cost of equity capital and after-tax cost of debt. Significant assumptions used to determine fair value under the guideline public company method include the selection of guideline companies and the valuation multiples applied. The Company measures impairment as the excess of a reporting unit's carrying amount over its fair value as determined by the quantitative test described above.

In the process of performing its quantitative impairment review of intangible assets considered to have an indefinite life, the Company primarily uses the relief of royalty method under the income approach method of valuation. Significant assumptions used to determine fair value under the relief of royalty method include future trends in sales, a royalty rate and an appropriate discount rate based on the Company's estimated cost of equity capital and after-tax cost of debt to be applied to the forecast revenue stream.

Business Combinations

From time to time, the Company may enter into business combinations. In accordance with Accounting Standards Codification ("ASC") 805, Business Combinations, the Company applies the acquisition method for acquisitions that meet the definition of a business combination. Under the acquisition method, the Company estimates the fair value of the identifiable assets and liabilities of the acquired entity on the acquisition date. Acquired intangible assets are valued using different methods under the income approach, including but not limited to, the multi-period excess earnings method for tradenames and franchising rights and the relief of royalty method for recipes. The Company measures goodwill as the excess of consideration transferred over the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed. Goodwill is assigned to each reporting unit that is expected to benefit from the synergies of the business combination. Acquisition-related expenses and transaction costs associated with business combinations are expensed in the period incurred which is included in the General and administrative expenses line item of the Consolidated Statements of Comprehensive Income.

Revenue Recognition

The Company's revenues are recorded in four categories: franchise operations, company restaurant operations, rental operations and financing operations. Franchise revenue (which comprises most of the Company's revenues) and revenue from company-operated restaurants are recognized in accordance with ASC 606 - Revenue from Contracts with Customers ("ASC 606"). Under ASC 606, revenue is recognized upon transfer of control of promised services or goods to customers in an amount that reflects the consideration the Company expects to receive for those services or goods. The Company's rental and financing revenues are recognized in accordance with other U.S. GAAP accounting standards and are not subject to ASC 606.

Franchise Revenues

The Company franchises the Applebee's, IHOP and Fuzzy's restaurant concepts. The franchise arrangement for the brands is documented in the form of a franchise agreement and, in most cases, a development agreement. The franchise arrangement between the Company as the franchisor and the franchisee as the customer requires the Company to perform various activities to support the brand that do not directly transfer goods and services to the franchisee, but instead represent a single performance obligation, which is the transfer of the franchise license. The intellectual property subject to the franchise license is symbolic intellectual property as it does not have significant standalone functionality, and substantially all the utility is derived from its association with the Company's past or ongoing activities. The nature of the Company's promise in granting the franchise license is to provide the franchisee with access to the brand's symbolic intellectual property over the term of the license. The services provided by the Company are highly interrelated with the franchise license and as such are considered to represent a single performance obligation.

The transaction price in a standard franchise arrangement for the brands primarily consists of (a) initial franchise/development fees; (b) continuing franchise fees (royalties); and (c) advertising fees. Since the Company considers the licensing of the franchising right to be a single performance obligation, no allocation of the transaction price is required. Additionally, domestic franchise agreements require franchisees to purchase proprietary products, if applicable, from the Company.

The Company recognizes the primary components of the transaction price as follows:

- Franchise and development fees are recognized as revenues ratably on a straight-line basis over the term of the franchise agreement commencing with the restaurant opening date. As these fees are typically received in cash at or near the beginning of the franchise term, the cash received is initially recorded as a contract liability until recognized as revenue over time;

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

- The Company is entitled to royalties and advertising fees based on a percentage of the franchisee's gross sales as defined in the franchise agreement. Royalty and advertising revenues are recognized when the franchisee's reported sales occur. Depending on timing within a fiscal period, the recognition of revenue results in either a contract asset (unbilled receivable) or, once billed, accounts receivable, on the balance sheet;
- Revenue from the sales of proprietary products (primarily pancake and waffle dry mix) is recognized in the period in which distributors ship the franchisee's order; recognition of revenue results in accounts receivable on the balance sheet.

In determining the amount and timing of revenue from contracts with customers, the Company exercises judgment with respect to collectability of the amount; however, the timing of recognition does not require significant judgment as it is based on either the franchise term, the month of sale as reported by the franchisee or the date of product shipment, none of which require estimation.

The Company does not incur a significant amount of contract acquisition costs in conducting its franchising activities. The Company believes its franchising arrangements do not contain a significant financing component.

Company Restaurant Revenues

Company restaurant revenues comprise retail sales at company-operated restaurants. Sales by company-operated restaurants are recognized when food and beverage items are sold. Company restaurant sales are reported net of sales taxes collected from guests that are remitted to the appropriate taxing authorities, with no significant judgments required.

Rental Revenues

Rental operations revenues include revenues from operating leases and interest income from real estate leases. See *Basis of Presentation and Summary of Significant Accounting Policies - Leases*.

Financing Revenues

Financing operations revenues consist primarily of interest income from the financing of franchise fees and equipment leases, other notes receivable from franchisees and sales of equipment associated with refranchised IHOP restaurants. Interest income is recorded as earned.

Gift Card

The Company administers gift card programs for each restaurant concept. The Company records a liability in the period in which a gift card is sold and recognizes costs associated with its administration of the gift card programs as prepaid assets when the costs are incurred. The liability and prepaid asset recorded on the Company's books are relieved when gift cards are redeemed. If redemption occurs at a franchisee-operated restaurant, the gift card proceeds, net of costs, is remitted to the franchisee. The Company recognizes gift card breakage revenue only from gift cards redeemed at company-operated restaurants. Breakage revenue for gift cards estimated to be unredeemable at company-operated restaurants for the years ended December 31, 2024, 2023 and 2022 were \$5.6 thousand, zero and \$0.3 million, respectively.

Allowance for Credit Losses

The allowance for credit losses is the Company's best estimate of the amount of probable credit losses incurred on existing receivables; however, changes in circumstances relating to receivables may result in changes to the allowance in the future. The Company determines the allowance based on historical losses, current conditions, and reasonable and supportable forecasts used in assessing the franchisee's or area licensee's ability to pay outstanding balances. The primary indicator of credit quality is delinquency, which is considered to be a receivable balance greater than 90 days past due. The Company continually reviews the allowance for credit losses. Past due balances and future obligations are reviewed individually for collectability. Account balances are charged against the allowance after all collection efforts have been exhausted and the potential for recovery is considered remote. See *Note 4 - Current Expected Credit Losses*, of the Notes to the Consolidated Financial Statements for additional information.

Leases

The Company accounts for its leasing activities in accordance with accounting guidance for leases, as codified in ASC 842. In adopting ASC 842, the Company utilized expedients that allowed it to retain the classification, as either an operating lease or a finance lease, that was previously determined under prior accounting guidance for leases. The Company reassesses this classification upon renewal, extension or the modification of an existing lease agreement. The Company determines the appropriate classification upon entering into a new contract determined to contain a lease.

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Operating lease assets and liabilities are recognized at the lease commencement date, or were recognized upon adoption of ASC 842. Operating lease liabilities represent the present value of lease payments not yet paid. Operating lease assets represent the Company's right to use an underlying asset and are based upon the operating lease liabilities adjusted for prepayments or accrued lease payments, initial direct costs, lease incentives and impairment of operating lease assets. In the case of operating leases acquired in a business combination, the operating lease assets are adjusted for any favorable or unfavorable lease terms.

The Company's lease agreements generally do not provide information to determine the implicit interest rate in the agreements. This requires the Company to estimate an incremental borrowing rate to be used in calculating operating lease liabilities as of the commencement or modification date. The Company estimates the incremental borrowing rate primarily by reference to (i) yield rates on debt issuances by companies of a similar credit rating as the Company; (ii) U.S. Treasury rates as of the adoption or commencement date; and (iii) adjustments for differences between these rates and the lease term.

The cost of an operating lease is recognized over the lease term on a straight-line basis. The lease term commences on the date the Company has the right to control the use of the leased property. Certain leases may contain provisions for rent holidays and fixed-step escalations in payments over the base lease term, as well as renewal periods. The effects of the holidays and fixed-step escalations are reflected in rent expense on a straight-line basis over the expected lease term. Differences between amounts paid and amounts expensed are recorded as a component of the right of use assets. Certain leases may include rent escalations based on inflation indexes and fair market value adjustments. Certain leases may contain contingent rental provisions that include a fixed base rent plus an additional percentage of the restaurant's sales. Subsequent escalations subject to such an index and contingent rental payments are recognized as variable lease expense.

The rental payments (as lessee) or receipts (as lessor) on those property leases that meet the finance lease criteria result in the recognition of interest expense or interest income and a reduction of finance lease obligation or financing lease receivable, respectively. Finance lease obligations are amortized based on the Company's incremental borrowing rate and real estate leases receivable are amortized using the implicit interest rate.

Pre-opening Expenses

Expenditures related to the opening of new or relocated restaurants are charged to expense when incurred.

Advertising

Advertising expense reflected in the Consolidated Statements of Comprehensive Income includes our contributions to the national advertising funds, local marketing advertising costs incurred by company-operated restaurants, and certain advertising costs incurred by the Company to benefit future franchise operations. Costs of advertising typically are expensed either as incurred or the first time the advertising takes place. Any excess or deficiency of advertising fee revenue compared to advertising expenditures, is recognized in the fourth quarter of the Company's fiscal year. Any excess of revenue over expenditures is recognized only to the extent of previously recognized deficits. When advertising revenues exceed the related advertising expenses and there is no recovery of a previously recognized deficit of advertising revenues, advertising costs are accrued up to the amount of revenues.

Advertising expense included in company restaurant operations for the years ended December 31, 2024, 2023 and 2022 was \$0.4 million, \$0.1 million and \$5.6 million, respectively.

Fair Value Measurements

The Company determines the fair market values of its financial assets and liabilities, as well as non-financial assets and liabilities that are recognized or disclosed at fair value on a recurring basis, based on the fair value hierarchy established in U.S. GAAP. As necessary, the Company measures its financial assets and liabilities using inputs from the following three levels of the fair value hierarchy:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are observable for the asset or liability, either directly or indirectly, including quoted prices in active markets for similar assets or liabilities.
- Level 3 inputs are unobservable and reflect the Company's own assumptions.

The Company does not have a material amount of financial assets or liabilities that are required under U.S. GAAP to be measured at fair value on a recurring basis. None of the Company's non-financial assets or non-financial liabilities is required to be measured at fair value on a recurring basis. Assets recognized or disclosed at fair value in the consolidated financial statements on a nonrecurring basis include items such as property and equipment, operating lease assets, goodwill and other intangible assets, which are measured at fair value if determined to be impaired. The Company has not elected to use fair value measurement for any assets or liabilities for which fair value measurement is not presently required.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

The Company believes the fair values of cash and cash equivalents, restricted cash, accounts receivable and accounts payable approximate their carrying amounts due to their short duration.

The Company believes the fair value of the Credit Facility approximates carrying value as it is based on the SOFR or prevailing benchmark rate. The fair values of the Company's long-term debt, excluding the Credit Facility, at December 31, 2024 and December 31, 2023 were as follows:

	December 31,	
	2024	2023
	(In millions)	
Face Value	<u>\$ 1,094.0</u>	<u>\$ 1,094.0</u>
Fair Value	<u>\$ 1,095.5</u>	<u>\$ 1,085.8</u>

Income Taxes

The Company utilizes the liability method of accounting for income taxes. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using enacted tax rates. A valuation allowance is recorded when it is more likely than not that some or all of the deferred tax assets will not be realized. The Company records estimated tax liabilities to the extent the contingencies are probable and can be reasonably estimated. The Company recognizes interest accrued related to unrecognizable tax benefits and penalties as a component of the income tax provision recognized in the Consolidated Statements of Comprehensive Income.

The Company is taxed on global intangible low-tax income ("GILTI") earned by certain foreign subsidiaries and recognizes the current tax on GILTI as an expense in the period the tax is incurred. The Company includes the current tax impact of GILTI in our effective tax rate.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by taxing authorities based on its technical merits, including all appeals or litigation processes. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate resolution. For each reporting period, management applies a consistent methodology to measure and adjust all uncertain tax positions based on the available information.

Stock-Based Compensation

Members of the Board of Directors and certain employees are eligible to receive stock options, restricted stock, restricted stock units and performance units pursuant to the Dine Brands Global, Inc. 2019 Stock Incentive Plan. Shares of unvested restricted stock are subject to restrictions on transfer and forfeiture under certain circumstances. The holder of unvested restricted stock has the right to vote and receive regular cash dividends with respect to the shares of unvested restricted stock.

The Company accounts for all stock-based payments to employees and non-employee directors, including grants of stock options, restricted stock, restricted stock units and performance units to be recognized in the financial statements, based on their respective grant date fair values. The value of the portion of the award that is ultimately expected to vest is recognized as expense ratably over the requisite service periods.

The grant date fair value of restricted stock and stock-settled restricted stock units is determined based on the Company's stock price on the grant date. The Company estimates the grant date fair value of stock option awards using the Black-Scholes option pricing model, which considers, among other factors, a risk-free interest rate, the expected life of the award and the historical volatility of the Company's stock price. The Company estimates the grant date fair value of awards with performance-based market conditions using a Monte Carlo simulation method which considers, among other factors, the performance-based market condition, a risk-free interest rate, the expected life of the award and the historical volatility of the Company's stock price. Awards of cash-settled restricted stock units are classified as liabilities with the liability and compensation expense related to cash-settled awards adjusted to fair value at each balance sheet date.

Net Income (Loss) Per Share

Net income (loss) per share is calculated using the two-class method prescribed in U.S. GAAP. Basic net income (loss) per share is computed by dividing the net income (loss) available to common stockholders for the period by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share is computed by dividing the net income (loss) available to common stockholders for the period by the weighted average number of common shares and potential shares of common stock outstanding during the period if their effect is dilutive. The Company uses the treasury stock

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

method to calculate the weighted average shares used in the diluted earnings per share calculation. Potentially dilutive common shares include the assumed exercise of stock options and assumed vesting of restricted stock.

Treasury Stock

The Company may from time to time utilize treasury stock when vested stock options are exercised, when restricted stock awards are granted and when restricted stock units settle in stock upon vesting. The cost of treasury stock re-issued is determined using the first-in, first-out method.

Dividends

Dividends declared on common stock are recorded as a reduction of retained earnings to the extent retained earnings are available at the close of the period prior to the date of the dividend declaration. Dividends declared in excess of retained earnings are recorded as a reduction of additional paid-in capital.

Reporting Segments

The Company identifies its reporting segments based on the organizational units used by management to monitor performance and make operating decisions. The Company has six operating segments: Applebee's franchise operations, IHOP franchise operations, Fuzzy's franchise operations, rental operations, financing operations and company-operated restaurant operations. The Company has four reporting segments: franchise operations, (an aggregation of each restaurant concept's franchise operations), rental operations, financing operations and company-operated restaurant operations. The Company considers these to be its reportable segments, regardless of whether any segment exceeds 10% of consolidated revenues, income before income tax provision or total assets.

Franchise Segment

As of December 31, 2024, the franchise operations reportable segment consisted of 1,567 restaurants operated by Applebee's franchisees in the United States, two United States territories and 15 countries outside the United States; 1,824 restaurants operated by IHOP franchisees and area licensees in the United States, two United States territories and 14 countries outside the United States; and 116 restaurants operated by Fuzzy's franchisees in the United States. Franchise operations revenue consists primarily of royalties and advertising fees based on a percentage of the franchisee's gross sales, sales of proprietary products (primarily IHOP pancake and waffle dry mixes) and other franchise fees.

Franchise operations expenses include advertising expense, the cost of proprietary products, bad debt expense, pre-opening training expenses and other franchise-related costs.

Company Restaurants Segment

In connection with our acquisition of Fuzzy's in December 2022, the Company acquired three company Fuzzy's restaurants, and subsequently refranchised two of the restaurants in April 2023. During 2022, the Company operated 69 Applebee's restaurants that were acquired from a former franchisee in December 2018, and the 69 Applebee's company-operated restaurants were subsequently sold in October 2022. In November 2024, the Company acquired 56 Applebee's restaurants from franchisees and simultaneously sold and refranchised nine to a different franchisee. See *Note 19 - Business Acquisition*, of the Notes to the Consolidated Financial Statements for additional information. As of December 31, 2024, the Company operated one Fuzzy's restaurant and 47 Applebee's restaurants.

All company-operated restaurants were located in the United States. Company restaurant sales are retail sales at company-operated restaurants. Company restaurant expenses are operating expenses at company-operated restaurants and include food, beverage, labor, benefits, utilities, rent and other operating costs.

Rental Segment

Rental operations revenue includes revenue from operating leases and interest income from real estate leases. Rental operations expenses are costs of operating leases and interest expense of finance leases on franchisee-operated restaurants. The rental operations revenue and expenses are primarily generated by IHOP. Applebee's and Fuzzy's have no or an insignificant amount of rental activity.

Financing Segment

Financing operations revenue primarily consists of interest income from the financing of equipment leases and franchise fees, notes receivable from franchisees and sales of equipment associated with refranchised IHOP restaurants. Financing expenses are the cost of restaurant equipment.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Accounting Standards Adopted in the Current Fiscal Year

In November 2023, the FASB issued ASU No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosure," which updates reportable segment disclosure requirements. The ASU primarily requires enhanced disclosures about significant segment expenses and information used to assess segment performance that are regularly provided to the chief operating decision maker. The Company adopted ASU 2023-07 effective January 1, 2024, and applied the disclosure requirements retrospectively to all prior periods presented in the financial statements. Adoption of the standard did not have an impact on the Company's Consolidated Balance Sheets, Consolidated Statements of Comprehensive Income, or the Consolidated Statements of Cash Flows.

Additional new accounting guidance became effective for the Company as of the beginning of fiscal 2024 that the Company reviewed and concluded was either not applicable to its operations or had no material effect on its consolidated financial statements in the current or future fiscal years.

Newly Issued Accounting Standards Not Yet Adopted

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The guidance is effective for fiscal years beginning after December 15, 2024, with early adoption permitted, and should be applied on a prospective basis with the option to apply the standard retrospectively. The Company is currently evaluating the impact of adopting this ASU on our disclosures.

In November 2024, the FASB issued ASU No. 2024-03, "Disaggregation of Income Statement Expenses," which requires public business entities to provide disaggregated disclosures, in the Notes to the Consolidated Financial Statements, of certain expense categories that are included in expense line items on the face of the income statement. The guidance is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027 with early adoption permitted. The Company is currently evaluating the impact of adopting this ASU in our disclosures.

The Company reviewed all other recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact to the consolidated financial statements.

3. Revenue

The following table disaggregates our franchise revenues by major type for the years ended December 31, 2024, 2023 and 2022:

	Year ended December 31,		
	2024	2023	2022
<i>Franchise Revenues</i>	(In millions)		
Royalties	\$ 313.4	\$ 325.6	\$ 303.7
Advertising fees	290.4	300.8	289.3
Proprietary product sales and other	72.4	71.1	60.7
Franchise and development fees	9.7	8.9	8.6
Total franchise revenues	<u>\$ 686.0</u>	<u>\$ 706.4</u>	<u>\$ 662.4</u>

Changes in the Company's contract liability for deferred franchise and development fees during the year ended December 31, 2024 were as follows:

	Franchise Revenue (short- and long-term)
	(In millions)
Balance at December 31, 2023	\$ 45.3
Recognized as revenue during the year ended December 31, 2024	(9.2)
Fees deferred during the year ended December 31, 2024	6.6
Balance at December 31, 2024	<u>\$ 42.7</u>

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

3. Revenue (Continued)

The balance of deferred franchise revenue as of December 31, 2024 is expected to be recognized as follows:

	(In millions)
2025	\$ 6.0
2026	5.2
2027	4.4
2028	3.5
2029	3.3
Thereafter	20.3
Total	\$ 42.7

The current balance of deferred franchise revenue is included as Other accrued expenses on the Consolidated Balance Sheets.

4. Current Expected Credit Losses (“CECL”)

The CECL reserve methodology requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instrument. Under the CECL model, reserves may be established against financial asset balances even if the risk of loss is remote or has not yet manifested itself.

In applying the CECL methodology, the Company developed its estimated loss reserves in the following manner. The Company continued to record specific reserves against account balances of franchisees deemed “at-risk” when a potential loss is likely or imminent as a result of prolonged payment delinquency (greater than 90 days past due) and where notable credit deterioration has become evident. For financial assets that are not currently deemed “at-risk,” an allowance is recorded based on expected loss rates derived pursuant to the following CECL methodology that assesses four components - historical losses, current conditions, reasonable and supportable forecasts, and reversion to history, if applicable.

Historical Losses

Historical loss rates over a five-year span were calculated for financial assets with common risk characteristics. The Company determined historical loss rate data for each franchise brand concept was more relevant than a single blended rate. Historical losses were determined based on the average charge-off method. Historical loss rates are further adjusted by factors related to current conditions and forecasts of future economic conditions.

Current Conditions

The Company identified three metrics that it believes provide the most relevant reflection of the current risks inherent in the Company’s franchisee-based restaurant business, as follows: (1) delinquency status, (2) system-wide same-restaurant sales, and (3) restaurant unit-level economics.

Reasonable and Supportable Forecasts

The third component in the CECL methodology involves consideration of macroeconomic conditions that can impact the estimate of expected credit losses in the future. The Company has not developed an internal methodology in this regard; rather, the Company utilizes existing, publicly accessible sources of economic data, primarily forecasts of overall unemployment rate as well as consumer spending based on the personal consumption expenditure index.

Reversion to History

The Company has determined that reversion to history was not required since the remaining average lives of the Company’s financial assets are not exceedingly lengthy.

The Company considers its portfolio segments to be the following:

Accounts Receivable

Most of the Company’s short-term receivables due from franchisees are derived from royalty, advertising and other franchise-related fees, and from distributors related to the sale of proprietary products to franchisees through the Company’s network of suppliers and distributors.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

4. Current Expected Credit Losses (Continued)

Gift Card Receivables

Gift card receivables consist primarily of amounts due from third-party vendors. Receivables related to gift card sales are subject to seasonality and usually peak around year end as a result of the December holiday season.

Notes Receivable

Notes receivable balances primarily relate to the conversion of certain past due franchisee accounts receivable to notes receivable, cash loans to franchisees for working capital purposes, notes receivables in connection with the sale of IHOP and Applebee's company restaurants, franchise fees and other notes. The notes are typically collateralized by the franchise. The notes generally have a term from one to eight years and bear interest averaging 6.1% and 5.0% per annum at December 31, 2024 and 2023, respectively. During the year ended December 31, 2024, the Company wrote off \$4.4 million of Applebee's notes receivable which were fully reserved as of December 31, 2023. The Company's remaining notes have reserves recorded against them amounting to \$1.1 million as of December 31, 2024.

Equipment Leases Receivable

Equipment leases receivable primarily relate to IHOP franchise development activity prior to 2003. IHOP provided the financing for the leasing of the equipment. Equipment lease contracts are collateralized by the equipment in the restaurant. Equipment lease contracts are due in equal weekly installments, and bear interest averaging 9.5% and 9.6% per annum at December 31, 2024 and 2023, respectively. The term of an equipment lease contract typically coincides with the term of the corresponding restaurant building lease. The weighted average remaining life of the Company's equipment leases is 2.6 years as of December 31, 2024. The estimated fair value of the equipment collateralizing these lease contracts are not deemed to be significant given the very seasoned and mature nature of this portfolio.

Real Estate Leases Receivable

Real estate leases receivable also primarily relate to IHOP franchise development activity prior to 2003 when IHOP typically leased or purchased the restaurant site, built and equipped the restaurant, and then franchised the restaurant to a franchisee. IHOP provided the financing for leasing or subleasing the site. Real estate lease receivables at December 31, 2024, were comprised of 15 leases with a weighted average remaining life of 10.5 years, and relate to locations that IHOP is leasing from third parties and subleasing to franchisees. Where applicable, building leases and equipment contracts contain cross-default provisions wherein a default under one constitutes a default under all.

Total receivables balances at December 31, 2024 and 2023 were as follows:

<i>Receivables</i>	2024	2023
	(In millions)	
Accounts receivable*	\$ 72.0	\$ 73.3
Gift card receivables	34.7	33.6
Notes receivable	14.7	15.0
Financing receivables:		
Equipment leases receivable	13.2	19.7
Real estate leases receivable	18.3	18.4
Other receivables*	2.9	13.0
	155.8	173.0
Less: allowance for doubtful accounts and notes receivable	(4.7)	(9.5)
	151.1	163.5
Less: current portion	(115.2)	(127.9)
Long-term receivables	<u>\$ 35.9</u>	<u>\$ 35.6</u>

* The 2023 balance related to distributor receivables of \$5.3 million has been reclassified from other receivables to accounts receivable to conform with the current year's presentation.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

4. Current Expected Credit Losses (Continued)

Changes in the allowance for credit losses during the years ended December 31, 2024 and 2023 were as follows:

	Accounts Receivable	Notes Receivable, short-term	Notes Receivable, long-term	Real estate leases receivable	Equipment leases receivable	Other ⁽¹⁾	Total
(In millions)							
Balance, December 31, 2022	\$ 1.3	\$ 3.5	\$ 5.3	\$ 0.1	\$ 0.2	\$ 0.0	\$ 10.3
Bad debt expense (credit)	1.6	0.4	(0.2)	0.0	0.8	(0.0)	2.7
Advertising provision adjustment	1.0	(0.2)	—	—	—	—	0.8
Write-offs	(1.2)	(1.9)	(0.3)	(0.0)	(0.9)	0.0	(4.3)
Balance, December 31, 2023	\$ 2.7	\$ 1.8	\$ 4.8	\$ 0.1	\$ 0.2	\$ 0.0	\$ 9.5
Bad debt expense (credit)	1.3	(0.9)	(0.1)	0.0	0.4	—	0.7
Advertising provision adjustment	0.1	—	—	—	—	—	0.1
Write-offs	(1.0)	(0.6)	(3.8)	0.0	(0.2)	—	(5.5)
Balance, December 31, 2024	<u>\$ 3.1</u>	<u>\$ 0.3</u>	<u>\$ 0.8</u>	<u>\$ 0.1</u>	<u>\$ 0.4</u>	<u>\$ 0.0</u>	<u>\$ 4.7</u>

⁽¹⁾ Primarily gift card receivable and credit card receivable.

The Company's primary credit quality indicator for all portfolio segments is delinquency. Generally, the notes receivables, real estate leases receivables, equipment leases receivables, and other receivables (primarily consists of credit card receivables) are not delinquent.

The year of origination of the Company's notes and financing receivables at December 31, 2024 is as follows:

	Notes receivable, short and long- term	Real estate leases Receivables	Equipment leases Receivables	Total
(In millions)				
2024	\$ 8.6	\$ 1.9	\$ 0.3	\$ 10.8
2023	5.1	3.4	0.6	9.1
2022	0.5	7.7	—	8.2
2021	0.4	2.1	—	2.5
2020	0.1	1.1	—	1.2
Prior	0.0	2.1	12.3	14.4
Total	<u>\$ 14.7</u>	<u>\$ 18.3</u>	<u>\$ 13.2</u>	<u>\$ 46.2</u>

The Company does not place its financing receivables in non-accrual status.

5. Property and Equipment

Property and equipment by category at December 31, 2024 and 2023 were as follows:

	2024	2023
(In millions)		
Leaseholds and improvements	\$ 222.2	\$ 219.2
Properties under finance leases	57.5	59.0
Equipment and fixtures	15.2	42.7
Buildings and improvements	48.2	51.3
Land	44.4	47.8
Internal-use software	71.5	64.6
Construction in progress	4.3	3.2
Property and equipment, gross	463.3	487.8
Less: accumulated depreciation and amortization	(307.2)	(325.9)
Property and equipment, net	<u>\$ 156.1</u>	<u>\$ 161.9</u>

The Company recorded depreciation expense on property and equipment of \$28.6 million, \$24.7 million and \$27.4 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

5. Property and Equipment (Continued)

Accumulated depreciation and amortization includes accumulated amortization for properties under finance leases in the amount of \$41.3 million and \$43.7 million at December 31, 2024 and 2023, respectively.

6. Goodwill

The significant majority of the Company's goodwill arose from the November 29, 2007 acquisition of Applebee's which was allocated between the franchise and company restaurants segments.

Changes in the carrying amount of goodwill for the years ended December 31, 2024, 2023 and 2022 are as follows:

	Franchise Segment	Company Restaurants Segment	Total
	(In millions)		
Balance at December 31, 2021	\$ 247.0	\$ 4.6	\$ 251.6
Disposition of assets	—	(4.6)	(4.6)
Business acquisition	7.0	—	7.0
Balance at December 31, 2022	254.0	—	254.0
Purchase price adjustment	0.1	—	0.1
Balance at December 31, 2023	254.1	—	254.1
Business acquisition	—	2.8	2.8
Impairment loss	(7.1)	—	(7.1)
Disposition of assets	—	(1.2)	(1.2)
Balance at December 31, 2024	\$ 247.0	\$ 1.6	\$ 248.6

In October 2022, the then remaining Applebee's company restaurants segment goodwill balance of \$4.6 million was disposed of in connection with the refranchising and sale of the restaurant assets of 69 Applebee's company-operated restaurants. In December 2022, the addition to the franchise segment goodwill of \$7.0 million arose from the acquisition of Fuzzy's and was increased by \$0.1 million in 2023 in connection with a purchase price adjustment.

In November 2024, the Company acquired 56 Applebee's restaurants from franchisees, of which nine were simultaneously refranchised and sold to a different franchisee. The Company has provisionally completed the purchase price allocation as described in *Note 19 - Business Acquisition* of the Notes to the Consolidated Financial Statements, and allocated \$2.8 million of resulting goodwill to the company restaurants segment. The Company simultaneously allocated \$1.2 million of this goodwill to the disposal group related to the refranchising and sale of the restaurant assets of the nine Applebee's company-operated restaurants. The remaining goodwill allocated to the company restaurants segment of \$1.6 million is not deductible for federal income tax purposes and, therefore, has no associated tax benefit.

Gross and net carrying amounts of goodwill at December 31, 2024 and 2023 are as follows:

	December 31, 2024			December 31, 2023		
	Gross	Accumulated Impairment Loss	Net	Gross	Accumulated Impairment Loss	Net
	(In millions)					
Franchise Segment	\$ 704.6	\$ (457.6)	\$ 247.0	\$ 704.6	\$ (450.5)	\$ 254.1
Company Restaurants Segment	1.6	—	1.6	—	—	—
Total	\$ 706.2	\$ (457.6)	\$ 248.6	\$ 704.6	\$ (450.5)	\$ 254.1

The Company assesses goodwill for impairment in accordance with its policy described in *Note 2 - Basis of Presentation and Summary of Significant Accounting Policies*.

The Company evaluates its goodwill and the indefinite-lived tradenames for impairment annually in the fourth quarter of each year or on an interim basis if events or changes in circumstances between annual tests indicate a potential impairment.

2024 Assessment

In the fourth quarter of 2024, the Company noted, the unfavorable trend in Fuzzy's same-restaurant sales experienced throughout the year, and a decrease in Fuzzy's revenue compared to the same period of the prior year. Based on these unfavorable developments, the Company determined that indicators of impairment existed and that a test of goodwill for impairment should be performed in the fourth quarter of 2024. In determining fair value, the Company utilized valuation

6. Goodwill (Continued)

techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The fair value technique used in this instance was classified as Level 3, where unobservable inputs are used when little or no market data is available.

In performing the quantitative test of goodwill, the Company primarily used the income approach method of valuation that included the discounted cash flow method and the market approach that included the guideline public company method to determine the fair value of goodwill and intangible assets. Significant assumptions used to determine fair value under the discounted cash flow model included expected restaurant sales trends, future development plans, restaurant closures, cost of revenues, operating expenses, and an appropriate discount rate based on the Company's estimated cost of equity capital and after-tax cost of debt.

As a result of performing the quantitative test of impairment, the Company recognized an impairment of Fuzzy's goodwill of \$7.1 million. The amount of goodwill impairment was determined as the amount by which the carrying amount of the goodwill exceeded the fair value of the Fuzzy's goodwill within the franchise segment as estimated in the impairment test.

Also in the fourth quarter of fiscal 2024, the Company performed qualitative assessments of the remaining goodwill balance within the franchise segment in accordance with its accounting policies. The Company first assesses qualitatively whether it is more-likely-than-not that an impairment does not exist. Significant factors considered in this assessment include macro-economic conditions, market and industry conditions, cost considerations, the competitive environment, share price fluctuations, overall financial performance and results of past impairment tests. As result of the qualitative assessment, the Company concluded it was more likely than not that the fair values exceeded the respective carrying amounts and therefore, a quantitative test for the remaining goodwill balance within the franchise segment was not necessary.

2023 Assessment

In the fourth quarter of 2023, the Company performed qualitative assessments of its goodwill in accordance with its accounting policies, and determined that it was more-likely-than-not that an impairment does not exist. Significant factors considered in this assessment include macro-economic conditions, market and industry conditions, cost considerations, the competitive environment, share price fluctuations, overall financial performance and results of past impairment tests.

Additionally, we elected to perform quantitative tests for impairment on the Applebee's goodwill. In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The fair value technique used in this instance is classified as Level 3, where unobservable inputs are used when little or no market data is available.

In performing the quantitative test for impairment of goodwill, the Company used the income approach method of valuation that includes the discounted cash flow method and the market approach that includes the guideline public company method to determine the fair value of goodwill and intangible assets. Significant assumptions made by management in estimating fair value under the discounted cash flow model include future trends in sales, operating expenses, overhead expenses, depreciation, capital expenditures and changes in working capital, along with an appropriate discount rate based on the Company's estimated cost of equity capital and after-tax cost of debt. Significant assumptions used to determine fair value under the guideline public company method include the selection of guideline companies and the valuation multiples applied.

As a result of performing the quantitative test of impairment, the fair value was substantially in excess of its respective carrying value as of the testing date.

2022 Assessment

In the fourth quarter of 2022, the Company performed qualitative assessments of its goodwill in accordance with its accounting policies. The Company first assesses qualitatively whether it is more-likely-than-not that an impairment does not exist. Significant factors considered in this assessment include macro-economic conditions, market and industry conditions, cost considerations, the competitive environment, share price fluctuations, overall financial performance and results of past impairment tests. As result of the qualitative assessment, the Company concluded it was more likely than not that the fair values of each unit exceeded the respective carrying amounts and therefore, a quantitative test of impairment was not necessary.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

7. Other Intangible Assets

The significant majority of the Company's other intangible assets arose from the November 29, 2007 acquisition of Applebee's. Franchising rights, reacquired franchise rights, favorable leaseholds, and recipes, which is included in Other below, is subject to amortization. Changes in the carrying amounts for the years ended December 31, 2024, 2023 and 2022 are as follows:

	Tradenames	Franchising Rights	Reacquired Franchise Rights	Favorable Leaseholds	Other	Total
	(In millions)					
Balance at December 31, 2021	\$ 468.0	\$ 59.0	\$ 5.1	\$ 3.1	\$ 4.2	\$ 539.4
Amortization expense	—	(10.0)	(0.4)	(0.1)	—	(10.6)
Additions	57.2	14.8	—	—	0.8	72.8
Disposition	—	—	(4.7)	—	—	(4.7)
Balance at December 31, 2022	525.2	63.8	—	3.0	5.0	597.0
Impairment	—	—	—	—	(0.3)	(0.3)
Amortization expense	—	(10.8)	—	(0.1)	—	(10.9)
Additions	—	—	—	—	0.2	0.2
Balance at December 31, 2023	525.2	53.0	—	2.9	4.9	586.0
Amortization expense	—	(10.7)	—	(0.1)	0.0	(10.8)
Additions	—	—	0.3	—	0.5	0.8
Disposition	—	—	(0.3)	—	—	(0.3)
Balance at December 31, 2024	\$ 525.2	\$ 42.3	\$ —	\$ 2.8	\$ 5.4	\$ 575.7

In December 2022, the Company acquired Fuzzy's and recorded \$57.2 million of tradename, \$14.8 million of franchising rights and \$0.5 million of recipes as intangible assets. In October 2022, the \$4.7 million disposition of assets was related to the refranchising and sale of the restaurant assets of 69 Applebee's company-operated restaurants. In November 2024, the Company acquired 56 Applebee's restaurants and simultaneously refranchised nine restaurants. The Company provisionally completed the purchase price allocation as described in *Note 19 - Business Acquisition*, of the Notes to the Consolidated Financial Statements and recorded \$0.3 million of reacquired franchise rights as an intangible asset and simultaneously disposed of \$0.3 million of reacquired franchise rights related to the sale of the nine restaurants. Additions and impairment of other intangibles for the years ended December 31, 2024, 2023, and 2022 are individually insignificant.

The estimated annual amortization expense for the next five fiscal years are as follows:

	Franchising rights	Favorable leaseholds	Other	Total
	(In millions)			
2025	10.7	0.2	0.0	\$ 10.9
2026	10.7	0.2	0.0	\$ 10.9
2027	9.8	0.2	0.0	\$ 10.0
2028	0.7	0.2	0.0	\$ 0.9
2029	0.7	0.2	0.0	\$ 0.9

Gross and net carrying amounts of intangible assets subject to amortization and the respective weighted average amortization period at December 31, 2024 and 2023 are as follows:

	December 31, 2024				December 31, 2023			
	Gross	Accumulated Amortization	Net	Weighted Average Remaining Period	Gross	Accumulated Amortization	Net	Weighted Average Remaining Period
	(In millions)				(In millions)			
Franchising rights	\$ 214.8	\$ (172.5)	\$ 42.3	7.6	\$ 214.8	\$ (161.8)	\$ 53.0	7.9
Favorable leaseholds	3.4	(0.6)	2.8	10.1	3.4	(0.5)	2.9	11.1
Other	0.5	(0.1)	0.4	13.0	0.5	0.0	0.5	14.0
Total	\$ 218.7	\$ (173.2)	\$ 45.5	7.8	\$ 218.7	\$ (162.3)	\$ 56.4	8.1

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

7. Other Intangible Assets (Continued)

In the fourth quarter of fiscal 2024, the Company performed a qualitative assessment of the Applebee's tradename and a quantitative assessment of the Fuzzy's tradename and franchise rights and concluded the fair value exceeded the carrying amounts. In the fourth quarter of fiscal 2023, the Company performed a quantitative assessment of the Applebee's tradename and a qualitative assessment of the Fuzzy's tradename and franchise rights and concluded the fair value exceeded the carrying amounts.

8. Long-Term Debt

Long-term debt at December 31, 2024 and 2023 consists of the following components:

	2024	2023
	(In millions)	
Series 2019-1 4.723% Fixed Rate Senior Secured Notes, Class A-2-II	594.0	594.0
Series 2022-1 Variable Funding Senior Secured Notes, Class A-1, variable interest rate of 7.14% and 7.95% at December 31, 2024 and December 31, 2023, respectively	100.0	100.0
Series 2023-1 7.824% Fixed Rate Senior Secured Notes, Class A-2	500.0	500.0
Unamortized debt issuance costs	(7.4)	(9.5)
Long-term debt, net of debt issuance costs	1,186.6	1,184.5
Current portion of long-term debt	(100.0)	(100.0)
Long-term debt	<u>\$ 1,086.6</u>	<u>\$ 1,084.5</u>

Long-Term Debt

On June 5, 2019, Applebee's Funding LLC and IHOP Funding LLC (the "Co-Issuers"), each a special purpose, wholly-owned indirect subsidiary of the Company, issued two tranches of fixed rate senior secured notes, the Series 2019-1 4.194% Fixed Rate Senior Secured Notes, Class A-2-I ("2019 Class A-2-I Notes") in an initial aggregate principal amount of \$700 million and the Series 2019-1 4.723% Fixed Rate Senior Secured Notes, Class A-2-II in an initial aggregate principal amount of \$600 million (the "2019 Class A-2-II Notes" and, together with the 2019 Class A-2-I Notes, the "2019 Class A-2 Notes"). The 2019 Class A-2 Notes were issued pursuant to an offering exempt from registration under the Securities Act of 1933, as amended.

On August 12, 2022, the Co-Issuers established a new revolving financing facility, the 2022-1 Variable Funding Senior Secured Notes, Class A-1 (the "Credit Facility"), that allows for drawings up to \$325 million of variable funding notes on a revolving basis and the issuance of letters of credit. In connection with this transaction, the Co-Issuers terminated their \$225 million revolving financing facility, the 2019-1 Variable Funding Senior Secured Notes, Class A-1.

On April 17, 2023, the Co-Issuers completed a refinancing transaction and issued \$500 million of Series 2023-1 7.824% Fixed Rate Senior Secured Notes, Class A-2 (the "2023 Class A-2 Notes"). The 2023 Class A-2 Notes were issued pursuant to an offering exempt from registration under the Securities Act of 1933, as amended. The Company used the net proceeds of the 2023 Class A-2 Notes to repay the entire outstanding balance of approximately \$585.1 million of the 2019 Class A-2-I Notes and to pay fees and expenses incurred in connection with the issuance of the 2023 Class A-2 Notes. The remaining 2019 Class A-2-II Notes and the Credit Facility, together with the 2023 Class A-2 Notes are referred to collectively herein as the "Notes." The Notes were issued in securitization transactions pursuant to which substantially all the domestic revenue-generating assets and domestic intellectual property held by the Co-Issuers and certain other special-purpose, wholly-owned indirect subsidiaries of the Company (the "Guarantors") were pledged as collateral to secure the Notes.

The Notes were issued under a Base Indenture, dated as of September 30, 2014, amended and restated as of June 5, 2019 and further amended and restated as of April 17, 2023 (the "Base Indenture"). In addition, the 2019 Class A-2-II Notes were issued under the related Series 2019-1 Supplement to the Base Indenture, dated June 5, 2019 (the "Series 2019-1 Supplement"), among the Co-Issuers and Citibank, N.A., as the trustee (in such capacity, the "Trustee") and securities intermediary, the Credit Facility was issued under the related Series 2022-1 Supplement to the Base Indenture, dated August 12, 2022 ("Series 2022-1 Supplement"), among the Co-Issuers and Citibank, N.A., as Trustee and securities intermediary, and the 2023 Class A-2 Notes were issued under the related Series 2023-1 Supplement to the Base Indenture, dated April 17, 2023 (the "Series 2023-1 Supplement"), among the Co-Issuers and Citibank, N.A., as Trustee and securities intermediary. The Base Indenture, Series 2019-1 Supplement, Series 2022-1 Supplement, and Series 2023-1 Supplement (collectively, the "Indenture") will allow the Co-Issuers to issue additional series of notes in the future subject to certain conditions set forth therein.

8. Long-Term Debt (Continued)

2019 Class A-2 Notes

The 2019 Class A-2-I Notes were voluntarily repaid in full on April 17, 2023, while the 2019 Class A-2-II Notes remain outstanding as of December 31, 2024. For a description of the 2019 Class A-2-I Notes, refer to *Note 8 - Long-Term Debt* of the Notes to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

The legal final maturity of the 2019 Class A-2-II Notes is June 2049, but rapid amortization will apply if the 2019 Class A-2-II Notes are not repaid by June 2026 (the "2019 Class A-2-II Anticipated Repayment Date"). If the Co-Issuers have not repaid or refinanced the 2019 Class A-2-II Notes by the 2019 Class A-2-II Anticipated Repayment Date, then additional interest will accrue on the 2019 Class A-2-II Notes, as applicable, at the greater of: (A) 5.0% and (B) the amount, if any, by which the sum of the following exceeds the applicable 2019 Class A-2-II Note interest rate: (x) the yield to maturity (adjusted to a quarterly bond-equivalent basis) on the 2019 Class A-2-II Anticipated Repayment Date of the United States Treasury Security having a term closest to 10 years plus (y) 7.64% for the 2019 Class A-2-II Notes.

While the 2019 Class A-2-II Notes are outstanding, payment of principal and interest is required to be made on the 2019 Class A-2-II Notes on a quarterly basis. The quarterly principal payment of \$1.5 million on the 2019 Class A-2-II Notes may be suspended when the leverage ratio for the Company and its subsidiaries is less than or equal to 5.25x. Exceeding the leverage ratio of 5.25x does not violate any covenant related to the Notes. In general, the leverage ratio is the Company's indebtedness (as defined in the Indenture) divided by adjusted EBITDA (as defined in the Indenture) for the four preceding quarterly periods. The complete definitions of all calculation elements of the leverage ratio are contained in the Indenture.

As of December 31, 2024 the Company's leverage ratio was approximately 4.1x. As a result, quarterly principal payments on the 2019 Class A-2-II Notes of \$1.5 million currently are not required. The Company may voluntarily repay the 2019 Class A-2-II Notes at any time without any associated make-whole premium.

2019 Class A-1 Notes

The 2019-1 Variable Funding Senior Secured Notes, Class A-1 (the "Previous Credit Facility") allowed for drawings up to \$225 million of variable funding notes on a revolving basis and the issuance of letters of credit. There were no outstanding borrowings since March 2021 under the Previous Credit Facility until its termination in August 2022.

The interest rate for borrowings under the Previous Credit Facility was the three-month LIBOR rate plus 2.15% for 60% of the advances and the commercial paper funding rate of our conduit investor plus 2.15% for 40% of the advances.

2022 Class A-1 Notes

In August 2022, the Co-Issuers entered into the Credit Facility that allows for drawings up to \$325 million of variable funding notes on a revolving basis and the issuance of letters of credit. The applicable interest rate under the Credit Facility depends on the type of borrowing by the Co-Issuers. The applicable interest rate for advances is generally calculated at a per annum rate equal to the commercial paper funding rate or one-, two-, three- or six-month Term SOFR Rate, in either case, plus 2.50%. The applicable interest rate for swingline advances and unreimbursed draws on outstanding letters of credit is a per annum base rate equal to the sum of (A) the greatest of (i) the Prime Rate in effect from time to time; (ii) the Federal Funds Rate in effect from time to time plus 0.50%; and (iii) Term SOFR for a one-month tenor in effect at such time plus 0.50% plus (B) 2.00%.

The legal final maturity of the Credit Facility is June 2052, but rapid amortization will apply if there are outstanding amounts under the Credit Facility after June 2027 (the "Class A-1 Renewal Date"). The Class A-1 Renewal Date may be extended at the Co-Issuers' election for up to two successive one-year periods if certain conditions are met. If the Co-Issuers have not repaid or refinanced the Credit Facility by the Class A-1 Renewal Date (after giving effect to any extensions), then interest will accrue on the Credit Facility at a rate equal to 5.00% in addition to the regular interest rate applicable to the Credit Facility.

As of December 31, 2024, the outstanding balance of the Credit Facility was \$100 million. The amount of \$0.6 million was pledged against the Credit Facility for outstanding letters of credit, leaving \$224.4 million of the Credit Facility available for borrowing at December 31, 2024. It is anticipated that any principal and interest on the Credit Facility outstanding will be repaid in full on or prior to the quarterly payment date in June 2027, subject to two additional one-year extensions at the option of the Company upon the satisfaction of certain conditions. The letters of credit are used primarily to satisfy insurance-related collateral requirements. The weighted average interest rate for the period outstanding during the year ended December 31, 2024 was 7.78%.

8. Long-Term Debt (Continued)

2023 Class A-2 Notes

The legal final maturity of the 2023 Class A-2 Notes is in March 2053, but it is anticipated that, unless repaid earlier to the extent permitted under the Indenture, the 2023 Class A-2 Notes will be repaid in June 2029 (the “2023 Class A-2 Anticipated Repayment Date”). If the Co-Issuers have not repaid or refinanced the 2023 Class A-2 Notes by the 2023 Class A-2 Anticipated Repayment Date, then additional interest will accrue on the 2023 Class A-2 Notes, as applicable, at the greater of: (A) 5.0% and (B) the amount, if any, by which the sum of the following exceeds the Series 2023-1 Class A-2 Note interest rate: (x) the yield to maturity (adjusted to a quarterly bond-equivalent basis) on the 2023 Class A-2 Anticipated Repayment Date of the United States Treasury Security having a term closest to 10 years plus (y) 9.24% for the 2023 Class A-2 Notes.

While the 2023 Class A-2 Notes are outstanding, payment of principal and interest is required to be made on the 2023 Class A-2 Notes on a quarterly basis. The quarterly principal payment of \$1.25 million on the 2023 Class A-2 Notes may be suspended when the leverage ratio for the Company and its subsidiaries is less than or equal to 5.25x.

As of December 31, 2024, the Company's leverage ratio was approximately 4.1x. As a result, quarterly principal payments on the 2023 Class A-2 Notes of \$1.25 million currently are not required.

The Company may voluntarily repay the 2023 Class A-2 Notes at any time; however, if the 2023 Class A-2 Notes are repaid prior to certain dates, the Company would be required to pay make-whole premiums. As of December 31, 2024, the make-whole premium associated with voluntary prepayment of the 2023 Class A-2 Notes was approximately \$28.0 million. The Company also would be subject to a make-whole premium in the event of a mandatory prepayment required following a Rapid Amortization Event or certain asset dispositions. The mandatory make-whole premium requirements are considered derivatives embedded in the Notes that must be bifurcated for separate valuation. The Company estimated the fair value of these derivatives to be immaterial as of December 31, 2024, based on the probability-weighted discounted cash flows associated with either event.

Management Agreement

Under the terms of the Management Agreement, dated September 30, 2014, as amended and restated as of September 5, 2018, as further amended and restated as of June 5, 2019 and as further amended and restated as of April 17, 2023, among the Co-Issuers and the Guarantors (collectively, the “Securitization Entities”), the Company, Applebee’s Services, Inc., International House of Pancakes, LLC and the Trustee, the Company will act as the manager with respect to substantially all of the assets of the Securitization Entities (the “Securitized Assets”). The primary responsibilities of the manager will be to perform certain franchising, distribution, intellectual property and operational functions on behalf of the Securitization Entities with respect to the Securitized Assets pursuant to the Management Agreement. The manager will be entitled to the payment of the weekly management fee, as set forth in the Management Agreement and will be subject to the liabilities set forth in the Management Agreement.

Repurchase Program

On February 16, 2023, the Company's Board of Directors authorized a debt repurchase program of up to \$100 million. Repurchases of the Company's debt, if any, are expected to reduce future cash interest payments, as well as future amounts due at maturity or upon redemption. Under the authorization, the Company may make repurchases of the Company's debt from time to time in the open market or in privately negotiated transactions upon such terms and at such prices as management may determine.

Covenants and Restrictions

The Notes are subject to a series of covenants and restrictions customary for transactions of this type, including: (i) that the Co-Issuers maintain specified reserve accounts to be used to make required payments in respect of the Notes, (ii) provisions relating to optional and mandatory prepayments, and the related payment of specified amounts, including specified call redemption premiums in the case of Class A-2 Notes under certain circumstances; (iii) certain indemnification payments in the event, among other things, the transfers of the assets pledged as collateral for the Notes are in stated ways defective or ineffective and (iv) covenants relating to recordkeeping, access to information and similar matters. The Notes are subject to customary rapid amortization events provided for in the Indenture, including events tied to failure of the Securitization Entities (as defined in the Indenture) to maintain the stated debt service coverage ratio (“DSCR”), the sum of domestic retail sales for all restaurants being below certain levels on certain measurement dates, certain manager termination events, certain events of default and the failure to repay or refinance the Class A-2 Notes on the anticipated repayment dates. The Notes are also subject to certain customary events of default, including events relating to non-payment of required interest, principal or other amounts due on or with respect to the Notes, failure of the Securitization Entities to maintain the stated DSCR, failure to comply with

8. Long-Term Debt (Continued)

covenants within certain time frames, certain bankruptcy events, breaches of specified representations and warranties and certain judgments.

In general, the DSCR ratio is Net Cash Flow (as defined in the Indenture) for the four quarters preceding the calculation date divided by the total debt service payments (as defined in the Indenture) of the preceding four quarters. The complete definitions of the DSCR and all calculation elements are contained in the Indenture. Failure to maintain a prescribed DSCR can trigger a Cash Flow Sweeping Event, a Rapid Amortization Event, a Manager Termination Event or a Default Event (each as defined in the Indenture) as described below. In a Cash Flow Sweeping Event, the Trustee is required to retain 50% of excess Cash Flow (as defined in the Indenture) in a restricted account. In a Rapid Amortization Event, all excess Cash Flow is retained and used to retire principal amounts of debt. In a Manager Termination Event, the Company may be replaced as manager of the assets securitized under the Indenture. In a Default Event, the outstanding principal amount and any accrued but unpaid interest can be called to become immediately due and payable. Key DSCRs are as follows:

- DSCR less than 1.75x - Cash Flow Sweeping Event
- DSCR less than 1.20x - Rapid Amortization Event
- Interest-only DSCR less than 1.20x - Manager Termination Event
- Interest-only DSCR less than 1.10x - Default Event

The Company's DSCR for the reporting period ended December 31, 2024 was approximately 3.4x.

Debt Issuance Costs

2023 Class A-2 Notes

The Company incurred costs of approximately \$8.0 million in connection with the issuance of the 2023 Class A-2 Notes. These debt issuance costs are being amortized using the effective interest method over the estimated life of the 2023 Class A-2 Notes. Amortization costs of \$1.1 million and \$0.7 million were included in interest expense for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024, unamortized debt issuance costs of \$6.2 million are reported as a direct reduction of the 2023 Series Class A-2 Notes in the Consolidated Balance Sheets.

2022 Class A-1 Notes

In August 2022, the Company incurred costs of approximately \$6.3 million in connection with the issuance of the Credit Facility. These debt issuance costs are being amortized over the estimated life of the Credit Facility. Amortization costs of \$1.2 million, \$1.2 million, and \$0.4 million were included in interest expense for the years ended December 31, 2024, 2023, and 2022, respectively. As of December 31, 2024, unamortized debt issuance costs of \$3.4 million related to the Credit Facility are classified as other non-current assets in the Consolidated Balance Sheets.

2019 Class A-2 Notes

The Company incurred costs of approximately \$12.9 million in connection with the issuance of the 2019 Class A-2 Notes. These debt issuance costs are being amortized using the effective interest method over estimated life of each tranche of the 2019 Class A-2 Notes. Amortization costs of \$1.0 million, \$1.6 million, and \$2.4 million are included in interest expense for the years ended December 31, 2024, 2023 and 2022, respectively.

The Company repaid the entire outstanding balance of approximately \$585.1 million of its 2019 Class A-2-I Notes during the year ended December 31, 2023 and wrote off the related remaining issuance costs of \$1.7 million. As of December 31, 2024, unamortized debt issuance costs of \$1.3 million are reported as a direct reduction of the 2019 Class A-2-II Notes in the Consolidated Balance Sheets.

2019 Class A-1 Notes

Amortization costs incurred in connection with the Previous Credit Facility of \$0.4 million were included in interest expense for the year ended December 31, 2022. In connection with the termination of the Previous Credit Facility in August 2022, the Company recognized as a loss on extinguishment of debt of \$1.2 million, representing the remaining unamortized debt issuance costs associated with the Previous Credit Facility.

Loss (Gain) on Extinguishment of Debt

The Company purchased of \$67.9 million of its 2019 Class A-2-I Notes under par and recognized a \$1.7 million gain on extinguishment of debt during the year ended December 31, 2023. In addition, the Company purchased \$40 million of its 2019 Class A-2-I Notes under par and recognized a \$1.4 million gain on extinguishment of debt during the year ended December 31, 2022.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

8. Long-Term Debt (Continued)

In connection with the repayment of the 2019 Class A-2-I Notes, the Company recognized a loss on extinguishment of debt of \$1.7 million, representing the remaining unamortized costs related to the 2019 Class A-2-I Notes, during the year ended December 31, 2023.

Maturities of Long-term Debt

- The final maturity of the 2019 Class A-2 Notes is in June 2049, but it is anticipated that, unless repaid earlier, the 2019 Class A-2-II Notes will be repaid in June 2026.
- The final maturity of the 2023 Class A-2 Notes is in March 2053, but it is anticipated that, unless repaid earlier, the 2023 Class A-2 Notes will be repaid in June 2029.
- The renewal date of the Credit Facility is June 2027, subject to two additional one-year extensions at the option of the Company upon the satisfaction of certain conditions.
- Quarterly principal payments on the 2019 Class A-2-II Notes totaling \$1.50 million (\$6.0 million per annum) are required if the Company's leverage ratio is greater than 5.25x.
- Quarterly principal payments on the 2023 Class A-2 Notes totaling \$1.25 million (\$5.0 million per annum) are required if the Company's leverage ratio is greater than 5.25x.

9. Financing Obligations

On May 19, 2008, the Company entered into a Purchase and Sale Agreement relating to the sale and leaseback of 181 parcels of real property (the "Sale-Leaseback Transaction"), each of which is improved with a restaurant operating as an Applebee's Neighborhood Grill and Bar (the "Properties"). On June 13, 2008, the closing date of the Sale-Leaseback Transaction, the Company entered into a Master Land and Building Lease ("Master Lease") for the Properties. The proceeds received from the transaction were \$337.2 million. The Master Lease calls for an initial term of twenty years and four, five-year options to extend the term.

The Sale-Leaseback Transaction does not qualify as a sale under current U.S. GAAP. Accordingly, the Sale-Leaseback Transaction continues to be recorded under the financing method. The value of the land and leasehold improvements will remain on the Company's books and the leasehold improvements will continue to be depreciated over their remaining useful lives. The net proceeds received were recorded as a financing obligation. A portion of the lease payments is recorded as a decrease to the financing obligation and a portion is recognized as interest expense. In the event the lease obligation of any individual property or group of properties is assumed by a qualified franchisee, the portion of the transaction related to that property or group of properties is recorded as a sale in accordance with U.S. GAAP and the net book value of those properties will be removed from the Company's books, along with a ratable portion of the remaining financing obligation.

As of December 31, 2024, the portion of the original Sale-Leaseback Transaction related to 162 of the 181 Properties has qualified as a sale by assignment of the lease obligation to a qualified franchisee or a release from the lessor. In accordance with the accounting described above, the property and equipment and financing obligations have each been cumulatively reduced by approximately \$289.4 million.

As of December 31, 2024, future minimum lease payments under financing obligations during the initial terms of the leases related to the sale-leaseback transactions are as follows:

Fiscal Years	(In millions)
2025	\$ 4.1
2026	4.5
2027	4.1
2028	20.7
2029	—
Thereafter	—
Total minimum lease payments	33.4
Less: interest	(8.8)
Total financing obligations	24.6
Less: current portion ⁽¹⁾	(1.3)
Long-term financing obligations	\$ 23.3

⁽¹⁾ Included in current maturities of finance lease and financing obligations on the consolidated balance sheets.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

10. Leases (Continued)

10. Leases

The Company engages in leasing activity as both a lessee and a lessor. The majority of the Company's lease portfolio originated when the Company was actively involved in the development and financing of IHOP restaurants prior to the franchising of the restaurant to the franchisee. This activity included the Company's purchase or leasing of the site on which the restaurant was located and subsequently leasing/subleasing the site to the franchisee. With a few exceptions, the Company ended this practice in 2003 and the Company's current lease activity is predominantly comprised of renewals of existing lease arrangements and exercises of options on existing lease arrangements.

The Company currently leases from third parties the real property on which approximately 502 IHOP franchisee-operated restaurants and one Applebee's franchisee-operated restaurant are located; the Company (as lessor) subleases the property to the franchisees that operate those restaurants. The Company also leases property it owns to the franchisees that operate 52 IHOP restaurants and one Applebee's restaurant. The Company leases from a third party the real property on which one Fuzzy's company-operated restaurant is located. The Company also leases office space for its principal corporate office in Pasadena, California and a restaurant support center in Irving, Texas. The Company does not have a significant amount of non-real estate leases.

The Company's existing leases/subleases related to IHOP restaurants generally provide for an initial term of 20 to 25 years, with most having one or more five-year renewal options. Leases related to Applebee's restaurants generally have an initial term of 10 to 20 years, with renewal terms of five to 20 years. Option periods were not included in determining liabilities and right-of-use assets related to operating leases. Restaurants associated with approximately 348 of the Company's leases met the sales levels that required variable rent payments to the Company (as lessor), based on a percentage of restaurant sales in 2024. Restaurants associated with approximately 46 of the Company's leases met the sales levels that required variable rent payments by the Company (as lessee), based on a percentage of restaurant sales in 2024.

The individual lease agreements do not provide information to determine the implicit interest rate in the agreements. The Company made significant judgments in determining the incremental borrowing rates that were used in calculating operating lease liabilities. Due to the large number of leases, the Company applied a portfolio approach by grouping the leases based on the original lease term. The Company estimated the interest rate for each grouping primarily by reference to (i) yield rates on debt issuances by companies of a similar credit rating as the Company; (ii) U.S. Treasury rates as of the adoption date; and (iii) adjustments for differences in years to maturity.

The Company's lease cost for the years ended December 31, 2024, 2023, and 2022 was as follows:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Finance lease cost:			
Amortization of right-of-use assets	\$ 2.6	\$ 2.5	\$ 3.6
Interest on lease liabilities	2.9	2.8	4.5
Operating lease cost	74.1	75.3	83.5
Variable lease cost	8.0	7.8	7.6
Short-term lease cost	0.0	0.0	0.0
Sublease income	(106.1)	(110.4)	(106.8)
Lease cost	<u>\$ (18.5)</u>	<u>\$ (22.0)</u>	<u>\$ (7.6)</u>

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

10. Leases (Continued)

Future minimum lease payments under noncancellable leases as lessee as of December 31, 2024 were as follows:

	Finance Leases	Operating Leases
	(In millions)	
2025	\$ 7.6	\$ 87.2
2026	7.5	82.8
2027	6.4	63.2
2028	4.8	47.7
2029	4.9	44.6
Thereafter	21.2	149.2
Total minimum lease payments	52.4	474.7
Less: interest/imputed interest	(13.1)	(98.9)
Total obligations	39.3	375.8
Less: current portion	(5.0)	(65.3)
Long-term lease obligations	<u>\$ 34.3</u>	<u>\$ 310.5</u>

Other lease information is as follows:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Assets obtained in exchange for operating lease obligations	\$ 109.4	\$ 47.9	\$ 74.9
Assets obtained in exchange for finance lease obligations	\$ 6.8	\$ 10.5	\$ 10.8

The weighted average remaining lease term as of December 31, 2024 was 5.5 years for finance leases and 6.2 years for operating leases. The weighted average discount rate as of December 31, 2024 was 9.2% for finance leases and 6.1% for operating leases.

During the years ended December 31, 2024, 2023 and 2022, the Company made the following cash payments for leases:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Principal payments on finance lease obligations	\$ 5.6	\$ 6.4	\$ 8.9
Interest payments on finance lease obligations	\$ 2.9	\$ 2.8	\$ 4.5
Payments on operating leases	\$ 83.8	\$ 75.2	\$ 83.5
Variable lease payments	\$ 8.0	\$ 7.8	\$ 7.6

The Company's income from operating leases for the years ended December 31, 2024, 2023 and 2022 was as follows:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Minimum lease payments	\$ 96.0	\$ 100.7	96.4
Variable lease income	17.4	17.5	16.9
Total operating lease income	<u>\$ 113.4</u>	<u>\$ 118.2</u>	<u>\$ 113.3</u>

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

10. Leases (Continued)

Future minimum payments to be received as lessor under noncancellable operating leases as of December 31, 2024 were as follows:

	(In millions)
2025	\$ 95.7
2026	82.9
2027	66.0
2028	49.8
2029	42.1
Thereafter	147.4
Total minimum rents receivable	<u>\$ 483.9</u>

The Company's income from real estate leases receivable at December 31, 2024, 2023 and 2022 was as follows:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Selling profit	\$ 0.2	\$ 0.2	\$ 0.9
Interest income	1.2	1.1	1.5
Variable lease income	0.3	0.4	0.7
Total financing lease income	<u>\$ 1.7</u>	<u>\$ 1.7</u>	<u>\$ 3.1</u>

Future minimum payments to be received as lessor under noncancellable real estate leases as of December 31, 2024 were as follows:

	(In millions)
2025	\$ 2.5
2026	2.6
2027	2.5
2028	2.5
2029	2.5
Thereafter	12.9
Total minimum rents receivable	<u>25.5</u>
Less: unearned income	<u>(7.2)</u>
Total real estate leases receivable	<u>18.3</u>
Less: current portion	<u>(1.4)</u>
Long-term real estate leases receivable	<u>\$ 16.9</u>

11. Commitments and Contingencies

Purchase Commitments

In some instances, the Company enters into commitments to purchase advertising and other items. Most of these agreements are fixed price purchase commitments. At December 31, 2024, the outstanding purchase commitments were \$129.3 million, of which \$77.7 million related to advertising commitments over the next twelve months.

Lease Guarantees

In connection with the refranchising of Applebee's restaurants to franchisees, the Company has, in certain cases, guaranteed or had potential continuing liability for lease payments. The Company had outstanding lease guarantees or was contingently liable for approximately \$345.0 million and \$402.1 million as of December 31, 2024 and 2023, respectively. These amounts represent the maximum potential liability of future payments under these leases. These leases have been assigned to the buyers and expire at the end of the respective lease terms, which range from 2025 through 2058. Excluding unexercised option periods, the Company's potential liability for future payments under these leases as of December 31, 2024 was \$90.5 million. In the event of default, the indemnity and default clauses in our sale or assignment agreements govern our ability to pursue and recover damages incurred. No material liabilities for these guarantees have been recorded as of December 31, 2024.

11. Commitments and Contingencies (Continued)

Litigation, Claims and Disputes

The Company is subject to various lawsuits, governmental inspections, administrative proceedings, audits, and claims arising in the ordinary course of business. Some of these lawsuits purport to be class actions and/or seek substantial damages. The Company is required to record an accrual for litigation loss contingencies that are both probable and reasonably estimable. Legal fees and expenses associated with the defense of the Company's litigation are expensed as such fees and expenses are incurred. In the opinion of management, these matters are adequately covered by insurance or, if not so covered, are without merit or are of such a nature or involve amounts that would not have a material adverse impact on the Company's business or consolidated financial statements. Management regularly assesses the Company's insurance deductibles, analyzes litigation information with the Company's attorneys and evaluates its loss experience in connection with pending legal proceedings. While the Company does not presently believe that any of the legal proceedings to which the Company is currently a party will ultimately have a material adverse impact on the Company, there can be no assurance that the Company will prevail in all the proceedings the Company is party to, or that the Company will not incur material losses from them.

Letters of Credit

The Company provides letters of credit, primarily to various insurance carriers to collateralize obligations for outstanding claims. As of December 31, 2024, the Company had approximately \$0.6 million of unused letters of credit outstanding that reduce the Company's available borrowing under its 2022 Class A-1 Notes. These letters of credit expire on various dates in 2025 and are automatically renewed for an additional year if no cancellation notice is submitted.

12. Stockholders' Deficit

Stock Repurchase Programs

In February 2019, the Company's Board of Directors approved a stock repurchase program authorizing the Company to repurchase up to \$200 million of the Company's common stock (the "2019 Repurchase Program") on an opportunistic basis from time to time in the open market or in privately negotiated transactions based on business, market, applicable legal requirements and other considerations. The 2019 Repurchase Program, as approved by the Board of Directors, does not require the repurchase of a specific number of shares and can be terminated at any time.

On February 17, 2022, the Company's Board of Directors authorized a new share repurchase program, effective April 1, 2022, of up to \$250 million (the "2022 Repurchase Program"). In connection with the approval of the 2022 Repurchase Program, the 2019 Repurchase Program terminated effective April 1, 2022.

A summary of shares repurchased under the 2022 Repurchase Program and the 2019 Repurchase Program, during the years ended December 31, 2024, 2023 and 2022, and cumulatively for each program, is as follows:

	<u>Shares</u>	<u>Cost of shares</u> (In millions)
<i>2022 Repurchase Program</i>		
Repurchased during the year ended December 31, 2024	269,621	\$ 12.0
Repurchased during the year ended December 31, 2023	446,189	\$ 26.1
Repurchased during the year ended December 31, 2022	1,149,589	\$ 78.7
Cumulative (life-of-program) repurchases	1,865,399	\$ 116.8
Remaining dollar value of shares that may be repurchased	n/a	\$ 133.2
<i>2019 Repurchase Program</i>		
Repurchased during the year ended December 31, 2022	588,108	\$ 41.4
Repurchased during the year ended December 31, 2021	59,099	\$ 4.5
Repurchased during the year ended December 31, 2020	459,899	\$ 26.5
Cumulative (life-of-program) repurchases	2,344,804	\$ 175.8
Remaining dollar value of shares that may be repurchased (1)	n/a	n/a

(1) In connection with the 2022 Repurchase Program, the 2019 Repurchase Program terminated effective April 1, 2022.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

12. Stockholders' Deficit (Continued)

Dividends

During the fiscal years ended December 31, 2024, 2023 and 2022, the Company declared and paid dividends on common stock as follows:

Year ended December 31, 2024	Declaration Date	Payment Date	Dividends declared per share	Dividends paid per share	Total dividends paid⁽¹⁾
					(In millions)
Payment of prior year declaration	(3)	January 5, 2024	\$ —	\$ 0.51	\$ 7.7
First quarter	February 26, 2024	April 5, 2024	0.51	0.51	7.9
Second quarter	May 14, 2024	July 5, 2024	0.51	0.51	7.8
Third quarter	September 5, 2024	October 8, 2024	0.51	0.51	7.8
Fourth quarter	November 22, 2024	(2)	0.51	—	—
Total			\$ 2.04	\$ 2.04	\$ 31.3

Year ended December 31, 2023	Declaration Date	Payment Date	Dividends declared per share	Dividends paid per share	Total dividends paid⁽¹⁾
Payment of prior year declaration	(4)	January 6, 2023	\$ —	\$ 0.51	\$ 8.0
First quarter	February 21, 2023	March 31, 2023	0.51	0.51	8.0
Second quarter	May 11, 2023	July 7, 2023	0.51	0.51	7.9
Third quarter	September 7, 2023	September 29, 2023	0.51	0.51	7.8
Fourth quarter	November 30, 2023	(3)	0.51	—	—
Total			\$ 2.04	\$ 2.04	\$ 31.7

Year ended December 31, 2022	Declaration Date	Payment Date	Dividends declared per share	Dividends paid per share	Total dividends paid⁽¹⁾
Payment of prior year declaration	(5)	January 7, 2022	\$ —	\$ 0.40	\$ 6.9
First quarter	February 17, 2022	April 1, 2022	0.46	0.46	7.8
Second quarter	May 12, 2022	July 8, 2022	0.51	0.51	8.2
Third quarter	September 9, 2022	September 30, 2022	0.51	0.51	8.1
Fourth quarter	December 2, 2022	(4)	0.51	—	—
Total			\$ 1.99	\$ 1.88	\$ 31.0

(1) Includes dividend equivalents paid on restricted stock units.

(2) The fourth quarter 2024 dividend of \$7.8 million was paid on January 7, 2025.

(3) The fourth quarter 2023 dividend of \$7.7 million was paid on January 5, 2024.

(4) The fourth quarter 2022 dividend of \$8.0 million was paid on January 6, 2023.

(5) The fourth quarter 2021 dividend of \$6.9 million was paid on January 7, 2022.

Dividends declared on common stock are recorded as a reduction of retained earnings to the extent retained earnings are available at the close of the period prior to the date of the declared dividend. Dividends in excess of retained earnings are recorded as a reduction of additional paid-in capital. All dividends declared during the fiscal years ended December 31, 2024, 2023 and 2022 were declared from retained earnings.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

12. Stockholders' Deficit (Continued)

Treasury Stock

Repurchases of the Company's common stock are included in treasury stock at the cost of shares repurchased plus any transaction costs. Treasury stock may be re-issued when vested stock options are exercised, when restricted stock awards are granted and when restricted stock units settle in stock upon vesting. The cost of treasury stock re-issued is determined on the first-in, first-out ("FIFO") method. The Company re-issued 311,955 shares, 281,161 shares and 205,293 shares, respectively, during the years ended December 31, 2024, 2023 and 2022 at a total FIFO cost of \$15.1 million, \$13.5 million and \$9.6 million, respectively.

13. Closure and Long-lived Tangible Asset Impairment Charges

Closure and long-lived tangible asset impairment charges for the years ended December 31, 2024, 2023 and 2022 were as follows:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Closure charges	\$ 2.2	\$ 1.6	\$ 1.7
Long-lived tangible asset impairment	0.0	2.0	1.4
Total closure and long-lived tangible asset impairment charges	<u>\$ 2.2</u>	<u>\$ 3.6</u>	<u>\$ 3.1</u>

Closure Charges

The closure charges of \$2.2 million for the year ended December 31, 2024 comprised of \$1.5 million for revisions to existing closure reserves, including accretion, for approximately 21 IHOP restaurants closed prior to 2023, and \$0.6 million related to the conversion of approximately 20,000 square feet of office space in the Leawood, Kansas restaurant support center to a remote work model in February 2024.

The closure charges of \$1.6 million for the year ended December 31, 2023 primarily related to revisions to existing closure reserves, including accretion, for approximately 40 restaurants closed prior to 2022. The closure charges of \$1.7 million for the year ended December 31, 2022 comprised of \$1.3 million for revisions to existing closure reserves, including accretion for approximately 40 restaurants closed prior to 2021 and \$0.4 million related to three IHOP restaurants closed in 2022.

Long-lived Tangible Asset Impairment

Long-lived tangible asset impairment charges for the year ended December 31, 2024 were insignificant. The long-lived asset impairment of \$2.0 million for the year ended December 31, 2023 primarily related to four IHOP subleased restaurants for which the carrying amount exceeded the future projected cash flows. The long-lived asset impairment of \$1.4 million for the year ended December 31, 2022 primarily related to five IHOP subleased restaurants for which the carrying amount exceeded the future projected cash flows. The primary method of estimating fair value is based on a discounted cash flow analysis. The Company also considers factors such as sales trends, cash flow trends, remaining lease life and other factors which apply on a case-by-case basis. For locations owned by the Company, current purchase offers, if any, or valuations from independent third party sources are utilized, if available. The analysis is performed at the restaurant level for indicators of impairment. The impairment recorded represented the difference between the carrying value and the estimated fair value. The impairments primarily related to operating lease right-of-use assets.

14. Stock-Based Incentive Plans

General Description

Currently, the Company is authorized to grant stock options, stock appreciation rights, restricted stock, cash-settled and stock-settled restricted stock units and performance units to officers, other employees and non-employee directors under the Dine Brands Global, Inc. 2019 Stock Incentive Plan (the "2019 Plan"). The 2019 Plan was approved by stockholders on May 14, 2019 to permit the issuance of up to 2,050,000 shares (subject to adjustment as defined in the 2019 Plan for shares that may become available from prior plans) of the Company's common stock for incentive stock awards. The 2019 Plan was amended and approved by stockholders on May 14, 2022 to permit the issuance of an additional 2,020,000 shares (subject to adjustment

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

14. Stock-Based Incentive Plans (Continued)

as defined in the 2019 Plan Amendment for shares that may become available from prior plans) of the Company's common stock for incentive stock awards. The 2019 Plan will expire in May 2029.

The Dine Brands Global, Inc. 2016 Stock Incentive Plan (the "2016 Plan") was adopted in 2016 to permit the issuance of up to 3,750,000 shares of the Company's common stock for incentive stock awards. The 2016 Plan was terminated upon adoption of the 2019 Plan, but there are stock options (vested and unvested) and unvested restricted stock and restricted stock units issued under the 2016 Plan that are outstanding as of December 31, 2024.

The DineEquity, Inc. 2011 Stock Incentive Plan (the "2011 Plan") was adopted in 2011 to permit the issuance of up to 1,500,000 shares of the Company's common stock for incentive stock awards. The 2011 Plan was terminated upon adoption of the 2016 Plan, but there are vested stock options issued under the 2011 Plan that are outstanding as of December 31, 2024.

The 2019 Plan, 2016 Plan and the 2011 Plan are collectively referred to as the "Plans."

Stock-Based Compensation Expense

From time to time, the Company has granted non-qualified stock options, restricted stock, cash-settled and stock-settled restricted stock units and performance units to officers, other employees and non-employee directors of the Company under the Plans. The non-qualified stock options generally vest ratably over a three-year period in one-third increments and have a maturity of ten years from the grant date. Options vest immediately upon a change in control of the Company, as defined in the Plans. Option exercise prices equal the closing price of the Company's common stock on the New York Stock Exchange on the date of grant. Restricted stock and restricted stock units are issued at no cost to the holder and vest over terms determined by the Compensation Committee of the Company's Board of Directors, generally either three years from the date of grant or in one-third increments over three years, as well as immediately upon a change in control of the Company, as defined in the Plans. The Company either utilizes treasury stock or issues new shares from its authorized but unissued share pool when vested stock options are exercised, when restricted stock awards are granted and when restricted stock units settle in stock upon vesting. See *Note 12, Stockholders' Deficit*, of Notes to the Consolidated Financial Statements, for treasury shares utilized related to equity grants during the years ended December 31, 2024, 2023 and 2022.

The following table summarizes the Company's stock-based compensation expense included as a component of general and administrative expenses in the Consolidated Financial Statements:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
<i>Stock-based compensation expense</i>			
Equity classified awards expense	\$ 16.0	\$ 12.0	\$ 16.2
Liability classified awards expense	0.3	(1.4)	1.4
Total stock-based compensation expense	<u>16.3</u>	<u>10.6</u>	<u>17.6</u>

As of December 31, 2024, total unrecognized compensation cost related to restricted stock and restricted stock units of \$15.2 million and \$2.6 million related to stock options is expected to be recognized over a weighted average period of approximately 1.4 years for restricted stock and restricted stock units and 1.4 years for stock options.

Equity Classified Awards - Stock Options

The per share fair values of the stock options granted have been estimated as of the date of grant using the Black-Scholes option pricing model. The Black-Scholes model considers, among other factors, the expected life of the option and the historical volatility of the Company's stock price. The Black-Scholes model meets the requirements of U.S. GAAP, but the fair values generated by the model may not be indicative of the actual fair values of the Company's stock-based awards.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

14. Stock-Based Incentive Plans (Continued)

The following table summarizes the assumptions used in the Black-Scholes model for stock options granted in the years ended December 31, 2024, 2023 and 2022:

	2024	2023	2022
Risk free interest rate	4.3 %	4.4 %	1.7 %
Weighted average historical volatility	70.2 %	70.9 %	70.1 %
Dividend yield	4.2 %	2.7 %	2.6 %
Expected years until exercise	4.5	4.5	4.5
Weighted average fair value of options granted	\$ 22.26	\$ 37.35	\$ 33.23

Stock option activity for the years ended December 31, 2024, 2023 and 2022 is summarized as follows:

	Number of Shares Under Option	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Outstanding at December 31, 2021	475,904	76.65		
Granted	75,795	70.08		
Exercised	(3,505)	68.80		
Forfeited	(6,171)	81.13		
Expired	(2,448)	94.43		
Outstanding at December 31, 2022	539,575	75.65		
Granted	74,390	74.94		
Exercised	(69,443)	54.90		
Forfeited	(20,876)	79.11		
Expired	(61,140)	82.47		
Outstanding at December 31, 2023	462,506	77.59		
Granted	133,729	49.06		
Exercised	—	—		
Forfeited	(14,717)	56.03		
Expired	(56,872)	87.07		
Outstanding at December 31, 2024	524,646	69.89	6.01	\$ —
Vested and Expected to Vest at December 31, 2024	509,056	\$ 70.38	5.92	\$ —
Exercisable at December 31, 2024	344,411	\$ 76.38	4.60	\$ —

The total intrinsic value of options exercised during the years ended December 31, 2024, 2023, and 2022 was zero, \$1.1 million and \$36.9 thousand, respectively.

Cash received from options exercised under all stock-based payment arrangements for the years ended December 31, 2024, 2023 and 2022 was zero, \$3.8 million and \$0.2 million, respectively. The actual tax benefit realized for the tax deduction from option exercises under the stock-based payment arrangements totaled zero, \$0.3 million and \$9.2 thousand, respectively, for the years ended December 31, 2024, 2023 and 2022.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

14. Stock-Based Incentive Plans (Continued)

Equity Classified Awards - Restricted Stock and Restricted Stock Units

Activity in equity classified awards of restricted stock and restricted stock units for the years ended December 31, 2024, 2023 and 2022 is as follows:

	Shares of Restricted Stock	Weighted Average Grant-Date Per Share Fair Value	Restricted Stock Units	Weighted Average Grant-Date Per Share Fair Value
Outstanding at December 31, 2021	276,611	80.85	105,592	71.00
Granted	201,789	70.12	60,914	49.36
Released	(98,864)	86.36	(42,611)	66.63
Forfeited	(23,636)	75.89	—	—
Outstanding at December 31, 2022	355,900	73.57	123,895	62.11
Granted	211,820	73.12	21,731	74.01
Released	(165,533)	73.64	(47,857)	64.04
Forfeited	(63,565)	73.15	(39,294)	77.23
Outstanding at December 31, 2023	338,622	73.33	58,475	54.07
Granted	311,955	47.55	32,630	49.06
Released	(155,368)	74.37	(18,115)	73.97
Forfeited	(73,750)	60.10	(37)	74.94
Outstanding at December 31, 2024	421,459	\$ 56.18	72,953	\$ 46.83

Liability Classified Awards - Cash-settled Restricted Stock Units

The Company has granted cash-settled restricted stock units to certain employees in the past. These instruments are recorded as liabilities at fair value as of the respective period end.

	Cash-Settled Restricted Stock Units
Outstanding at December 31, 2021	12,799
Granted	67
Released	(12,866)
Forfeited	—
Outstanding at December 31, 2022	—
Outstanding at December 31, 2023	—
Outstanding at December 31, 2024	—

There were no liabilities outstanding related to cash-settled restricted stock units at December 31, 2024 and 2023. There was no stock-based compensation expense related to cash-settled restricted stock units for the year ended December 31, 2024 and December 31, 2023. For the year ended December 31, 2022, \$0.2 million was included as stock-based compensation expense related to cash-settled restricted stock units.

Liability Classified Awards - Long-Term Incentive Awards

The Company has granted cash long-term incentive awards to certain employees (“LTIP awards”). Annual LTIP awards vest over a three-year period and are determined using a multiplier from 0% to 200% of the target award based on the total stockholder return of the Company's common stock compared to the total stockholder returns of a peer group of companies. Though LTIP awards are only paid in cash, since the multiplier is primarily based on the price of the Company's common stock, the awards are considered stock-based compensation in accordance with U.S. GAAP and are classified as liabilities. The expense related to the LTIP awards included an expense of \$0.2 million, a credit of \$1.4 million and an expense of \$1.2 million, for the years ended December 31, 2024, 2023 and 2022, respectively. At December 31, 2024 and 2023, a liability of \$0.8 million and \$0.7 million, respectively, was included as other non-current liabilities in the Consolidated Balance Sheets.

15. Employee Benefit Plans

401(k) Savings and Investment Plan

Effective January 1, 2013, the Company amended the Dine Brands Global, Inc. 401(k) Plan to (i) modify the Company matching formula and (ii) eliminate the one-year completed service requirement that previously had to be met to become eligible for Company matching contributions. As amended, the Company matches 100% of the first four percent of the employee's eligible compensation deferral and 50% of the next two percent of the employee's eligible compensation deferral. All contributions under this plan vest immediately. Company common stock is not an investment option for employees in the 401(k) Plan, other than shares transferred from a prior employee stock ownership plan. Substantially all of the administrative cost of the 401(k) plan is borne by the Company. The Company's matching contribution expense was \$3.4 million, \$3.3 million and \$3.3 million for the years ended December 31, 2024, 2023 and 2022, respectively.

16. Income Taxes

The provision for income taxes for the years ended December 31, 2024, 2023 and 2022 was as follows:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Current			
Federal	\$ 25.0	\$ 25.6	\$ 27.5
State	3.8	0.6	5.5
Foreign	2.0	2.2	1.8
	<u>30.8</u>	<u>28.4</u>	<u>34.8</u>
Deferred			
Federal	(8.1)	(1.2)	(3.8)
State	2.0	(12.6)	2.7
	<u>(6.1)</u>	<u>(13.8)</u>	<u>(1.1)</u>
Provision for income taxes	<u>\$ 24.7</u>	<u>\$ 14.5</u>	<u>\$ 33.7</u>

The provision for income taxes differs from the expected federal income tax rates as follows:

	Year Ended December 31,		
	2024	2023	2022
Statutory federal income tax rate	21.0 %	21.0 %	21.0 %
Non-deductibility of goodwill	0.4	—	0.8
Non-deductibility of officer's compensation	1.1	1.1	2.9
State and other taxes, net of federal tax benefit	3.9	3.8	3.1
State income tax audit settlement	—	(13.5)	—
Excess tax deficiencies or (benefits)	1.2	(0.7)	(0.5)
Change in unrecognized tax benefits	—	1.1	—
Change in valuation allowance	0.8	0.7	(0.3)
Changes in tax rates and state tax laws	0.6	—	3.4
General business credits	(0.7)	(0.7)	(1.4)
Other	(0.8)	0.2	0.3
Effective tax rate	<u>27.5 %</u>	<u>13.0 %</u>	<u>29.3 %</u>

The fiscal year 2024 effective tax rate of 27.5% applied to pretax book income was different than the statutory Federal income tax rate of 21% primarily due to state and local taxes and a lower tax deduction related to stock-based compensation.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

Note 16. Income Taxes (Continued)

The fiscal year 2023 effective tax rate of 13.0% applied to pretax book income was different than the statutory Federal income tax rate of 21% primarily due to the conclusion of a state income tax settlement, resulting in a net income tax benefit of \$15.1 million.

The fiscal year 2022 effective tax rate of 29.3% applied to pretax book income was different than the statutory Federal income tax rate of 21% due to state and local income taxes and the non-deductibility of executive compensation. The effective tax rate further increased due to the increase in the effective state tax rate applied to revaluing deferred tax balances. The increase in the effective state tax rate was due to the non-recurring refranchising of 69 Applebee's company-operated restaurants in the fourth quarter of 2022 and various state legislative changes.

The Company files federal income tax returns and the Company or one of its subsidiaries file income tax returns in various state and international jurisdictions. With few exceptions, the Company is no longer subject to federal tax examinations by tax authorities for years before 2021 and state or non-United States tax examinations by tax authorities for years before 2019. The Company believes that adequate reserves have been recorded relating to all matters contained in the tax periods open to examination.

Net deferred tax assets (liabilities) at December 31, 2024 and 2023 consisted of the following components:

	2024	2023
	(In millions)	
Lease liabilities	\$ 104.3	\$ 93.2
Employee compensation	8.8	9.4
Revenue recognition	38.9	37.2
Tax attributes	13.5	14.9
Other	8.1	4.5
Deferred tax assets	173.6	159.2
Valuation allowance	(5.0)	(4.4)
Total deferred tax assets after valuation allowance	168.6	154.8
Recognition of franchise and equipment sales	(3.3)	(4.9)
Capitalization and depreciation ⁽¹⁾	(122.1)	(123.7)
Lease assets	(96.1)	(85.5)
Other	(1.7)	(1.5)
Deferred tax liabilities	(223.2)	(215.6)
Net deferred tax liabilities	<u>\$ (54.6)</u>	<u>\$ (60.8)</u>

⁽¹⁾ Primarily related to the 2007 Applebee's acquisition.

As of each reporting date, the Company considers new evidence, both positive and negative, that could impact management's view with regards to future realization of deferred tax assets. Management believes that the future realizability of benefits arising from foreign tax credit carryforwards and certain state net operating loss carryforwards does not meet the more-likely-than-not threshold. In recognition of this risk, there is a valuation allowance of \$5.0 million as of December 31, 2024.

The Company had gross operating loss carryforwards for state tax purposes of \$113.7 million and \$127.8 million as of December 31, 2024 and 2023, respectively. Certain net operating loss carryforwards will expire in 2029 if not utilized. The Company had income tax credit carryforwards of \$7.5 million and \$7.4 million as of December 31, 2024 and 2023, respectively. Certain income tax credit carryforwards will begin to expire in 2029 if not utilized.

The total gross unrecognized tax benefit as of December 31, 2024 and 2023 was \$2.5 million and \$3.5 million, respectively, excluding interest, penalties and related income tax benefits. If recognized, these amounts would affect the Company's effective income tax rates.

The Company estimates the unrecognized tax benefits may decrease over the upcoming 12 months by \$0.2 million related to settlements with taxing authorities and/or statute of limitations expirations. For the remaining liability, due to the

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

Note 16. Income Taxes (Continued)

uncertainties related to these tax matters, the Company is unable to make a reasonable estimate as to when cash settlement with a taxing authority will occur. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Year Ended December 31,		
	2024	2023	2022
	(In millions)		
Unrecognized tax benefit as of January 1	\$ 3.5	\$ 2.1	\$ 1.9
Changes for tax positions of prior years	—	—	0.1
Increases for tax positions related to the current year	0.4	1.9	0.4
Decreases relating to settlements and lapsing of statutes of limitations	(1.4)	(0.5)	(0.3)
Unrecognized tax benefit as of December 31	<u>\$ 2.5</u>	<u>\$ 3.5</u>	<u>\$ 2.1</u>

As of December 31, 2024, the accrued interest was \$0.8 million, excluding any related income tax benefits. As of December 31, 2023, the accrued interest and penalties were \$0.9 million and less than \$0.1 million, respectively, excluding any related income tax benefits. The Company recognizes interest accrued related to unrecognized tax benefits and penalties as a component of the income tax provision recognized in the Consolidated Statements of Comprehensive Income.

17. Net Income Per Share

The computation of the Company's basic and diluted net income per share is as follows:

	Year Ended December 31,		
	2024	2023	2022
	(in thousands, except per share data)		
Numerator for basic and diluted income per common share			
Net income	\$ 64,890	\$ 97,176	\$ 81,111
Less: Net income allocated to unvested participating restricted stock	(1,915)	(2,317)	(2,174)
Net income available to common stockholders - basic	62,975	94,859	78,937
Effect of unvested participating restricted stock	—	—	1
Numerator - income available to common shareholders - diluted	<u>\$ 62,975</u>	<u>\$ 94,859</u>	<u>\$ 78,938</u>
Denominator			
Weighted average outstanding shares of common stock - basic	14,931	15,233	15,873
Effect of dilutive securities:			
Stock options	<u>—</u>	<u>9</u>	<u>28</u>
Weighted average outstanding shares of common stock - diluted	<u>14,931</u>	<u>15,242</u>	<u>15,901</u>
Net income per common share			
Basic	<u>\$ 4.22</u>	<u>\$ 6.23</u>	<u>\$ 4.97</u>
Diluted	<u>\$ 4.22</u>	<u>\$ 6.22</u>	<u>\$ 4.96</u>

18. Segment Reporting

The chief executive officer is the Company's chief operating decision maker ("CODM"). The CODM uses each segments' revenue and operating profit to assess its performance.

The CODM uses revenue and operating profit for each segment primarily in the annual budget and forecasting process, and in the quarterly budget-to-actual analysis when making decisions about the allocation of operating and capital resources to each segment. The CODM also uses operating profit to assess the performance of each segment by comparing the results of each segment with one another and in determining the compensation of certain employees. The CODM does not consider asset information when evaluating operating segments, therefore total segment assets are not presented.

Information on segments and a reconciliation of operating profit to income before income taxes is as follows:

	Year Ended December 31, 2024				
	Franchise	Company Restaurants	Rental	Financing	Total
	(In millions)				
Revenues	\$ 686.0	\$ 9.3	\$ 115.3	\$ 1.8	\$ 812.3
Less: Advertising revenue	290.4	—	—	—	290.4
Revenues excluding advertising revenue	395.5	9.3	115.3	1.8	521.9
<i>Less:</i>					
Interest expense from finance leases	—	—	2.9	—	2.9
Depreciation and amortization	1.4	(0.6)	10.1	—	11.0
Other segment items ^(a)	48.0	10.5	73.9	0.3	132.7
Segment profit	346.1	(0.6)	28.4	1.5	375.3
Stock based compensation (direct)	5.7	—	—	—	5.7
Gain on disposition of assets	—	(2.2)	(1.0)	—	(3.2)
Other G&A expenses (direct and allocated)	119.3	—	—	—	119.3
Segment operating profit	\$ 221.0	\$ 1.6	\$ 29.4	\$ 1.5	\$ 253.5
<i>Reconciliation of segment operating profit</i>					
Segment operating profit					\$ 253.5
Depreciation and amortization (unallocated)					17.4
Stock based compensation (unallocated)					10.2
Other G&A expenses (unallocated)					44.2
Interest expense, net					72.1
Closure and impairment charges					9.3
Amortization of intangible assets					10.8
Income before income taxes					\$ 89.5

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

18. Segment Reporting (Continued)

	Year Ended December 31, 2023				
	Franchise	Company Restaurants	Rental	Financing	Total
	(In millions)				
Revenues	\$ 706.4	\$ 2.1	\$ 120.0	\$ 2.6	\$ 831.1
Less: Advertising revenue	300.8	—	—	—	300.8
Revenues excluding advertising revenue	405.6	2.1	120.0	2.6	530.3
<i>Less:</i>					
Interest expense from finance leases	—	—	2.8	—	2.8
Depreciation and amortization	1.1	(0.2)	10.5	—	11.4
Other segment items ^(a)	42.5	2.4	74.2	0.4	119.4
Segment profit	362.0	0.0	32.5	2.2	396.7
Stock based compensation (direct)	2.5	—	—	—	2.5
Loss on disposition of assets	—	0.2	0.3	—	0.6
Other G&A expenses (direct and allocated)	126.9	—	—	—	126.9
Segment operating profit	\$ 232.5	\$ (0.2)	\$ 32.2	\$ 2.2	\$ 266.7
<i>Reconciliation of segment operating profit</i>					
Segment operating profit					\$ 266.7
Depreciation and amortization (unallocated)					13.3
Stock based compensation (unallocated)					9.5
Other G&A expenses (unallocated)					45.8
Loss on disposition of assets (unallocated)					1.8
Interest expense, net					70.1
Closure and impairment charges					3.6
Amortization of intangible assets					10.9
Income before income taxes					\$ 111.7

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

18. Segment Reporting (Continued)

	Year Ended December 31, 2022				
	Franchise	Company Restaurants	Rental	Financing	Total
	(In millions)				
Revenues	\$ 662.4	\$ 126.9	\$ 116.5	\$ 3.6	\$ 909.4
Less: Advertising revenue	289.3	—	—	—	289.3
Revenues excluding advertising revenue	373.1	126.9	116.5	3.6	620.1
<i>Less:</i>					
Interest expense from finance leases	—	—	3.0	—	3.0
Depreciation and amortization	4.8	0.0	10.7	—	15.5
Other segment items ^(a)	27.9	121.7	74.3	0.4	224.3
Segment profit	340.5	5.2	28.5	3.2	377.3
Stock based compensation (direct)	6.0	—	—	—	6.0
Gain on disposition of assets	—	0.0	(2.5)	—	(2.5)
Other G&A expenses (direct and allocated)	113.5	—	—	—	113.5
Segment operating profit	\$ 221.0	\$ 5.2	\$ 31.0	\$ 3.2	\$ 260.3
<i>Reconciliation of segment operating profit</i>					
Segment operating profit					\$ 260.3
Depreciation and amortization (unallocated)					11.9
Stock based compensation (unallocated)					10.1
Other G&A expenses (unallocated)					49.1
Interest expense, net					60.9
Closure and impairment charges					3.1
Amortization of intangible assets					10.6
Gain on extinguishment of debt					(0.2)
Income before income taxes					\$ 114.8

(a) For each reportable segment, the other segment item category includes:

Franchise: Costs of proprietary products, bad debt expense, pre-opening training expenses and other franchise-related costs.

Company Restaurants: Operating expenses at company-operated restaurants and include food, beverage, labor, benefits, utilities, rent and other operating costs.

Rental: Costs of operating leases and interest expense of finance leases on franchisee-operated restaurants.

Financing: Costs of restaurant equipment.

19. Business Acquisition

Fuzzy's Acquisition

On December 13, 2022, the Company purchased all of the issued and outstanding membership interests of Fuzzy's for approximately \$80 million in cash, pursuant to the Membership Interest Purchase Agreement, dated as of December 2, 2022, with Fuzzy's becoming a wholly-owned subsidiary of the Company. Fuzzy's is a dining company that develops, franchises and operates casual dining restaurants that offer a specialized menu of Baja-style Mexican food under the Fuzzy's Taco Shop brand. The Company acquired Fuzzy's as part of the Company's goal to invest in a high growth concept to accelerate growth.

The Company reviewed the SEC guidance in Regulation S-X on the significance of an acquired business that determines if an acquired business is required to provide financial statements and pro forma statements if the business exceeds 20% significance to the Company. Based on the three required tests (asset, investment and income) that were performed by the Company, the acquisition was not deemed to be a significant acquisition, and therefore the required disclosures are limited in

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

19. Business Acquisition (Continued)

these Consolidated Financial Statements. The results of operations related to Fuzzy's have been included in the consolidated results of the Company subsequent to the acquisition date.

The acquisition of Fuzzy's has been accounted for using the acquisition method of accounting in accordance with ASC 805, *Business Combinations*, with the Company treated as the accounting acquirer, which requires that the assets acquired and liabilities assumed be recognized at their acquisition date fair value. The Company received a third-party actuarial valuation report to determine the fair value assigned to the assets acquired and liabilities assumed.

The intangible assets acquired include franchising rights with a useful life of 20 years and a tradename with an indefinite useful life (see *Note 7 - Other Intangible Assets*). The fair value of franchising rights was estimated based on the estimated future cash flows to be generated from these franchise agreements. The earnings expected to be generated by the franchising rights were forecasted over the estimated duration of the intangible asset. The earnings were then discounted to present value at a rate commensurate with the risk of the asset. The fair value of the tradename was based on the multi-period excess earnings method, a variation of the income approach, using cash flows ("excess earnings") attributable only to the tradename intangible asset. These excess earnings were discounted to present value at a rate commensurate with the risk of the asset.

The fair value of the tangible personal property and other working capital assets and liabilities was assumed to approximate book value.

Operating lease liabilities were calculated using the present value of lease payments not yet paid and operating lease assets were calculated based upon the operating lease liabilities adjusted for prepayments or accrued lease payments. The contractual rent payments were determined to approximate market rates.

The following table summarizes the estimated fair value of net assets acquired at December 13, 2022:

	(In millions)
Receivables and other current assets	\$ 1.1
Property and equipment and other non-current assets	2.1
Tradename	57.2
Franchise agreements	14.8
Other intangible assets	0.5
Goodwill	7.0
Accounts payable and other liabilities	(4.4)
Net cash paid for acquisition	<u>\$ 78.3</u>

The excess of the purchase price over the fair value of identifiable net assets acquired amounted to approximately \$7.0 million. The acquisition goodwill arises from the expected synergies from combining the operations of the Company and Fuzzy's. During the allowable allocation period in 2023, the Company recorded a \$0.1 million purchase price adjustment.

Acquisition of Applebee's Restaurants

On November 11, 2024, the Company entered into a cooperation agreement with a former Applebee's franchisee to acquire 15 Applebee's restaurants across Tennessee, Arkansas, Illinois, Kentucky, Missouri, and Mississippi. The Company entered into the transaction to invest in the system, improve operations through innovation tests and create a blueprint for franchisee success and growth for the Company. The transaction was structured as a non-cash transaction, with no consideration transferred by the Company, resulting in a \$0.6 million gain on bargain purchase, which is recognized in the general and administrative expenses in the Consolidated Statements of Comprehensive Income as of December 31, 2024.

Dine Brands Global, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements (Continued)

19. Business Acquisition (Continued)

The following table summarizes the estimated fair value of net assets acquired at the date of acquisition:

	(In millions)
Equipment and fixtures	\$ 1.1
Inventory and other current assets	0.2
Total identifiable assets acquired	1.3
Liabilities assumed	(0.7)
Bargain purchase gain	\$ 0.6

On November 19, 2024, the Company entered into an Agreement for the Purchase and Sale of Assets with an Applebee's franchisee to acquire 41 Applebee's restaurants across Georgia and Texas for a total purchase price of \$8.3 million. The Company entered into the transaction to invest in the system, improve operations through innovation tests and create a blueprint for franchisee success and growth for the Company. There were no significant indirect costs related to the transaction as of December 31, 2024.

The following table summarizes the recognized amount of assets acquired and liabilities assumed at the date of acquisition:

	(In millions)
Equipment and fixtures	\$ 12.0
Inventory and other current assets	0.9
Reacquired franchise rights	0.3
Off-market leases	(4.1)
Total identifiable assets acquired	9.1
Liabilities assumed	(3.6)
Total identifiable net assets	5.5
Goodwill	2.8
Consideration transferred	\$ 8.3

The purchase price allocation is preliminary, subject to finalization of certain transition cut-off adjustments typical with transactions of this nature. There are no significant unresolved contingencies. The Company does not expect there will be material adjustments to the preliminary purchase price allocation.

The results of operation of these restaurants are included in the Company's consolidated results from the acquisition date. The Company has not presented pro forma results of the restaurants for periods prior to the acquisition because the business is not considered significant as measured by the amount of the Company's investment in and assets of the business relative to the Company's consolidated balance sheet and by the income before income taxes of the business relative to the Company's average consolidated income before income taxes for the most recent five-year period excluding loss years.

20. Refranchising of Company-Operated Restaurants

On November 19, 2024, the Company completed the refranchising and sale of related restaurant assets of nine company-operated Applebee's restaurants in Texas to a franchisee. As part of the transaction, the Company entered into an asset purchase agreement and nine franchise agreements. The Company received cash of \$1.4 million and a note receivable for \$5.9 million. After derecognizing the assets sold, the Company recognized a gain of \$1.8 million on the refranchising and sale of related restaurant assets during the year ended December 31, 2024 which is recognized in the (Gain) loss on disposition of assets in the Consolidated Statements of Comprehensive Income.

21. Subsequent Events

On February 21, 2025, our Board of Directors declared a first quarter 2025 cash dividend of \$0.51 per share of common stock, payable on April 4, 2025 to the stockholders of record as of the close of business on March 17, 2025.

EXHIBIT B

STATE ADMINISTRATORS

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov	NEW YORK NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 (212) 416-8222
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	NORTH DAKOTA North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505-0510 (701) 328-2910
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62701 (217) 782-4465	RHODE ISLAND Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	SOUTH DAKOTA Division of Insurance Securities Regulation 124 South Euclid Avenue, 2 nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General’s Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 5 th Floor Lansing, Michigan 48913 (517) 335-7567	WASHINGTON Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	WISCONSIN Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT C

AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents in some of the states listed.

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov Corporation Service Company d/b/a CSC Lawyers Incorporating Service Company 2730 Gateway Oaks Drive Suite 100 Sacramento, California 93533	NEW YORK New York Secretary of State One Commerce Plaza 99 Washington Avenue Albany, NY 12231 (518) 473-2492 Investor Protection Bureau Department of Law 120 Broadway, 23rd Floor New York, New York 10271
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 CSC Services of Hawaii, Inc. 1003 Bishop Street, Suite 1600 Pauahi Tower Honolulu, Hawaii 96813	NORTH DAKOTA North Dakota Insurance Commissioner North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505-0510 (701) 328-2910 Corporation Service Company 316 North Fifth Street P.O. Box 1695 Bismarck, North Dakota 58502
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62701 (217) 782-4465 Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, Illinois 62703	RHODE ISLAND Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527 Corporation Service Company 222 Jefferson Boulevard, Suite 200 Warwick, Rhode Island 02888
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681 Corporation Service Company 251 East Ohio Street, Suite 500 Indianapolis, Indiana 46204	SOUTH DAKOTA Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563 Corporation Service Company 503 South Pierre Street Pierre, South Dakota 57501

MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 CSC Lawyers Incorporating Service Company 7 St. Paul Street, Suite 1660 Baltimore, Maryland 21202	VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, Virginia 23219 (804) 371-9733 Corporation Service Company 11 South 12th Street, P. O. Box 1463 Richmond, Virginia 23218
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 5 th Floor Lansing, Michigan 48913 (517) 335-7567	WASHINGTON Director of Department of Financial Institutions Securities Division – 3 rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760 Corporation Service Company 300 Deschutes Way SW, Suite 304 Tumwater, Washington 985012
MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600 Corporation Service Company 380 Jackson Street, Suite 700 St. Paul, Minnesota 55101	WISCONSIN Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139 CSC Lawyers Incorporating Service Company 8040 Excelsior Drive, Suite 400 Madison, Wisconsin 53717

EXHIBIT D

APPLICANT'S FEE LETTER AGREEMENT

STANDARD FORM APPLICANT'S FEE LETTER AGREEMENT

[Applebee's Franchisor LLC Letterhead]

Dear _____:

This will acknowledge receipt by Applebee's Franchisor LLC (the "Company") of the amount of \$15,000 (the "Fee"), from _____ ("Applicant"), in connection with the Applicant's request to enter into a Development Agreement with the Company pursuant to which Applicant would develop a specified minimum number of Applebee's Neighborhood Grill & Bar restaurants. Applicant specifically acknowledges that acceptance of the Fee by the Company does not constitute an offer for a franchise or any commitment or obligation by the Company to the Applicant. No offer, commitment, undertaking, estoppel or obligation of any nature whatsoever shall be implied in fact, law or equity unless and until the Development Agreement providing for the transaction has been executed and delivered by all parties thereto. Notwithstanding the acceptance of the Fee, neither party (and no person or entity related to any such party) will be under any legal obligation to the other party other than as described in this Letter Agreement.

The Company will use the Fee to defray in part the expenses incurred by the Company in reviewing and processing Applicant's request to become a developer of Applebee's Neighborhood Grill & Bar restaurants. Applicant specifically acknowledges that the Fee is not refundable under any circumstances.

Please return the countersigned original of this letter to the Company to indicate your agreement with the terms of this letter.

Sincerely,

APPLEBEE'S FRANCHISOR LLC

By: _____

Agreed to this _____ day of _____, 20____.

[Applicant]

By: _____

EXHIBIT E

DEVELOPMENT AGREEMENT

STANDARD FORM
APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT

(Name of Developer)

(Date)

(General Description of Territory)

SUMMARY PAGES

1. Addresses for Notices:

Franchisor: Applebee's Franchisor LLC
10 W. Walnut St., 5th Floor
Pasadena, California 91103
Attn: General Counsel
Telephone Number: (818) 240-6055

Developer: _____

Attn.: _____
Telephone Number: _____

2. Delivery Date of Franchise Disclosure Document: _____, 20__

3. Development Deposit: \$10,000 per Restaurant listed on the Development Schedule

4. Development Schedule:

Development Period Number	Date of Opening	Total Number of Stores That Must Be Open and in Operation at the End of the Development Period
1		1
2		2
3		3

5. Effective Date: _____, 20__

6. Expiration Date: _____, 20__

7. Governing Law and Jurisdiction: State of Kansas and Federal Courts of the State of Kansas (Johnson County)

8. Initial Franchise Fee: \$35,000 for each Restaurant to be developed

9. Ownership Interests in Developer are owned by:

	Name	Percentage
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

10. Principal Shareholder(s): _____

11. Territory: The geographic area within which the Developer is to develop the Restaurant required by the initial Development Schedule set forth above:

-
-
-
12. Transfer Fee: \$2,500 for this Agreement

The Summary Pages are provided for information purposes only and to the extent the Summary Pages conflict with the terms of the Development Agreement, the terms of the Development Agreement will control.

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**APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT**

This Agreement is made this _____ day of _____, 20__, by and [between] [among] Applebee's Franchisor LLC, a Delaware limited liability company ("**Franchisor**"), _____, a (_____) corporation, sole proprietorship, _____ partnership, _____ limited partnership [strike *inappropriate language*] ("**Developer**") and _____ (collectively, the "**Principal Shareholders**" and, individually, a "**Principal Shareholder**" of Developer if a corporation or general partner of Developer is a limited partnership having as its general partner a corporation) and _____ ("**General Partner**") of Developer if Developer is a limited partnership).*

* (If Developer is not a corporation or a sole proprietorship, or if Developer is a limited liability company, the parties hereto hereby agree that an Addendum shall be attached to this Agreement so as properly to reflect the responsibilities of the partners of any general partnership, the general partner of any limited partnership and the shareholders of any corporate general partner of any partnership, or the members of any limited liability company.)

WITNESSETH:

RECITALS

A. Franchisor owns the rights to develop and operate a unique system of restaurants which specialize in the sale of high quality, moderately priced food and alcoholic beverages in an attractive, casual setting. Franchisor owns the service mark Applebee's Neighborhood Grill & Bar and variations of such mark, and other service marks and trademarks which may be adopted for use in the future (the "**Marks**"), designs, decor and color schemes for restaurant premises, signs, equipment, procedures and formulae for preparing food and beverage products, specifications for certain food and beverage products, inventory methods, operating methods, financial control concepts, training facilities and teaching techniques ("the **System**"). Franchisor has the right to use the Marks and the System, with the further right to offer franchises for the use of the Marks and the System.

B. Franchisor established, through its own development and operation, and through the granting of franchises to develop and operate, a chain of Applebee's Neighborhood Grill & Bar restaurants which are distinctive; which are similar in appearance, design and decor; and which are uniform in operation and product consistency.

C. The value of the Marks used in the System is based upon: (1) the maintenance of uniform high quality standards in connection with the preparation and sale of Franchisor-approved food and beverage products; (2) the uniform high standards of appearance of the individual restaurant units in the System; (3) the use of distinctive trademarks, service marks, building designs and advertising signs representing a uniformly high quality of product and services; and (4) the assumption by Franchisor and its franchisees of the obligation to maintain and enhance the goodwill and public acceptance of the System (and of the Marks) by strict adherence to the high standards required by Franchisor.

D. Developer desires to obtain the right to develop restaurant units franchised by Franchisor within the geographic area specified in Appendix A hereto ("**Territory**"), for the period specified in Subsection 1.1, pursuant to the terms, conditions and provisions which are set forth in this Agreement.

NOW, THEREFORE, in consideration of Franchisor granting to Developer the right to develop restaurant units franchised by Franchisor which employ the System ("**Restaurants**") in the Territory for such

period, and in consideration of the mutual obligations which are provided for herein, it is hereby agreed as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1 Franchisor grants Developer the right to develop Restaurants only in the Territory for a period commencing on the date hereof and expiring on _____, 20____, unless sooner terminated as hereinafter provided. Developer has no rights under this Agreement to develop Restaurants outside of the Territory or to develop restaurants which do not employ the System, including the Applebee's Neighborhood Grill & Bar service mark.

1.2 During the term of this Agreement, Franchisor shall not operate a restaurant utilizing the System or license any other person to operate a restaurant utilizing the System in the Territory. However, nothing in this Agreement shall prohibit or infringe upon Franchisor's right to operate a restaurant or license any other person to operate a restaurant in the Territory which does not utilize the System or use the Applebee's Neighborhood Grill & Bar service mark. In addition, Franchisor specifically reserves the right to operate or license any other person to operate restaurants in any location within an airport (served by one or more public or charter carrier), train station, bus terminal, port authority, campus at any college, university or other post-secondary education institution, hospitals and other health care facilities, arena, stadium, state or national park, or military fort, post or base, travel plaza or casino which may be within the boundaries of the Territory otherwise granted to Developer. Further, Developer acknowledges and agrees that Franchisor or any one or more of its subsidiary or affiliated companies or divisions shall have the right to operate or license any other person to operate such other restaurants which may or will compete with the Restaurants, under a system and service mark other than Applebee's Neighborhood Grill & Bar. In addition, Developer acknowledges and agrees that Franchisor may establish a restaurant unit or may license a restaurant unit to a third-party within the Territory, provided that: (a) such restaurant is an Other Applebee's Concept (as defined below), (b) such restaurant is in the form of a ghost kitchen, or (c) such restaurant utilizes some aspect of the System (including menu items and Applebee's kitchens and/or facilities) but does not utilize the Applebee's Neighborhood Grill & Bar service mark.

As used herein, "**Other Applebee's Concepts**" means restaurants which: (a) feature self-serve or counter service and not full table service, (b) have a different or more limited menu than that offered at an Applebee's Restaurant, even though that menu may include certain authorized menu items authorized at Applebee's Restaurants, and (c) operate under a principal name and mark different from "Applebee's Neighborhood Grill & Bar" or "Applebee's" but which may include "Applebee's" together with an additional prefix or suffix.

1.3 After this Agreement expires or is terminated, Franchisor shall have the complete and unrestricted right to operate or license other persons to operate a restaurant utilizing the System in the Territory.

2. INITIAL DEVELOPMENT SCHEDULE

2.1 Developer shall develop a total of _____ Restaurants franchised by Franchisor in the Territory during the period commencing on the date hereof and expiring on _____, 20____, in accordance with the following development schedule:

(a)¹ During the first Initial Development Period under this Agreement, Developer shall develop at least _____ Restaurants within the Territory, each of which shall be open for operation and doing business on _____, _____ (the end of the first Initial Development Period under this Agreement).

¹ The periods specified in Subsection 2.1(a)-(c) may be revised, deleted or added to in order to reflect the number of Restaurants Developer is obligated to develop and the time in which the Developer is obligated to open such Restaurants.

(b) During the second Initial Development Period under this Agreement, Developer shall develop the number of Restaurants within the Territory necessary to result in the existence of _____ such Restaurants developed by Developer which are open for operation and doing business on _____, _____ (the end of the second Initial Development Period under this Agreement).

(c) During the third Initial Development Period under this Agreement, Developer shall develop the number of Restaurants within the Territory necessary to result in the existence of _____ such Restaurants developed by Developer which are open for operation and doing business on _____, _____ (the end of the third Initial Development Period under this Agreement).

Each of the periods specified in Subparagraphs (a) through (____) hereof is sometimes referred to hereinafter as an “**Initial Development Period**.”

2.2 During any Initial Development Period, subject to the provisions of this Agreement, Developer is free to develop more than the total minimum number of Restaurants which Developer is required to develop during that Initial Development Period. Any such Restaurants developed, open for operation and doing business during an Initial Development Period in excess of the minimum number required to be developed during that Initial Development Period shall be applied to satisfy Developer’s development obligation during the next succeeding Initial Development Period or next succeeding Subsequent Development Period (as defined in Section 3 hereof), if any, as the case may be. Notwithstanding the above, Developer shall not develop more than the total number Restaurants approved by Franchisor for development under this Agreement.

2.3 Strict compliance with the development schedule specified in Subsection 2.1 hereof is of the essence of this Agreement. If Developer fails to fulfill its specified development obligation with respect to any of the Initial Development Periods specified in Subsection 2.1 hereof, this Agreement shall terminate 60 days after the end of the Initial Development Period in question, unless by the end of such 60 day period Developer has fulfilled the development obligation relating to such Initial Development Period.

3. **SUBSEQUENT DEVELOPMENT SCHEDULE; DEVELOPMENT OBLIGATIONS GENERALLY**

3.1 During the period commencing on _____, 20____, and expiring on _____, 20____, Developer shall develop and open for business in the Territory, in accordance with the parameters established under Subsection 3.2, that number of additional Restaurants as is required to achieve at the end of such period, a total number of Restaurants open for business within the Territory which, after including the Restaurants developed during the Initial Development Periods, will equal the Minimum Development Potential of the Territory (as defined herein below).

3.2 (a) Each consecutive period of two or more years, commencing with the period beginning on _____, 20____, is hereafter referred to as a “**Subsequent Development Period**.”

(b) On or before the commencement of each Subsequent Development Period, Franchisor shall provide to Developer in writing the number of Restaurants to be developed by Developer during such Subsequent Development Period (“**Subsequent Development Schedule**”), together with a detailed summary of the Minimum Development Potential calculations used to determine the Subsequent Development Schedule. The minimum development potential (“**Minimum Development Potential**”) shall be determined as follows:

(i) Each Area of Dominant Influence (“**A.D.I.**”), as determined by the 1988 Arbitron Ratings, comprising all or a portion of the Territory shall be placed into one of four market categories (“**Market Categories**”), identified as either a “**Small Market**,” defined as those A.D.I.’s containing less than

135,000 households in metropolitan counties within the Territory with incomes greater than \$25,000 (“**Income Qualified Metro Household**”); a “**Medium Market**,” defined as those A.D.I.’s containing 135,000 to 399,999 Income Qualified Metro Households; a “**Large Market**,” defined as those A.D.I.’s containing 400,000 to 1,399,999 Income Qualified Metro Households; or a “**Mega Market**,” defined as those A.D.I.’s containing 1,400,000 or more Income Qualified Metro Households (Small Market, Medium Market, Large Market or Mega Market may also be referred to herein individually as an “**A.D.I. Market**” or collectively as “**A.D.I. Markets**.” The income level set forth above may, but need not, be adjusted upward or downward by Franchisor once every five years in order to reflect changes in household income, such adjustments to be determined by reference to the United States Census Bureau’s Median Household Income Index or if such index no longer exists at the time it is to be used, then the index employed shall be such other generally known index used by NPD Crest or other such similar company then used by Franchisor.

(ii) Each county within an A.D.I. Market shall be classified as a “**Metropolitan County**,” those counties with a total population greater than 50,000; a “**Small Town County**,” those counties with a total population of 20,000 to 50,000; or an “**Other County**,” those counties with a total population less than 20,000 (Metropolitan County, Small Town County and Other County may be for description purposes also referred to herein as a “**County Type**”).

(iii) Each A.D.I. Market shall at that time be assigned to one of four development groups according to the level of development penetration which Developer has achieved in the A.D.I. Market as compared to the level of development penetration achieved by all domestic development in the System. The four development groups will be determined by ranking each A.D.I. in the System within each of the Market Categories from most developed to least developed. The A.D.I.’s in ranking order from most developed to least developed shall then be divided into four substantially equal development groups: “**Opportunistic Group**,” “**Second Group**,” “**Third Group**” and “**Lower Limit Group**.” The average number of Restaurants per Income Qualified Metro Household developed by the top three territories in the System of the Second Group in each A.D.I. Market category shall be the development target for each such A.D.I. Market category (“**Penetration Target**”).

(iv) The total number of Restaurants to be developed by Developer in each Metropolitan County of an A.D.I. Market shall be equal to the number of Income Qualified Metro Households in such A.D.I. Market divided by the Penetration Target (“**Metropolitan Development Potential**”). The Metropolitan Development Potential minus the number of Restaurants in each Metropolitan County then open and operating in said A.D.I. Market shall be the number of Restaurants in each Metropolitan County then available for development in the A.D.I. Market (“**Metropolitan Development Balance**”).

(v) The Minimum Development Potential shall be the maximum number of Restaurants Franchisor may include on the Subsequent Development Schedule and thus require Developer to develop in the A.D.I. Market during the next Subsequent Development Period; subject, however, to the minimum and maximum development criteria outlined in paragraph (c) and (d) of this Subsection 3.2. In the event, however, a particular A.D.I. Market is in the Opportunistic Group, Developer and Franchisor shall negotiate in good faith a mutually agreeable Subsequent Development Schedule; provided, however, said Subsequent Development Schedule shall not reflect a number of Restaurants less than the remaining undeveloped portion of the Metropolitan Development Potential, nor shall the Developer be required (without its consent) to develop more than the remaining undeveloped portion of the Metropolitan Development Potential.

(c) During each Subsequent Development Period that Developer has less than ten Restaurants open and operating in the Territory, Developer shall be required to develop no more than one Restaurant each calendar year that the number of Restaurants in Developer’s Territory does not meet or exceed the Minimum Development Potential of the Territory. During each Subsequent Development Period that Developer has ten or more Restaurants in the Territory, Developer shall be required to develop no more than

two Restaurants each calendar year that the number of Restaurants in the Territory does not meet or exceed the Minimum Development Potential for the Territory.

(d) Notwithstanding the Minimum Development Potential for which Developer might otherwise be obligated in order to satisfy the Penetration Target for the Territory, Developer shall not be required to develop more than 10 Restaurants in any one calendar year in the Territory. In the event Developer holds other development agreements with the System or the Principal Shareholders of Developer are the identical Principal Shareholders of other entities who hold other development agreement(s) within the System (such other entities being defined hereunder as “**Affiliates**”), Developer, together with such Affiliates, may limit its combined development under all such development agreements to no more than 10 Restaurants in the aggregate in any calendar year. Provided, however, Developer and Principal Shareholder(s) hereby acknowledge that if Developer exercises its option under this provision to limit its combined development with its Affiliates and after so limited its development, Developer (together with its Affiliate) does not achieve such aggregate development, Developer shall be in default under that development agreement (or all such development agreements as the case may be) but only such development agreement(s) which did not meet the individual Subsequent Development Schedule calculated and agreed to for that individual development agreement.

(e) If the Developer has timely developed and opened for operation the Restaurant called for by the Initial Development Schedule and thereafter during a Subsequent Development Period objects to the development of the last Restaurant required during that Subsequent Development Period under Article 3 hereof, then Franchisor hereby grants Developer the right to make a written demand for a study as to whether said last Restaurant may be located in the Territory or whether said Restaurant will at that time cannibalize the sales and traffic with respect to its other existing Restaurants in the Territory. In the event a written request for such a study is received by Franchisor prior to the end of the Subsequent Development Period in question and prior to any default under the Development Agreement, then in such an event, Franchisor and Developer shall in good faith attempt to resolve the issue regarding whether the last Restaurant should or should not be developed and opened. If an agreement cannot be reached (which process may include the Franchisor and Developer ordering a PIN study at Developer’s cost), Franchisor and Developer shall submit the disagreement to the National Franchise Mediation Board (“**NFMB**”), as herein defined below, for handling and disposition. The submission of said disagreement will be in accordance with subsection 3.2 (f)(i) hereof.

(f) The following shall apply to the submission to the NFMB pursuant to the preceding paragraph:

(i) The disagreement shall be submitted by the Developer by way of a written demand for mediation tendered to Franchisor within 30 days after Franchisor has indicated to Developer that an agreement cannot be reached. Developer will deposit \$35,000 with Franchisor at the time of the filing of its written demand for mediation. If the demand or the deposit or either or both of them are not so timely made, then in such an event, the Developer shall be deemed to have waived its right to request mediation and further, shall be deemed to have elected to accept the full number of Restaurants Franchisor had determined for the Subsequent Development Period then in question. The NFMB will determine in its sole discretion the procedure, time limits and additional filing and responses required with respect to the mediation. However, it is understood and agreed by all parties that the mediation is intended to provide a more expeditious resolution of the matter submitted to the NFMB. The mediation decision to be rendered by the NFMB will be binding upon all parties to the mediation. The party for whom a favorable decision is rendered shall receive from the other party reimbursement for all out-of-pocket costs and expenses, including attorneys’ fees incurred and any PIN study conducted with respect to the mediation, which are determined to be reasonable by the NFMB.

(ii) At the conclusion of the mediation, the NFMB shall issue its decision either supporting Developer and indicating that the last Restaurant need not be developed as a part of the Subsequent Development Period in question, or conversely, supporting Franchisor and indicating that the last Restaurant

should be a part of the development for that Subsequent Development Period. If the decision of the NFMB supports the Developer, then in such an event, the Developer shall maintain its rights to the Territory, and shall continue to maintain its right to develop therein in the future. Provided, however, Franchisor may request further development during future Subsequent Development Periods. In addition, Franchisor shall reimburse Developer the \$35,000 previously deposited at the commencement of the mediation process.

(iii) If the decision of the NFMB supports the Franchisor, then in such an event, the Developer shall be required to construct and open the last Restaurant, pursuant to the development schedule originally listed as a part of the Subsequent Development Period so in question. In addition, the funds previously deposited by Developer with Franchisor shall be applied to the Franchise Fee due for such Restaurant. However, in the event Developer fails to develop the Restaurant, the \$35,000 shall be forfeited and shall become the exclusive property of Franchisor and further, the development rights granted by the Development Agreement shall terminate and be of no further force and effect.

(iv) If, after a new developer has been appointed to open the last Restaurant, and said Restaurant has opened for operation, and within the first 12 months of operation of said Restaurant, Developer believes that said new developer's Restaurant has had a significant cannibalization effect upon one or more of Developer's Restaurants, then in such an event, the Developer may avail itself of the following post impact process ("**Post Impact Process**"). The Post Impact Process will consist of the submission of the positions of the Developer, new developer and Franchisor to the NFMB for study and mediation. The Post Impact Process is and shall be from time to time more fully outlined in the Manuals. The NFMB shall have the right to issue a non-binding determination as to whether or not the Developer's Restaurant or Restaurants (as the case may be) were, in fact, significantly cannibalized as contended by Developer and if so determined, a recommendation on whether any and what type of royalty relief or other relief, if any, shall be granted Developer. The parties agree to exhaust the foregoing remedies and seek the mediation provided by the NFMB prior to submitting the matter to any judicial tribunal.

3.3 Strict compliance with the development schedule established in accordance with Subsection 3.2 hereof is of the essence of this Agreement. If Developer shall fail to fulfill its specified development obligation with respect to any Subsequent Development Period, this Agreement shall automatically terminate 60 days after the end of the Subsequent Development Period in question, unless by the end of such 60-day period Developer has fulfilled the development obligation relating to such Subsequent Development Period.

3.4 If, during the term of this Agreement: (a) Developer transfers or disposes of any Restaurant developed hereunder in accordance with the provisions hereof, or for any other reason ceases to operate any Restaurant developed hereunder; and (b) after such transfer or other cessation of operation the premises no longer are utilized for the operation of a Restaurant, Developer's development obligation in the Initial or Subsequent Development Period in which such transfer or other cessation of operations occurred shall increase by the number of Restaurants which Developer so transferred, disposed of or which otherwise ceased to operate.

3.5 Notwithstanding the foregoing Subsection 3.2 and in addition thereto, Franchisor shall further divide those counties identified as Small Town Counties and Other Counties ("**STC**") and provide for the development of such counties.

(a) Franchisor shall request Developer to commit to develop and open for operation pursuant to a pre-determined development schedule the number of Restaurants utilizing a Small Town Restaurant prototype ("**STC Restaurant**") and in the specified counties set forth on the written request tendered to Developer by Franchisor (the "**STC Notice**"). The STC Notice provided Developer will further reflect the proposed development schedule for all such STC Restaurants. Within 30 days of Developer's receipt of such STC Notice, Developer shall indicate in writing whether it desires to develop an STC Restaurant

in all or a portion of the counties listed. Thereafter, the development schedule suggested in the STC Notice will be adjusted by the Franchisor, using the same pace of development as set forth in Subsection 3.2(c) and Subsection 3.2(d). With respect to this process, the Franchisor and Developer will review the development feasibility of each county listed in the STC Notice, giving appropriate consideration to such factors as liquor license availability, proximity to existing Restaurants, the presence or absence of competitive concepts and other such matters as Franchisor deems appropriate. Any counties removed from the purview of the STC Notice by such negotiations will be returned to the pool of unused counties for possible future development. At or before the conclusion of the 30-day notice period, unless otherwise extended in writing, Developer shall:

(i) Signify its agreement to develop in accordance with the STC Notice in all of the listed counties and in accordance with the proposed development schedule included with the revised STC Notice and as a result, Developer's right to develop Restaurants in the Territory as previously granted remains unaffected;

(ii) Signify its agreement to develop an STC Restaurant in a portion of the STC Notice listed counties, and in such an event, Developer shall no longer have the right to develop Restaurants in the counties in which it chose not to develop the STC Restaurant and will be subject to the terms set forth in subparagraph (c) below; or

(iii) Reject the development of an STC Restaurant in all of the STC Notice listed counties, and in such an event, Developer shall no longer have the right to develop Restaurants in the counties listed in the final STC Notice and will be subject to the terms of subparagraph (c) below; or

(iv) Seek mediation of the inclusion of one or more of the counties in the STC Notice with the National Franchise Mediation Board in accordance with Subsection 3.6(b); or

(v) Fail to respond in writing to the STC Notice, in which event the Developer will no longer have the right to develop Restaurants in the counties set forth in the STC Notice and will be subject to the terms of subparagraph (c) below.

(b) In the event the Developer contests the STC Notice as referenced in subsection 3.6(a)(iv) above, such disagreement shall be submitted for mediation to the National Franchise Mediation Board, which shall be comprised of two individuals appointed by Franchisor, two individuals appointed by the Franchise Business Council and one individual chosen by the foregoing four individuals, in accordance with the following:

(i) Developer will deposit with Franchisor at the time of the filing of its written demand for mediation an amount equal to \$35,000 times the number of counties about which Developer is contesting development. Notwithstanding the foregoing, in no event shall less than \$35,000 be so deposited. If the deposit is not so timely made, then in such an event, the Developer shall be deemed to have waived its right to request mediation and further, deemed to have elected alternative (v) as set forth in subparagraph 3.6(a).

(ii) The NFMB will determine in its sole discretion the procedure, time limits and additional filing and responses required with respect to the mediation. However, it is understood and agreed by all parties that the mediation is intended to provide a more expeditious resolution of the matter submitted to the NFMB.

(iii) The mediation decision to be rendered by the NFMB will be binding upon all parties to the mediation.

(iv) The party for whom a favorable decision is rendered shall receive from the other party reimbursement for all out-of-pocket costs and expenses, including attorneys' fees, incurred with respect to the mediation which are determined to be reasonable by the NFMB.

(v) At the conclusion of the mediation, the NFMB shall issue its decision either supporting Developer and indicating that the county(ies) to which the Developer objected shall be removed from the STC Notice and returned to the pool of unused county(ies), or conversely, supporting Franchisor and indicating that the county(ies) about which an objection was raised should be so included in the STC Notice and therefore an STC Restaurant should be developed therein.

(vi) If the decision of the NFMB supports the Developer, then in such an event, the Developer shall maintain its right to the county(ies) in question, and shall continue to maintain its right to develop therein in the future. In addition, the amount deposited by Developer shall be refunded to Developer.

(vii) If the decision of the NFMB supports the Franchisor, then in such an event, the Developer shall be required to construct the STC Restaurant in the county(ies) in question, pursuant to the development schedule originally listed in the STC Notice. The funds previously deposited by Developer with Franchisor shall be applied to the Franchise Fee due for each of said units at the rate of \$35,000 per each unit. In the event Developer fails to develop some or all of the STC Restaurants in the county(ies) here in question, any unused deposit shall be forfeited and further, the Developer's rights to the county(ies) in which no development occurred shall be terminated and not subject to any first right of refusal rights, notwithstanding anything herein to the contrary.

(c) Except as otherwise provided in subparagraph 3.6(b) hereof, in the event that the Developer, after receiving its STC Notice, falls within the purview of subsections 3.6(a)(ii), (iii), or (v) above, the counties for which the Developer rejected the right to develop an STC Restaurant, Franchisor may in its discretion seek another franchisee to develop the rejected counties or develop STC Restaurants in those counties on its own. Upon the identification of a *bona fide* prospective franchisee for those counties or upon the determination by Franchisor that it will develop those counties, Franchisor shall provide Developer with a written first right of refusal notice ("**FROR Notice**"), which FROR Notice will set forth the counties in question and the schedule of development. Developer shall have 30 days within which to respond to such FROR Notice in writing. Such response shall be solely to accept or reject in whole its right of refusal. No partial acceptances will be honored by the Franchisor. In the event the Developer fails to respond or responds and indicates its desire not to develop the counties listed, then Developer's right to develop such counties shall no longer be valid and exclusivity rights previously granted in the Development Agreement as to those counties shall be of no further effect, and in such an event the Franchisor may grant a third party prospective franchisee the right to develop STC Restaurants in those counties or develop STC Restaurants itself, without regard to the Developer. Conversely, if the Developer responds to the FROR Notice in writing and indicates its desire to build the STC Restaurants listed in compliance with the schedule set forth, and at the same time tenders a non-refundable deposit in the amount of thirty five thousand dollars (\$35,000) for each of the Restaurants to be developed in the counties listed in the FROR Notice, the Developer shall have the right to develop said STC Restaurants and shall further retain the right to develop Restaurants in the counties so listed.

(d) As to the other counties unallocated under the foregoing process set forth in subsection (c) above, Franchisor may issue future notices regarding development of the same STC Restaurants for use in some or all of the counties. Further, Franchisor may create other new small town prototypes using the System developed for the Restaurants, which extend the brand name but which would more likely be adaptable to the demographics shown for some or all of the other counties which have not been identified for development under the preceding sentence or under subparagraph (b) above. As each such release (which may be in one or more increments) is developed by the Franchisor, the same procedures set forth in subparagraphs (a) and (b) above shall apply.

(e) The development and opening of an STC Restaurant in a listed county will not apply to or substitute for the development required under Section 2.1 hereof. However, in the event Developer fails to develop and open the Restaurants called for under Section 3.6(a) hereof pursuant to the schedule established by Franchisor, such default in development shall only affect the Developer's right to open and operate in the counties so listed. If Developer fails to open one or more of the STC Restaurants in the total aggregate time period set forth in the schedule, then in such an event, Developer shall lose its rights to develop any STC Restaurants in the counties listed in the STC Notice or the FROR Notice (as the case may be) wherein no Restaurant is in operation and further, the exclusivity provided by this Development Agreement shall be of no further force or effect with respect to those counties listed in said Notice (but only as to said affected counties) and Franchisor may grant development rights to a third party or develop said counties itself. It is understood that the 60-day period provided for in Section 2.3 of the Development Agreement shall apply to all of the Restaurants to be developed under this paragraph.

4. FRANCHISE FEE AND ROYALTY RATE

4.1 Developer shall pay Franchisor a franchise fee of \$35,000 with respect to each Restaurant which is developed pursuant to this Agreement during the Initial Development Periods. Thereafter, Developer shall pay Franchisor a franchise fee in an amount which is equal to the amount of the franchise fee then in effect at the time of the issuance of the franchise agreement for each additional restaurant to be opened during any Subsequent Development Period. The amount of the franchise fee shall be set forth in the franchise disclosure document received by the Developer from Franchisor immediately preceding the issuance of such franchise agreement. Simultaneously with the execution of this Agreement, Developer shall pay to Franchisor, by certified check, wire transfer, or other electronic transfer, the amount of \$_____ ("**Franchise Fee Deposit**"). Said Franchise Fee Deposit shall be equal to \$10,000 for each of the Restaurants to be developed during the Initial Development Periods. The remaining balance of the franchise fees for each of the Restaurants to be developed during the Initial Development Periods shall be paid by certified check, wire transfer or electronic funds transfer as follows: half of the balance shall be paid upon signing a franchise agreement for that Restaurant and the remaining balance shall be paid 14 days prior to the scheduled opening of the Restaurant. The Franchise Fee Deposit shall be proportionately allocated to the franchise fee due with respect to each Restaurant to which it applies, provided Developer timely opens such Restaurant. The franchise fee with respect to each Restaurant to be developed during a Subsequent Development Period or with respect to any additional Restaurants developed during the Initial Development Periods shall be paid by certified check, wire transfer or electronic funds transfer in the same manner. The Franchise Fee Deposit is non-refundable and any amount that has not been applied toward a franchise fee will be forfeited.

4.2 Developer shall have no right to recover from Franchisor, directly or indirectly, any of the franchise fees which are prepaid pursuant to Subsection 4.1 hereof.

4.3 As partial consideration for the rights granted to Developer pursuant to the franchise agreements covering the Restaurants which Developer develops hereunder, Developer (as franchisee under each such franchise agreement) shall pay Franchisor a monthly royalty fee as determined by Franchisor. Until January 1, 2021, the monthly royalty fee shall not exceed 4% of each calendar month's gross sales (as that term is defined in the form of franchise agreement which is attached hereto as **Appendix B**). Thereafter, the monthly royalty fee shall be as determined by Franchisor.

4.4 Pursuant to its obligations hereunder and under the applicable franchise agreements, Franchisor will make various expenditures in connection with the development of prospective Restaurant sites by Developer, including expenditures for travel, lodging, meals, obtaining of information about prospective sites, demographic information, traffic counts, and inquiries into local laws and ordinances. Developer shall promptly notify Franchisor of a decision to cease development of a prospective Restaurant site. In the event that Developer fails to open a restaurant at any such site, in lieu of the payment of the franchise fee therefor, Franchisor in its sole discretion may require Developer to reimburse Franchisor for Franchisor's expenditures

with respect to that site. In such event, Franchisor shall provide Developer with an itemized list of Franchisor's expenditures with respect to that site after Franchisor receives notice that Developer no longer intends to develop a Restaurant at that site, and Developer shall reimburse Franchisor for such costs within 30 days after receiving such list.

5. SITE APPROVALS: PLANS AND SPECIFICATIONS

5.1 Developer assumes all cost, liability, expense and responsibility for locating, obtaining, financing and developing sites for Restaurants, and for constructing and equipping Restaurants at such sites. To assist Developer in the site selection process, Franchisor will provide Developer with certain demographic information regarding the site for a fee, will conduct an on-site inspection (if deemed necessary by Franchisor), and, at no additional cost, will review any lease or contract under negotiation for the prospective site; provided, however, such review does not mean that Franchisor is required to have an attorney review such lease. The development of a Restaurant at any site must be approved by Franchisor in accordance with its then-existing site approval procedure. In connection with a request for approval of a proposed site for a Restaurant, Developer shall provide a related contract of sale or lease agreement and such other information and material as the Franchisor may reasonably require. Franchisor's approval of a prospective Restaurant site shall not be unreasonably withheld. Franchisor shall notify Developer whether it approves a proposed site and the related contract of sale or lease agreement within 45 days of the first date after Franchisor receives Developer's request for approval and all of Franchisor's prerequisites to consideration of a site for approval have been satisfied. Failure of Franchisor to so notify Developer within such 45 day period shall be deemed to be an approval of such site and the related contract of sale or lease agreement. Developer acknowledges that Franchisor's approval of a prospective site for a Restaurant does not constitute a representation, promise or guarantee by Franchisor that a Restaurant operated at that site will be profitable or otherwise successful. Developer shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for a Restaurant unless Franchisor has approved that site in accordance with Franchisor's then-existing site approval procedure. After Franchisor has approved a site for a Restaurant, Developer shall provide Franchisor with a copy of the executed contract of sale or lease, as applicable, relating to the site within a reasonable period of time.

5.2 For each Restaurant which Developer develops pursuant to this Agreement, Franchisor will make available to Developer Franchisor's specifications for a typical Restaurant. Developer will obtain architectural and engineering services independently and at its own expense. Franchisor shall have the right to review all such architectural and/or engineering plans which Developer obtains and to prohibit the implementation of any plan, or part thereof, which Franchisor, in its sole and absolute discretion, believes is not consistent with the best interests of the System. In the event that Franchisor desires to prohibit the implementation of any such plan, or part thereof, Franchisor shall so notify Developer within 45 days of receiving such architectural and/or engineering plans for review. Failure of Franchisor to so notify Developer within such 45 day period shall be deemed to be an approval of such plans. In the event Franchisor does object to any such plan, Franchisor shall provide Developer with a reasonable detailed list of changes necessary to make such plans acceptable to Franchisor. Franchisor shall, upon resubmission of such plans, with such changes as Developer has prepared, notify Developer within 21 days of receiving such plans whether they are acceptable. Failure to so notify Developer within such 21-day period shall be deemed to be an approval of such amended plans.

5.3 If Developer acquires a leasehold interest in a site, Franchisor has the right to review and approve the lease. Franchisor may not approve any lease unless Developer and its landlord execute a rider to the lease in substantially the same form as attached hereto as **Appendix C**. The leasehold interest shall be for a term which is at least as long as the term of the form of franchise agreement which is attached hereto as **Appendix B**, and the lease shall provide that Developer may assign the lease or sublease the property to Franchisor or another Applebee's franchisee without the lessor having any right to impose conditions on such assignment or to obtain any payment in connection therewith. The lease must also contain such other

provisions as may be required by Franchisor's then current lease approval policy or required by the terms and conditions of Franchisor's approval of such site.

6. FEES AND FRANCHISE AGREEMENTS

Not later than 90 days prior to the scheduled opening of any Restaurant which has been developed pursuant to this Agreement, Developer shall deliver to Franchisor an executed franchise agreement substantially in the form which is attached hereto as **Appendix B**, provided, however, that the franchise agreement which Developer executes shall require the payment of a franchise fee in the amount described in Subsection 4.1, royalty fees as described in Subsection 4.3, and advertising payments at the rates then established by Franchisor with respect to new Restaurants, except that in no event shall such rates exceed 5% of a Restaurant's gross sales (as defined in Subsection 9.3 of the form of a franchise agreement which is attached hereto as **Appendix B**).

7. DEVELOPER ORGANIZATION, AUTHORITY, FINANCIAL CONDITION AND SHAREHOLDERS

7.1 Developer and each Principal Shareholder represent and warrant that: (a) Developer is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation; (b) Developer is duly qualified and is authorized to do business and is in good standing as a foreign corporation in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (c) the execution and delivery of this Agreement and the transactions contemplated hereby are within Developer's corporate power; (d) the execution and delivery of this Agreement have been duly authorized by the Developer; (e) the articles of incorporation and by-laws of Developer delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (f) the certified copies of the minutes electing the officers of Developer and authorizing the execution and delivery of this Agreement are true, correct and complete, and there have been no changes therein since the date(s) thereof; (g) the specimen stock certificate delivered to Franchisor is a true specimen of Developer's stock certificate; (h) the financial statement of Developer and financial statements of its Principal Shareholders, heretofore delivered to Franchisor, are true, complete and correct, and fairly present the financial positions of Developer and each Principal Shareholder, respectively, as of the date thereof; (i) such financial statements have been prepared in accordance with generally accepted accounting principles; and (j) there have been no materially adverse changes in the condition, assets or liabilities of Developer or Principal Shareholders since the date or dates thereof.

7.2 Developer and each Principal Shareholder covenant that during the term of this Agreement: (a) Developer shall do or cause to be done all things necessary to preserve and keep in full force its corporate existence and shall be in good standing as a foreign corporation in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (b) Developer shall have the corporate authority to carry out the terms of this Agreement; and (c) Developer shall print, in a conspicuous fashion on all certificates representing shares of its stock when issued, a legend referring to this Agreement and the restrictions on and obligations of Developer and Principal Shareholders hereunder, including the restrictions on transfer of Developer's shares.

7.3 In addition to its obligations pursuant to Subsection 7.1 hereof, Developer and Principal Shareholders shall provide Franchisor with such financial information as Franchisor may reasonably request from time to time, including, on an annual basis, copies of the then-most current financial statements of Developer and each Principal Shareholder, dated as of the end of the last preceding fiscal year of the Developer or Principal Shareholder, said statements to be delivered to Franchisor no later than April 15 of each year, which financial statements shall conform to the standards set forth in Subsection 7.1 hereof.

7.4 Developer and each Principal Shareholder represent, warrant and covenant that all Interests (as defined in Subsection 8.4 hereto) in Developer are owned as set forth on Appendix D hereto, that no Interest has been pledged or hypothecated (except in accordance with Section 8 of this Agreement), and that no change will be made in the ownership of any such Interest other than as permitted by this Agreement, or otherwise consented to in writing by Franchisor. Developer and Principal Shareholders agree to furnish Franchisor with such evidence as Franchisor may request, from time to time, for the purpose of assuring Franchisor that the Interests of Developer and Principal Shareholders remain as represented herein.

7.5 Each Principal Shareholder, jointly and severally, hereby personally and unconditionally guarantees each of Developer's financial obligations to Franchisor (including, but not limited to, all obligations relating to the payment of fees by Developer to Franchisor). Each Principal Shareholder agrees that Franchisor may resort to such Principal Shareholder (or any of them) for payment of any such financial obligation, whether or not Franchisor shall have proceeded against Developer, any other Principal Shareholder or any other obligor primarily or secondarily obligated to Franchisor with respect to such financial obligation. Each Principal Shareholder hereby expressly waives presentment, demand, notice of dishonor, protest, and all other notices whatsoever with respect to Franchisor's enforcement of this guaranty. In addition, each Principal Shareholder agrees that if the performance or observance by Developer of any term or provision hereof is waived or the time of performance thereof extended by Franchisor, or payment of any such financial obligation is accelerated in accordance with any agreement between Franchisor and any party liable in respect thereto or extended or renewed, in whole or in part, all as Franchisor may determine, whether or not notice to or consent by any Principal Shareholder or any other party liable in respect to such financial obligations is given or obtained, such actions shall not affect or alter the guaranty of each Principal Shareholder described in this Subsection.

7.6 Developer and each Principal Shareholder represent and warrant to Franchisor that:

(a) Neither Developer nor any Principal Shareholder or any other person with a direct or indirect ownership interest in Developer is identified, either by name or an alias, pseudonym or nickname, on the list of "Specially Designated Nationals and Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts available at www.treas.gov/offices/enforcement/ofac/). Further, Developer and its Principal Shareholders represent and warrant that neither has violated and agree that neither will violate any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons or entities who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act (text available at <http://www.epic.org/privacy/terrorism/hr3162.html>), U.S. Executive Order 13244 (text available at <http://treas.gov/offices/enforcement/ofac/sanctions/terrorism.html>), or similar law;

(b) Developer has not made, nor has any Principal Shareholder made, any expenditures other than for lawful purposes or directly or indirectly offered, gave, promised to give or authorized the payment or the gift of any money, or anything of value, to any person or entity, while knowing or having reason to know that all or a portion of such money or thing of value would be given or promised, directly or indirectly, to any government official, official of an international organization, officer or employee of a foreign government or anyone acting in an official capacity for a foreign government, for the purpose of: (1) influencing any action, inaction or decision of such official in a manner contrary to his or her position or creating an improper advantage; or (2) inducing such official to influence any government or instrumentality thereof to effect or influence any act or decision of such government or instrumentality.

(c) Developer nor any Principal Shareholder or any other person or entity who has any direct or indirect ownership interest is or will become directly or indirectly owned or controlled by governmental authorities of any country that is subject to a United States embargo; and

(d) Developer understands and its Principal Shareholders understand and have been advised by legal counsel on the requirements of the United States Foreign Corrupt Practices Act (currently

located at www.usdoj.gov/criminal/fraud/fcpa.html, any local foreign corrupt practices laws and the Patriot Act (currently located at www.epic.org/privacy/terrorism/hr3162.html, acknowledge the importance to Franchisor and the Restaurants and the parties' relationship of their respective compliance with the requirements of these laws, including any applicable auditing requirements and any requirement to report or provide access to information to Franchisor or any government, that is made part of any applicable law, and agree to take all steps required by their consultants, agents and employees to comply with such laws prior to engaging or employing any such individuals or entities.

8. TRANSFER

8.1 There shall be no Transfer of any Interest of Developer, or of a Principal Shareholder in Developer, in whole or in part (whether voluntarily or by operation of law), directly, indirectly or contingently, except in accordance with the provisions of this Section 8. “**Transfer**” and “**Interest**” are defined in Subsections 8.2, 8.3 and 8.4.

8.2 Except as provided in Subsection 8.3, “**Transfer**” shall mean any assignment, sale, pledge, hypothecation, gift or any other such event which would change ownership of or create a new Interest, including, but not limited to:

(a) any change in the ownership of or rights in or to any shares of stock or other equity interest in Developer which would result from the act of any shareholder of Developer (“**Shareholder**”), such as a sale, exchange, pledge or hypothecation of shares, or any interest in or rights to any of Developer’s profits, revenues or assets, or any such change which would result by operation of law; and

(b) any change in the percentage interest owned by any Shareholder in the shares of stock of Developer, or interests in its profits, revenues or assets which would result from any act of Developer such as a sale, pledge or hypothecation of any Restaurant assets (other than a pledge of assets to secure *bona fide* loans made or credit extended in connection with acquisition of the assets pledged); any sale or issuance of any shares of Developer’s stock; the retirement or redemption of any shares of Developer’s stock; or any sale or grant to any person of any right to participate in or otherwise to share or become entitled to any part of Developer’s profits, revenues, assets or equity.

8.3 “**Transfer**” shall not include: (a) a change in the ownership of or rights to any shares or other equity interest in Developer pursuant to a public offering of Developer’s securities registered under the Securities Act of 1933; or (b) a change in the ownership of or rights to any securities or other equity interest in Developer pursuant to a private offering of Developer’s securities exempted from registration under such Act, provided that Developer provides Franchisor with a copy of its prospectus and/or offering memorandum ten (10) days prior to its filing with the Securities and Exchange Commission or circulation to third parties so that Franchisor may comment and, if necessary, correct any information concerning Franchisor and/or the System, and further provided that after giving effect to any such public or private offering, the Principal Shareholders, or any of them, “control” Developer. For purposes of this Section 8, “**control**” means either: (1) owning legal and equitable title to 51% or more of the outstanding voting securities of Developer, which are not subject to a proxy granted to or contract with any other person or party granting that party the right to vote part or all of such securities; or (2) having and continually exercising the contractual power presently to designate a majority of the directors of Developer.

8.4 “**Interest**” shall mean, when referring to interests or rights in Developer, any shares of Developer’s stock, and any other equitable or legal right in or to any of Developer’s stock, revenues, profits or assets; when referring to rights or assets of Developer, Developer’s rights under and interest in this Agreement, any Restaurant and its revenues, profits and assets.

8.5 (a) The Interest of a Principal Shareholder may be transferred to such Principal Shareholder's spouse or children or to a person designated in such Principal Shareholder's will or trust (individually and collectively referred to as "**Successor**"), upon such Principal Shareholder's death or permanent incapacity, without Franchisor's approval, provided that such Successor shall agree to be bound by the restrictions contained in this Section 8, and the other agreements and covenants of the Principal Shareholders contained in this Agreement.

(b) The Interest of a Principal Shareholder may not be transferred to another Principal Shareholder without Franchisor's approval, which approval will not be unreasonably withheld.

(c) The Interest of a Successor may only be transferred in accordance with Subsection 8.5(b) or 8.8, regardless of whether such Transfer is for consideration or by gift or will or other device.

8.6 Until such date as Developer has developed and opened for operation 40% of the number of Restaurants required by Subsection 2.1 hereof and the number of Restaurants required by Subsection 3.1 hereof as said total aggregate number is set forth on **Appendix A**, Developer shall have no right to Transfer this Agreement or any rights or obligations under this Agreement, and any franchise agreements to be issued pursuant hereto shall be issued solely to the Developer, which as of the date of issuance of each such franchise agreement shall be owned by the Principal Shareholders to the extent hereinbefore provided. Any transfer or attempted transfer in contravention of this provision shall be void and of no effect. If, after the date Developer has developed and opened for continuous operation the number of Restaurants required by this Subsection 8.6, any of the Principal Shareholders desires to dispose of all or substantially all of the Interests of the Principal Shareholder(s) in Developer, or any of the Principal Shareholders (or Developer) desires to dispose of all or substantially all of Developer's Interest in this Agreement or in the assets which Developer has acquired pursuant to this Agreement, the Principal Shareholder(s) or Developer, as the case may be, shall notify Franchisor of that desire, in writing, 30 days before announcing that fact publicly or engaging the services of a broker or sales agent.

8.7 (a) If at any time any of the Principal Shareholders or Developer, as the case may be, obtains from a third party or third parties a *bona fide* offer (the "**Offer**") in writing for the purchase of all or substantially all of the Interests of the Principal Shareholders in Developer or in the Restaurant assets which Developer has acquired as a result of this Agreement, the Principal Shareholders or Developer shall give notice (the "**Selling Notice**") to Franchisor stating that the Principal Shareholders or Developer, as the case may be, have received the Offer, identifying the prospective purchaser by name and address, specifying the proposed purchase price and attaching a true and complete copy of the Offer, including all relevant materials required for approval by Franchisor. Notwithstanding the foregoing, however, Developer and Principal Shareholders understand and agree that, as provided in Subsection 8.6 hereof, until such time as Developer has developed and opened for operation the number of Restaurants required by said Subsection 8.6. hereof, any portion of any Offer regarding the right to develop Restaurants or Developer's Interest in this Agreement shall be invalid and of no force or effect, it being expressly understood and agreed that such rights may not be transferred, and any franchise agreements to be granted hereunder shall be issued solely to Developer, which shall be owned by the Principal Shareholders as hereinbefore set forth. At such time as Developer has developed and opened for operation the number of Restaurants required by Subsection 8.6, any portion of such an Offer regarding Developer's Interest in this Agreement shall be effective in accordance with its terms.

(b) Franchisor shall have an option to purchase (the "**Option**"), exercisable within a period of 45 days after receipt of the Selling Notice (the "**Option Period**"), such Interests at the price and on the conditions set forth in the Offer, except that Franchisor shall not be obligated to pay any finder's or broker's fee, and if the Offer provides for payment of consideration other than cash, or if the Offer involves certain intangible benefits, Franchisor may elect to purchase such Interests by offering a reasonable dollar value substitute for the non-cash/intangible benefits part of the Offer. Notwithstanding the foregoing, if Franchisor

exercises the Option, Franchisor: (a) will be entitled to receive representations and warranties from Developer and the Principal Shareholders, jointly and severally, that are customarily received by purchasers in similar transactions; and (b) will be permitted to not close if it is not satisfied with the results of its business, legal and financial due diligence.

(c) The Option shall be exercisable by Franchisor delivering to the Principal Shareholders or Developer, as the case may be, within the Option Period, a notice: (i) stating that the Option is being exercised; and (ii) specifying the time, date and place at which such purchase and sale will take place, which date shall be within 45 days after Franchisor delivers such notice. Developer shall provide Franchisor access to and copies of such information and documentation Franchisor shall request regarding the purchase prior to the start of the Option Period. The 45-day limitation for purposes of determining the sale date shall not apply if at the end of said 45-day period the only issue which prevents completion of the purchase and sale is the need to effect transfers of the applicable liquor licenses. In the event of such a delay, the purchase and sale shall take place within 10 days after those liquor licenses have been transferred.

(d) If the Option is not exercised, the Principal Shareholders or Developer, as the case may be, may sell the Interests in or of Developer to the third party which made the Offer, on conditions no more favorable to the third-party offerer than those set forth in the Offer, provided that Franchisor approves the proposed transferee in accordance with the criteria set forth in **Appendix E** and provided further that such sale takes place within 90 days after the expiration of the Option Period. The 90-day limitation described in the preceding sentence shall not apply if at the end of said 90-day period the issue which prevents completion of the purchase and sale is either the need to effect transfers of the applicable liquor licenses or consent or approval of the transaction by a state or federal regulatory agency. In the event of such a delay, the purchase and sale shall take place within 10 days after those issues have been resolved or waived by Franchisor. In the event of such a transfer, Franchisor may, in its discretion, require an amendment to Subsection 2.1 of this Agreement in order to increase or decrease the number of restaurants required thereby and the dates of the Initial Development Periods referred to therein.

(e) If the Option is not exercised, the Principal Shareholders or Developer, as the case may be, shall immediately notify Franchisor in writing of any change in the terms of an Offer. Any change in the terms of an Offer shall cause it to be deemed a new Offer, conferring upon Franchisor a new Option pursuant to this Subsection 8.7; the Option Period with respect to the new Option shall be deemed to commence on the day on which Franchisor receives written notice of a change in the terms of the original Offer. Provided however, in such an instance, Franchisor shall provide Franchisee its response within 15 days after Franchisor's receipt of all of the modified terms, unless such changes are deemed material by Franchisor and in such an event, Franchisor shall have a 45-day period within which to review said changes.

8.8 (a) Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer and that Franchisor has entered into this Agreement in reliance on the business skill and financial capacity of Developer, and the business skill, financial capability and personal character of each Principal Shareholder. Any transfer of Principal Shareholders' Interest in Developer or in Developer's Interest in this Agreement in contravention of this Section 8 shall cause the immediate termination of all development rights granted herein with respect to Restaurants not otherwise open for operation. Except as otherwise set forth in this Section 8, the Principal Shareholders shall at all times retain control of Developer. Except as otherwise provided in this Section 8, no Transfer of any part of Developer's Interest in this Agreement, and no Transfer of any Interest of any Principal Shareholder shall be completed except in accordance with this Subsection 8.8. In the event of such a proposed Transfer of any part of Developer's Interest in this Agreement, or of any Interest of any Principal Shareholder, the party or parties desiring to effect such Transfer shall give Franchisor notice in writing of the proposed Transfer, which notice shall set forth the name and address of the proposed transferee, its financial condition, including a copy of its financial statement dated not more than 90 days prior to the date of said notice, and all the terms and conditions of the proposed Transfer. Upon receiving such notice, Franchisor may: (i) approve the Transfer; or (ii) withhold its consent

to the Transfer. Franchisor shall, within 45 days of receiving such notice and all the information requested by Franchisor regarding the proposed Transfer and the parties thereto, advise the party or parties desiring to effect the Transfer whether it: (1) approves the Transfer; or (2) withholds its consent to the Transfer, giving the reasons for such disapproval. Failure of Franchisor to so advise said party or parties within that 45 day period shall be deemed to be approval of the proposed Transfer. **Appendix E** sets forth the criteria for obtaining Franchisor's consent to a proposed Transfer.

(b) In the event that Franchisor approves the Transfer, and the Transfer is not completed within 90 days of the later of: (i) expiration of the 45-day notice period; or (ii) delivery of notice of Franchisor's approval of the proposed Transfer; Franchisor's approval of the proposed Transfer shall automatically be revoked. The 90-day limitation described in the preceding sentence shall not apply if at the end of said 90-day period the only issue which prevents completion of the Transfer is the need to effect transfers of the applicable liquor licenses. In the event of such a delay, the Transfer shall take place within 10 business days after those liquor licenses have been transferred. Any subsequent proposal to complete the proposed Transfer shall be subject to Franchisor's right of approval as provided herein. The party which desires to effect the proposed Transfer shall immediately notify Franchisor in writing of any change in the terms of a Transfer. Any change in terms of a Transfer prior to closing shall cause it to be deemed a new Transfer, revoking any approval previously given by Franchisor and conferring upon Franchisor a new right to approve such Transfer, which shall be deemed to commence on the day on which Franchisor receives written notice of such change in terms.

8.9 In connection with any request for Franchisor's approval of a proposed Transfer to this Section 8, the parties to the proposed Transfer shall pay Franchisor a nonaccountable fee to defray the actual cost of review and the administrative and professional expenses related to the proposed Transfer and the preparation and execution of documents and agreements of \$2,500. For purposes of clarification, the transfer fee reflected in the preceding sentence relates to this Agreement only and does not limit the ability of Franchisor to charge fees in connection with other franchise agreements involved in the Transfer.

9. TERMINATION

9.1 This Agreement shall expire on _____, 20____, unless sooner terminated pursuant to the terms hereof.

9.2 Franchisor shall have the right to terminate this Agreement immediately upon written notice to Developer stating the reason for such termination, and Developer shall no longer have any of the rights created by this Agreement, in the event of:

(a) development by Developer of a Restaurant without first obtaining approval from Franchisor of the Restaurant site or of Developer's architectural and/or engineering plans in accordance with Section 5 hereof;

(b) any breach or default of any of the provisions of Sections 8 and 11 of this Agreement and Subsection 14.1 of any franchise agreement entered into pursuant to this Agreement;

(c) the filing by Developer of a petition in bankruptcy, an arrangement for the benefit of creditors, or a petition for reorganization; the filing against Developer of a petition in bankruptcy, an arrangement for the benefit of creditors, or petition for reorganization, not dismissed within 90 days of the filing thereof; the making of an assignment by Developer for the benefit of creditors; or the appointment of a receiver or trustee for Developer, which receiver or trustee shall not have been dismissed within 90 days of such appointment;

(d) the discovery by Franchisor that Developer made any material misrepresentation or omitted any material fact in the information which was furnished to Franchisor in connection with this Agreement;

(e) failure by Developer to locate and employ a Director of Operations who is approved by Franchisor in accordance with Subsection 12.2 within 90 days of the date of this Agreement or, with respect to a replacement Director of Operations, failure by Developer to locate such a replacement who is approved by Franchisor in accordance with Subsection 12.2 within 180 days of the date on which the last Director of Operations who was approved by Franchisor ceased to be employed by Developer in that capacity;

(f) any part of this Agreement relating to the payment of fees to Franchisor, or the preservation of any of the Marks, trade secrets or secret formulae licensed or disclosed hereunder or under any franchise agreement between Franchisor and Developer, for any reason being declared invalid or unenforceable;

(g) Developer or any Principal Shareholder being convicted of or pleading *nolo contendere* to a felony or any crime involving moral turpitude; or

(h) the franchisee under any franchise agreement executed pursuant to this Agreement committing a default subject to immediate termination under the franchise agreement.

9.3 Except as provided above in Subsection 9.2, if Developer defaults in the performance or observance of any of its other obligations hereunder or under any franchise agreement between Developer and Franchisor, and any such default continues for a period of 30 days after written notice to Developer specifying such default, Franchisor shall have the right to terminate this Agreement upon written notice to Developer. If Developer defaults in the performance or observance of the same obligation two or more times within a 12-month period, Franchisor shall have the right to terminate this Agreement immediately upon commission of the second act of default, upon written notice to Developer stating the reason for such termination, without allowance for any curative period.

9.4 This Agreement shall automatically terminate under the conditions and at the times specified in Subsection 2.3 and 3.3.

10. PREREQUISITES TO OBTAINING FRANCHISES FOR INDIVIDUAL RESTAURANT UNITS

10.1 Developer understands and agrees that this Agreement does not confer upon Developer a right to obtain a franchise for any Restaurant, but is intended by the parties to set forth the terms and conditions which, if fully satisfied, shall entitle Developer to obtain such a franchise, located within the Territory. Developer further understands that until the date Developer opens for operation all those Restaurants required under Subsection 8.6 of this Agreement, such aforesaid terms and conditions may only be satisfied by Developer (and not an assignee or transferee thereof), who shall remain at all times owned and controlled by the Principal Shareholders as herein set forth.

10.2 In the event that Developer shall have obtained Franchisor's approval of a particular proposed site for a Restaurant, and if Franchisor, in the exercise of its sole discretion, has granted Developer operational, financial and legal approval, then Franchisor will grant Developer a franchise for a Restaurant at the site in question. As used herein, Franchisor will give Developer "operational," "financial" and "legal" approval under the following circumstances:

"**Operational**" approval will be granted if Franchisor has determined, in the exercise of its sole discretion, that Developer is conducting the operation of each of its Restaurants, and is capable of

conducting the operation of the proposed Restaurant, including physical aspects thereof: (a) in accordance with the terms and conditions of this Agreement; (b) in accordance with the provisions of the respective franchise agreements; and (c) in accordance with the standards, specifications and procedures set forth and described in the Franchise Operations Manual and in any other materials or manuals provided or made available to Developer by Franchisor (collectively, the “**Manuals**”), as such may be amended from time to time. Developer understands that changes in said standards, specifications and procedures may become necessary from time to time. Developer agrees to accept said changes, and Developer further agrees that it is within the sole discretion of Franchisor to make said changes;

“**Financial**” approval will be granted if: (a) Developer has been and is faithfully performing all terms and conditions under each of its existing franchise agreements with Franchisor; (b) Developer or its affiliates is not in default of any money obligations owed to Franchisor; and (c) Developer is not in default of any financial obligation to any of its suppliers, unless any such obligation is being disputed in good faith by the Developer. Developer acknowledges and agrees that it is vital to Franchisor’s interest that each of its franchisees be financially sound to avoid failure of a franchised business (which would adversely affect the reputation and good name of Franchisor and the System). Developer acknowledges and agrees that it is vital to Franchisor’s interest and to the interests of the System that Developer (in its capacity as franchisee) remain current in satisfying its financial obligations to its suppliers; and

“**Legal**” approval will be granted if Franchisor has determined, in the exercise of its sole discretion, that Developer has submitted to Franchisor, in a timely manner as requested, all information and documents requested by Franchisor prior to and as a basis for the issuance of individual franchises or pursuant to any right granted to Franchisor by this Agreement or by any franchise agreement between Developer and Franchisor, and has taken such additional actions in connection therewith as may be requested from time to time.

10.3 It is understood and agreed that the foregoing criteria apply to the operational, financial and legal aspects of any Restaurant franchised by Franchisor in which Developer or any Principal Shareholder has any legal or equitable interest, including, without limitation, indirect ownership interests. It is further understood and agreed that Developer and Principal Shareholders have an ongoing responsibility to operate each Restaurant in which Developer or any Principal Shareholder has any legal or equitable interest in a manner which satisfies the foregoing requirements for operational, financial and legal approval.

11. RESTRICTIONS

11.1 Developer and its Principal Shareholders acknowledge that over the term of this Agreement they are to receive proprietary information which Franchisor or its affiliates have acquired or developed over time at great expense, including, but not limited to, methods of site selection, marketing methods, product analysis and selection, and service methods and skills relating to the development and operation of Restaurants. They further acknowledge that this information, which includes, but is not necessarily limited to, that contained in the Manuals, is not generally known in the industry and is beyond their own present skills and experience, and that to develop it themselves would be expensive, time-consuming and difficult. Developer and Principal Shareholders further acknowledge that such information provides a competitive advantage and will be valuable to them in the development of their business, and that gaining access to it is therefore a primary reason why they are entering into this Agreement. Accordingly, Developer and its Principal Shareholders agree that such information, as described above, which may or may not be “trade secrets” under prevailing judicial interpretations or statutes, is private and valuable, and constitutes trade secrets belonging to Franchisor or its affiliates; and in consideration of Franchisor’s confidential disclosure to them of these trade secrets, Developer and Principal Shareholders agree as follows:

(a) During the term of this Agreement, neither Developer nor any Principal Shareholder, for so long as such Principal Shareholder owns an Interest in Developer, may, without the prior written consent

of Franchisor, directly or indirectly engage in, or acquire any financial or beneficial interest (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures) in, advise, help, guarantee loans or make loans to, any restaurant business whose menu or method of operation is similar to that employed by restaurant units within the System which is either: (i) located in the Territory; (ii) located in the Area of Dominant Influence (as defined and established from time to time by Arbitron Ratings Company) of any Restaurant developed pursuant to this Agreement; (iii) located within a five-mile radius of any restaurant unit within the System; or (iv) determined by Franchisor, exercising reasonable good faith judgment, to be a direct competitor of the System.

(b) Neither Developer, for two years following the termination of this Agreement, nor any Principal Shareholder, for two years following the termination of all of his or her Interest in Developer or the termination of this Agreement, whichever occurs first, may directly or indirectly engage in, or acquire any financial or beneficial interest (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures) in, advise, help, guarantee loans or make loans to, any restaurant business whose menu or method of operation is similar to that employed by restaurant units within the System which is located either: (i) in the Territory; (ii) in the Area of Dominant Influence (as defined and established from time to time by Arbitron Ratings Company) of any Restaurant developed pursuant to this Agreement; (iii) within a five-mile radius of any restaurant unit within the System; or (iv) within any area for which an active, currently binding development agreement has been granted by Franchisor to another franchisee as of the date of termination.

11.2 Neither Developer nor any Shareholder shall at any time: (a) appropriate or use the trade secrets incorporated in the System, or any portion thereof, in any other restaurant business which is not within the System; (b) disclose or reveal any portion of the System to any person other than to Developer's employees as an incident of their training; (c) acquire any right to use any name, mark or other intellectual property right which may be granted pursuant to any agreement between Franchisor and Developer, except in connection with the operation of a Restaurant; or (d) communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how of Franchisor or its affiliates concerning the methods of development or operation of a restaurant utilizing the System.

11.3 Developer and Principal Shareholders agree that the provisions of this Section 11 are and have been a primary inducement to Franchisor to enter into this Agreement, and that in the event of breach thereof Franchisor would be irreparably injured and would be without an adequate remedy at law. Therefore, in the event of a breach, or a threatened or attempted breach, of any of such provisions Franchisor shall be entitled, in addition to any other remedies which it may have hereunder or in law or in equity (including the right to terminate this Agreement), to a preliminary and/or permanent injunction and a decree for specific performance of the terms hereof without the necessity of showing actual or threatened damage, and without being required to furnish a bond or other security.

11.4 The restrictions contained in Subsection 11.1 above shall not apply to ownership of less than 2% of the shares of a company whose shares are listed and traded on a national securities exchange if such shares are owned for investment only, and are not owned by an officer, director, employee or consultant of such publicly traded company.

11.5 If any court or other tribunal having jurisdiction to determine the validity or enforceability of this Section 11 determines that it would be invalid or unenforceable as written, then the provisions hereof shall be deemed to be modified or limited to such extent or in such manner as necessary for such provisions to be valid and enforceable to the greatest extent possible.

12. DEVELOPMENT PROCEDURES

12.1 Franchisor will use its reasonable efforts to furnish Developer with advice in developing Restaurants and in selecting sites therefor.

12.2 Developer shall designate an individual employee who shall be personally responsible for Developer's activities during the term of this Agreement, and who shall devote his or her full-time, best efforts and constant personal attention, on a day-to-day basis, to Developer's activities in the Territory (the "**Director of Operations**"). Developer shall require that the Director of Operations maintain his or her principal personal residence in the Territory. Franchisor reserves the right to require that, as a condition of his or her employment with Developer, the Director of Operations, as well as each supervisory employee referred to in Subsection 12.3, must successfully complete Franchisor's interview process and a psychological profile test in a manner which satisfies a uniform standard established by Franchisor. The test shall be administered by Franchisor, or by a testing agency designated by Franchisor, at Developer's expense. Developer's designation of the first Director of Operations, and any subsequent Director of Operations, shall be subject to the written approval of Franchisor, which approval shall not be arbitrarily withheld, and shall also be subject to the time limitations described in Subsection 9.2(e) hereof. Franchisor shall notify Developer in writing within 21 days of receipt of Developer's request whether Franchisor disapproves such person. Failure by Franchisor to so notify Developer within that period shall be deemed to constitute Franchisor's approval of such person.

12.3 In the event that Developer desires to designate an employee (in addition to the Director of Operations) who will have supervisory authority over the development or operation of more than one Restaurant within the Territory, Developer's designation of such a supervisory employee shall be subject to the written approval of Franchisor, which approval shall not be arbitrarily withheld. Franchisor shall notify Developer in writing within 21 days of receipt of Developer's request whether Franchisor disapproves such person. Failure by Franchisor to so notify Developer within that period shall be deemed to constitute Franchisor's approval of such person. Developer shall require that any such supervisory employee maintain his or her principal personal residence in the Territory.

12.4 Developer shall require the Director of Operations to execute a confidentiality agreement and covenant not to compete in the form attached hereto as **Appendix F**. In addition, at Franchisor's request, Developer shall obtain from the Director of Operations an agreement verifying his or her employment status. Developer shall require that each other employee of Developer who will have supervisory authority over the development or operation of more than one Restaurant execute a confidentiality agreement in the form attached hereto as **Appendix G**. Developer shall be responsible for compliance of its employees with the agreements identified in this Subsection, including the payment of any costs needed to enforce the obligations.

12.5 (a) Developer shall require its Director of Operations and any other supervisory employee designated pursuant to Subsection 12.3 to attend and to successfully complete to Franchisor's reasonable satisfaction an operations training course provided by Franchisor. If the Director of Operations or any such supervisory employee fails to successfully complete Franchisor's operations training course, Franchisor may require designation of a new Director of Operations or replacement supervisory employee, as the case may be, and Developer shall designate a new Director of Operations or replacement supervisory employee who shall be required to successfully complete such training course.

(b) The Director of Operations and supervisory employees designated pursuant to Subsection 12.3 shall, from time to time as reasonably requested by Franchisor, attend and successfully complete to Franchisor's reasonable satisfaction a Franchisor-provided refresher course in restaurant operations.

12.6 With respect to each Restaurant within the Territory developed by Developer, Developer's employees must satisfy the training requirements described in Section 6 of Appendix B hereto. After Developer opens its first Restaurant pursuant to this Agreement, Franchisor may at its option, and subject to such conditions as Franchisor deems necessary, permit Developer (at Developer's own expense) to conduct a

portion of the required training at one of Developer's existing Restaurants. In that event, Developer will be required to provide qualified personnel to administer training tests and to maintain records relating to the training and performance of employees.

13. NO WAIVER OF DEFAULT

13.1 The waiver by any party to this Agreement of any breach or default, or series of breaches or defaults, of any term, covenant or condition herein, or of any same or similar term, covenant or condition contained in any other agreement between Franchisor and any other person, shall not be deemed a waiver of any subsequent or continuing breach or default of the same or any other term, covenant or condition in this Agreement, or in any other agreement between Franchisor and any other person.

13.2 All rights and remedies of Franchisor shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement. Franchisor's rights and remedies shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration or earlier termination of this Agreement shall not discharge or release Developer or any Principal Shareholder from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration or earlier termination of this Agreement.

14. FORCE MAJEURE

14.1 As used in this Agreement, the term "**Force Majeure**" shall mean any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government and any other similar cause not within the control of the party affected thereby.

14.2 If the performance of any obligation by any party under this Agreement is prevented or delayed by reason of Force Majeure, which cannot be overcome by use of normal commercial measures, the parties shall be relieved of their respective obligations to the extent the parties are respectively necessarily prevented or delayed in such performance during the period of such Force Majeure. The party whose performance is affected by an event of Force Majeure shall give prompt notice of such Force Majeure event to the other party by telephone (in each case to be confirmed in writing) or electronic mail, setting forth the nature thereof and an estimate as to its duration, and shall be liable for failure to give such timely notice only to the extent of damage actually caused.

15. CONSTRUCTION, SEVERABILITY, GOVERNING LAW AND JURISDICTION

15.1 If any part of this Agreement shall for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions shall remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid; provided however, that in the event any part hereof relating to the payment of fees to Franchisor, or the preservation of any of the Marks, trade secrets or secret formulae licensed or disclosed hereunder or pursuant to any franchise agreement between Franchisor and Developer is for any reason declared invalid or unenforceable, then Franchisor shall have the option of terminating this Agreement upon written notice to Developer. If any clause or provision herein would be deemed invalid or unenforceable as written, it shall be deemed to be modified or limited to such extent or in such manner as may be necessary to render the clause or provision valid and enforceable to the greatest extent possible in light of the interest of the parties expressed in that clause or provision, subject to the provisions of the preceding sentence.

15.2 DEVELOPER AND PRINCIPAL SHAREHOLDERS ACKNOWLEDGE THAT FRANCHISOR MAY ENTER INTO OTHER DEVELOPMENT AGREEMENTS THROUGHOUT THE UNITED STATES ON TERMS AND CONDITIONS SIMILAR TO THOSE SET FORTH IN THIS AGREEMENT, AND THAT IT IS OF MUTUAL BENEFIT TO DEVELOPER AND PRINCIPAL SHAREHOLDERS AND TO FRANCHISOR THAT THESE TERMS AND CONDITIONS BE UNIFORMLY INTERPRETED. THEREFORE, THE PARTIES AGREE THAT TO THE EXTENT THAT THE LAW OF THE STATE OF KANSAS DOES NOT CONFLICT WITH LOCAL FRANCHISE STATUTES, RULES AND REGULATIONS, KANSAS LAW SHALL APPLY TO THE CONSTRUCTION OF THIS AGREEMENT AND SHALL GOVERN ALL QUESTIONS WHICH ARISE WITH REFERENCE HERETO; PROVIDED HOWEVER, THAT PROVISIONS OF KANSAS LAW REGARDING CONFLICTS OF LAW SHALL NOT APPLY HERETO.

15.3 THE PARTIES AGREE THAT ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE PERFORMANCE THEREOF WHICH CANNOT BE AMICABLY SETTLED, EXCEPT AS OTHERWISE PROVIDED HEREIN WILL BE RESOLVED BY A PROCEEDING IN A COURT IN JOHNSON COUNTY, KANSAS, AND DEVELOPER AND THE PRINCIPAL SHAREHOLDERS EACH IRREVOCABLY ACCEPT THE JURISDICTION OF THE COURTS OF THE STATE OF KANSAS AND THE FEDERAL COURTS SERVING JOHNSON COUNTY, KANSAS FOR SUCH CLAIMS, CONTROVERSIES OR DISPUTES. EACH PARTY WAIVES ITS RIGHT TO A JURY TRIAL IN ANY COURT ACTION ARISING AMONG THE PARTIES UNDER THIS AGREEMENT OR OTHERWISE RELATED TO THIS AGREEMENT, WHETHER MADE BY CLAIM, COUNTERCLAIM, THIRD-PARTY CLAIM OR OTHERWISE.

The parties agree that service of process in any proceeding arising out of or relating to this Agreement or the performance thereof may be made as to Developer and any Principal Shareholder by serving a person of suitable age and discretion (such as the person in charge of the office) at the address of Developer specified in this Agreement and as to Franchisor by serving the president or a vice-president of Franchisor at the address of Franchisor or by serving Franchisor's registered agent.

16. MISCELLANEOUS

16.1 All notices and other communications required or permitted to be given hereunder shall be deemed given when delivered in person, by overnight courier service or mailed by registered or certified mail addressed to the recipient at the address set forth below, unless that party shall have given written notice of change of address to the sending party, in which event the new address so specified shall be used.

FRANCHISOR: Applebee's Franchisor LLC
10 W. Walnut St., 5th Floor
Pasadena, California 91103
Attention: General Counsel

DEVELOPER: _____

PRINCIPAL SHAREHOLDERS: _____

16.2 All terms used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine,

feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. The words “includes,” “including” and “inclusive” and the phrases “in particular,” “such as,” “i.e.” and “for example” when used in this Agreement shall be interpreted and construed so as not to limit the generality of the words of general application or nature which precede these words and phrases. The headings inserted in this Agreement are for reference purposes only and shall not affect the construction of this Agreement or limit the generality of any of its provisions.

16.3 Entire Agreement. This Agreement and the Exhibits incorporated herein contain all of the terms and conditions agreed upon by the parties hereto concerning the subject matter hereof. No other agreements concerning the subject matter hereof, written or oral, shall be deemed to exist or to bind any of the parties hereto and all prior agreements, understanding and representations are merged herein and superseded hereby. Notwithstanding the foregoing, nothing in this Agreement is intended to constitute a waiver by Franchisee of its rights to rely upon any disclosure contained in the most recent Franchise Disclosure Document delivered by Franchisor to Franchisee prior to the execution hereof. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto.

16.4 Except as expressly authorized herein, no amendment or modification of this Agreement shall be binding unless executed in writing both by Franchisor and by Developer.

16.5 In the event that any party to this Agreement initiates any legal proceeding to construe or enforce any of the terms, conditions and/or provisions of this Agreement, including, but not limited to, its termination provisions, or to obtain damages or other relief to which any party may be entitled by virtue of this Agreement, the prevailing party or parties shall be paid its reasonable attorneys’ fees and expenses by other party or parties.

16.6 Developer and the Principal Shareholders acknowledge and agree that: (i) this Agreement (and the relationship of the parties contemplated by this Agreement) grants Franchisor the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Developer’s explicit rights and obligations hereunder that may affect favorably or adversely Developer’s interests; (ii) Franchisor will use its business judgment in exercising such discretion based on Franchisor’s assessment of its interests and the System, balancing those interests with or against the interests of the operators of Restaurants generally (including Franchisor, its affiliates and other franchisees) and specifically without considering the individual interests of any particular franchisee; (iii) Franchisor will have no liability to Developer for the exercise of its discretion in this manner; and (iv) even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification for such action or decision, no trier of fact in any legal action shall substitute its judgment for Franchisor’s judgment so exercised, and such action or decision will not be subject to challenge for abuse of discretion.

If Franchisor takes any action or chooses not to take any action in Franchisor’s discretion with regard to any matter related to this Agreement and Franchisor’s action or inaction is challenged for any reason, the parties expressly direct the trier of fact that Franchisor’s reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of Franchisor’s discretion, without regard to whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as of the date first above written.

FRANCHISOR:
APPLEBEE’S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

DEVELOPER:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDERS:

Name: _____

Name: _____

APPENDIX A TO DEVELOPMENT AGREEMENT

TERRITORY

Franchisor specifically excludes from the Territory, and reserves the right to operate or license any other person to operate restaurants: (a) in, any location within an airport (served by one or more public or charter carrier), train station, bus terminal, port authority, campus at any college, university or other post-secondary education institution, hospitals and other health care facilities, arena, stadium, state or national park, or military fort, post or base, travel plaza or casino which may be within the boundaries of the Territory otherwise granted to Developer, or (b) provided that: (i) such restaurant is an Other Applebee's Concept (as defined below), (ii) such restaurant is in the form of a ghost kitchen, or (iii) such restaurant utilizes some aspect of the System (including menu items and Applebee's kitchens and/or facilities) but does not utilize the Applebee's Neighborhood Grill & Bar service mark.

As used herein, "**Other Applebee's Concepts**" means restaurants which: (a) feature self-serve or counter service and not full table service, (b) have a different or more limited menu than that offered at an Applebee's Restaurant, even though that menu may include certain authorized menu items authorized at Applebee's Restaurants, and (c) operate under a principal name and mark different from "Applebee's Neighborhood Grill & Bar" or "Applebee's" but which may include "Applebee's" together with an additional prefix or suffix.

For purposes of Section 8.6 only, 100% of the number of Restaurants required by Subsections 2.1 and 3.1 is _____ (_____).

APPENDIX B TO DEVELOPMENT AGREEMENT
FORM FRANCHISE AGREEMENT

APPENDIX C TO DEVELOPMENT AGREEMENT

APPLEBEE'S RESTAURANTS FRANCHISEE LEASE RIDER

This Lease Rider (this "**Rider**") is executed as of the ____ day of _____, 202_, by and between _____, as landlord ("**Landlord**") and _____, as tenant ("**Franchisee**"), as a Rider to that certain lease for the premises located at _____ (the "**Premises**"), dated as of _____ ("**the Lease**"). This Rider is hereby incorporated into, and made a part of, the Lease.

WHEREAS, Franchisee has executed or intends to execute a Franchise Agreement (the "**Franchise Agreement**") with Applebee's Franchisor LLC, a Delaware limited liability company (along with any successor franchisor of Applebee's restaurants, "**Franchisor**") for the operation of an Applebee's restaurant ("**Restaurant**") at the Premises, and as a requirement thereof, the Lease must include the provisions contained in this Rider; and

WHEREAS, Landlord and Franchisee agree that the terms contained herein shall supersede any terms to the contrary set forth in the Lease;

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Franchisee hereby agree as follows:

1. The effectiveness of the Lease is contingent upon Franchisor's approval of the Premises, the form of the Lease, and Franchisee's ability to obtain a liquor license for the Premises.
2. The Premises may be used, in addition to any other uses permitted under the Lease, for the operation of an Applebee's Restaurant, with the sale and service of alcoholic beverages for on premises consumption, and ancillary carry-out food service. Franchisee may operate Applebee's Restaurants at any other location without Landlord's approval.
3. Franchisor, its personnel or agents, for a period of up to 30 days after the expiration or sooner termination of the Lease or the Franchise Agreement, may enter the Premises for itself or on behalf of Franchisee to de-identify the Premises as a Restaurant, which may include the removal of signs, decor and materials displaying any marks, designs or logos owned by Franchisor or its affiliates, provided Franchisor shall bear the expense of repairing any and all damage to the Premises as a result thereof.
4. If Franchisee has an obligation to continuously operate its business at the Premises, Franchisee may cease operating for up to 60 days, from time to time, to perform repairs, enhancements or renovations, as required by the Franchise Agreement.
5. Notwithstanding any provision herein to the contrary, Franchisor shall have the absolute right, whether or not the Franchisee is in default under the Lease or under the Franchise Agreement and regardless of whether Landlord has delivered a notice of termination to Franchisee, upon written notice to Landlord, to succeed to Franchisee's interest in the Lease, which right shall also extend to Franchisor's affiliate, to any entity with which Franchisor may merge or consolidate, or to any person or entity which is an authorized franchisee of Franchisor (together with Franchisor, each, a "**Permitted Assignee**"), without Landlord's consent. Franchisee shall cooperate with Franchisor in connection with the foregoing. Following such an assignment, a Permitted Assignee also may sublet, assign or otherwise transfer its interest in the Lease to another Permitted Assignee without the consent of Landlord, provided that the assignor shall have no liability for any obligations of the assignee occurring from and after the date of assignment. There will be

no fee or expense charged in connection with such transfer.

Landlord and Franchisee acknowledge and agree that a Permitted Assignee will assume all of Franchisee's obligations under the Lease arising as a result of events, acts or omissions occurring from and after the date of assignment. In the event that Franchisee is in default of its obligations under the Lease as of the effective date of the assignment to a Permitted Assignee: a) the Permitted Assignee shall be obligated to cure such default, but only to the extent such default accrued not more than 30 days prior to the date Franchisor received notice of such default from Landlord; and b) Landlord may pursue, or continue to pursue, a claim for damages under the Lease against Franchisee, but will have no rights to terminate the Lease or to disturb the quiet possession of the Premises by the Permitted Assignee.

6. The Lease contains provisions addressing: a) the allocation of responsibility for the presence of hazardous materials within the Premises (and the larger property of which the Premises is a part, if any ("**Shopping Center**")); and b) to the extent the Premises is part of a Shopping Center with common areas, the Landlord's responsibility for compliance with the Americans With Disabilities Act of 1990, as amended, within the common areas.
7. Landlord hereby represents and warrants that it holds fee simple title to the Premises and has all requisite right, power and authority to lease the Premises to Franchisee. Landlord hereby agrees to obtain a non-disturbance agreement for the benefit of Franchisee: a) from the holder of any mortgage/deed of trust as of the date of the Lease; and b) as a condition to Franchisee's subordination to any mortgage/deed of trust granted after the date of the Lease.
8. In the event the Premises is part of a Shopping Center, Landlord agrees not to construct or change any improvements or landscaping in any manner which would impair the visibility of or access to the Premises, or the amount of parking available for use by Franchisee.
9. Copies of all notices required or permitted by the Lease shall also be sent to Franchisor at 10 W. Walnut St., 5th Floor, Pasadena, California 91103, Attn: General Counsel, or such other address as Franchisor may locate its Restaurant Support Center, at the same time notice is provided to Franchisee. Franchisor shall have the right, but not the obligation, upon giving written notice to Franchisee and Landlord, to cure any breach of the Lease.
10. The parties acknowledge that Franchisor is an intended third-party beneficiary of this Rider and has the right to enforce the terms of this Rider as if it was a party hereto.
11. In the event of any conflict between this Rider and the Lease, the terms of this Rider shall control, and the Lease may not be modified or amended in any manner inconsistent with the terms of this Rider.

LANDLORD:

FRANCHISEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

APPENDIX D TO DEVELOPMENT AGREEMENT

STATEMENT OF OWNERSHIP INTERESTS

Shareholder

Percent of Issued and
Outstanding Shares of Developer

APPENDIX E TO DEVELOPMENT AGREEMENT

REVIEW AND CONSENT WITH RESPECT TO TRANSFERS

In determining whether to grant or to withhold consent to a proposed Transfer, Franchisor shall consider all of the facts and circumstances which it views as relevant in the particular instance, including, but not limited to, any of the following: (i) work experience and aptitude of Proposed New Owner and/or proposed new management (a proposed transferee of a Principal Shareholder's Interest and/or a proposed transferee of this Agreement is referred to as "**Proposed New Owner**"); (ii) financial background and condition of Proposed New Owner, and actual and pro forma financial condition of Developer; (iii) character and reputation of Proposed New Owner; (iv) conflicting interests of Proposed New Owner; (v) the terms and conditions of Proposed New Owner's rights, if the proposed Transfer is a pledge or hypothecation; (vi) the adequacy of Developer's operation (as Franchisee) of any Restaurant and compliance with the System and this Agreement; and (vii) such other criteria and conditions as Franchisor shall then consider relevant in the case of an application for a new franchise to operate a restaurant unit within the System by an applicant that is not then currently doing so. Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Developer and Principal Shareholders, including the proposed Transferor(s), to execute a general release which releases Franchisor and its affiliates from any claims they may have had or then have against Franchisor and its affiliates. In the event Proposed New Owner is a partnership (including, but not limited to, a limited partnership), Proposed New Owner will also be required to execute an addendum to the Agreement which amends the references to Developer and its Principal Shareholders to include the partnership approved by Franchisor and Proposed New Owner's general partner(s) and the principal shareholders of the general partner(s), if the general partner(s) is a corporation. This addendum will contain a provision including in the definition of "**Transfer**" the withdrawal, removal or voluntary/involuntary dissolution (if applicable) of the general partner(s) or the substitution or addition of a new general partner. Developer or Principal Shareholders, as the case may be, shall provide Franchisor with such information as it may require in connection with a request for approval of a proposed Transfer. For purposes of clarification, nothing in this **Appendix E** shall limit Franchisor's discretion in granting or withholding consent to a Transfer or to require the applicable parties to agree to certain terms as a condition to obtaining consent to a Transfer.

APPENDIX F TO DEVELOPMENT AGREEMENT

CONFIDENTIALITY AGREEMENT AND COVENANT NOT TO COMPETE

THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ corporation (“**Developer**”), and _____, an individual employed by Developer (“**Employee**”).

WITNESSETH:

WHEREAS, APPLEBEE’S FRANCHISOR LLC (“**Applebee’s**”) has the right to grant franchises for all rights in and to a unique system for the development and operation of restaurants (the “**System**”), which includes proprietary rights in valuable trade names, service marks and trademarks, including the service mark Applebee’s Neighborhood Grill & Bar and variations of such mark, designs and color schemes for restaurant premises, signs, equipment, procedures and formulae for preparing food and beverage products, specifications for certain food and beverage products, inventory methods, operating methods, financial control concepts, a training facility and teaching techniques;

WHEREAS, Developer is the owner of the right to develop restaurants franchised by Applebee’s which utilize the System (“**Restaurants**”) for the period and in the Territory described in the Development Agreement between Applebee’s and Developer (the “**Development Agreement**”);

WHEREAS, Developer and Employee acknowledge that Applebee’s information as described above was developed over time at great expense, is not generally known in the industry and is beyond Developer’s own present skills and experience, and that to develop it itself would be expensive, time-consuming and difficult, that it provides a competitive advantage and will be valuable to Developer in the development of its business, and that gaining access to it was therefore a primary reason why Developer entered into the Development Agreement; and

WHEREAS, in consideration of Applebee’s confidential disclosure to Developer of these trade secrets, Developer has agreed to be obligated by the terms of Development Agreement to execute, with its Director of Operations, a written agreement protecting Applebee’s trade secrets and confidential information entrusted to Employee, and protecting against unfair competition;

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

(1) The parties acknowledge and agree that Employee is or will be employed in a supervisory or managerial capacity and in such capacity will have access to information and materials which constitute trade secrets and confidential and proprietary information. The parties further acknowledge and agree that any actual or potential direct or indirect competitor of Applebee’s or of any of its franchisees shall not have access to such trade secrets and confidential information.

(2) The parties acknowledge and agree that the System includes trade secrets and confidential information which Applebee’s has revealed or will reveal to Developer in confidence, and that protection of said trade secrets and confidential information and protection of Applebee’s against unfair competition from others who enjoy or who have had access to said trade secrets and confidential information are essential for the maintenance of goodwill and special value of the System.

(3) Employee agrees that he or she shall not at any time: (i) appropriate or use the trade secrets incorporated in the System, or any portion thereof, for use in any business which is not within the System;

(ii) disclose or reveal any portion of the System to any person other than to Developer's employees as an incident of their training; (iii) acquire any right to use, or to license or franchise the use of any name, mark or other intellectual property right which is or may be granted by any franchise agreement between Applebee's and Developer; or (iv) communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the methods of development or operation of a Restaurant which may be communicated to Employee or of which Employee may be apprised by virtue of Employee's employment by Developer. Employee shall divulge such confidential information only to such of Developer's other employees as must have access to that information in order to operate a Restaurant or to develop a prospective site for a Restaurant. Any and all information, knowledge and know-how, including, without limitation, drawings, materials, equipment, specifications, techniques and other data, which Applebee's designates as confidential, shall be deemed confidential for purposes of this Agreement.

(4) Employee agrees that for the duration of his or her employment by Developer, and for two years following termination thereof, Employee may not, without the prior written consent of Applebee's, directly or indirectly, for himself or through, on behalf of or in conjunction with any person, partnership or corporation, engage in or acquire any financial or beneficial interest (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures) in, advise, help, guarantee loans or make loans to, any restaurant business whose menu or method of operation is the same as or similar to that employed by restaurant units within the System which is located either: (a) in the Territory, as defined in the Development Agreement; or (b) in the Area of Dominant Influence (as defined and established from time to time by Arbitron Ratings Company) of any Restaurant developed pursuant to the Development Agreement.

(5) Employee further acknowledges and agrees that any materials and manuals provided or made available to Developer by Applebee's (collectively, the "**Manuals**"), described in Section 5 of the form of franchise agreement which is attached as **Appendix B** to the Development Agreement are loaned by Applebee's to Developer for limited purposes only, remain the property of Applebee's, and may not be reproduced, in whole or in part, without the written consent of Applebee's.

(6) Employee agrees to surrender to Developer or to Applebee's each and every copy of the Manuals and any other information or material in his or her possession or control upon request, upon termination of employment, or upon completion of the use for which said Manuals or other information or material may have been furnished to Employee.

(7) The parties agree that in the event of a breach of this Agreement, Applebee's would be irreparably injured and would be without an adequate remedy at law. Therefore, in the event of a breach or a threatened or attempted breach of any of the provisions hereof, Applebee's shall be entitled to enforce the provisions of this agreement as a third-party beneficiary hereof and shall be entitled, in addition to any other remedies which it may have hereunder at law or in equity (including the right to terminate the Development Agreement), to a temporary and/or permanent injunction and a decree for specific performance of the terms hereof without the necessity of showing actual or threatened damage, and without being required to furnish a bond or other security.

(8) The restrictions in Subsection (4) hereof shall not apply to ownership of less than 2% of the shares of a company whose shares are traded on a national securities exchange if such shares are owned for investment only, and are not owned by an officer, director, employee or consultant of such publicly traded company.

(9) If any court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be invalid or unenforceable as written, the provisions hereof

shall be deemed to be modified or limited to such extent or in such manner necessary for such provisions to be valid and enforceable to the greatest extent possible.

(10) In the event that any party to this Agreement or Applebee's initiates any legal proceeding to construe or enforce any of the terms, conditions and/or provisions of this Agreement, or to obtain damages or other relief to which any party may be entitled by virtue of this Agreement, the prevailing party or parties shall be paid its/their reasonable attorneys' fees and expenses by other party or parties.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as of the date first above written.

DEVELOPER:

EMPLOYEE:

By: _____
Name: _____
Title: _____

By: _____
Name: _____

APPENDIX G TO DEVELOPMENT AGREEMENT

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ corporation (“**Developer**”), and _____, an individual employed by Developer (“**Employee**”).

WITNESSETH:

WHEREAS, APPLEBEE’S FRANCHISOR LLC (“**Applebee’s**”) has the right to grant franchises for all rights in and to a unique system for the development and operation of restaurants (the “**System**”), which includes proprietary rights in valuable trade names, service marks and trademarks, including the service mark Applebee’s Neighborhood Grill & Bar and variations of such mark, designs and color schemes for restaurant premises, signs, equipment, procedures and formulae for preparing food and beverage products, specifications for certain food and beverage products, inventory methods, operating methods, financial control concepts, a training facility and teaching techniques;

WHEREAS, Developer is the owner of the right to develop restaurants franchised by Applebee’s which utilize the System (“**Restaurants**”) for the period and in the territory described in the Development Agreement between Applebee’s and Developer (the “**Development Agreement**”); and

WHEREAS, Developer acknowledges that Applebee’s information as described above was developed over time at great expense, is not generally known in the industry and is beyond Developer’s own present skills and experience, and that to develop it itself would be expensive, time-consuming and difficult, that it provides a competitive advantage and will be valuable to Developer in the development of its business, and that gaining access to it was therefore a primary reason why Developer entered into the Development Agreement; and

WHEREAS, in consideration of Applebee’s confidential disclosure to Developer of these trade secrets, Developer has agreed to be obligated by the terms of Development Agreement to execute, with each employee of Developer who will have supervisory authority over the development or operation of more than one Restaurant in the Territory described in the Development Agreement, a written agreement protecting Applebee’s trade secrets and confidential information entrusted to Employee;

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

(1) The parties acknowledge and agree that Employee is or will be employed in a supervisory or managerial capacity and in such capacity will have access to information and materials which constitute trade secrets and confidential and proprietary information. The parties further acknowledge and agree that any actual or potential direct or indirect competitor of Applebee’s, or of any of its franchisees, shall not have access to such trade secrets and confidential information.

(2) The parties acknowledge and agree that the System includes trade secrets and confidential information which Applebee’s has revealed to Developer in confidence, and that protection of said trade secrets and confidential information and protection of Applebee’s against unfair competition from others who enjoy or who have had access to said trade secrets and confidential information are essential for the maintenance of goodwill and special value of the System.

(3) Employee agrees that he or she shall not at any time: (i) appropriate or use the trade secrets incorporated in the System, or any portion thereof, for use in any business which is not within the System;

(ii) disclose or reveal any portion of the System to any person other than to Developer's employees as an incident of their training; (iii) acquire any right to use, or to license or franchise the use of any name, mark or other intellectual property right which is or may be granted by any franchise agreement between Applebee's and Developer; or (iv) communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the methods of development or operation of a Restaurant which may be communicated to Employee or of which Employee may be apprised by virtue of Employee's employment by Developer. Employee shall divulge such confidential information only to such of Developer's other employees as must have access to that information in order to operate a Restaurant or to develop a prospective site for a Restaurant. Any and information, knowledge and know-how, including, without limitation, drawings, materials, equipment, specifications, techniques and other data, which Applebee's designates as confidential, shall be deemed confidential for purposes of this Agreement.

(4) Employee further acknowledges and agrees that any materials or manuals provided or made available to Developer by Applebee's (collectively, the "**Manuals**"), described in Section 5 of the applicable franchise agreement between Applebee's and Developer, are loaned by Applebee's to Developer for limited purposes only, remain the property of Applebee's, and may not be reproduced, in whole or in part, without the written consent of Applebee's.

(5) Employee agrees to surrender to Developer or to Applebee's each and every copy of the Manuals and any other information or material in his or her possession or control upon request, upon termination of employment or upon completion of the use for which said Manuals or other information or material may have been furnished to Employee.

(6) The parties agree that in the event of a breach of this Agreement, Applebee's would be irreparably injured and would be without an adequate remedy at law. Therefore, in the event of a breach or a threatened or attempted breach of any of the provisions hereof, Applebee's shall be entitled to enforce the provisions of this Agreement as a third-party beneficiary hereof and shall be entitled, in addition to any other remedies which it may have hereunder at law or in equity (including the right to terminate the Development Agreement), to a temporary and/or permanent injunction and a decree for specific performance of the terms hereof without the necessity of showing actual or threatened damage, and without being required to furnish a bond or other security.

(7) If any court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be invalid or unenforceable as written, the provisions hereof shall be deemed to be modified or limited to such extent or in such manner necessary for such provisions to be valid and enforceable to the greatest extent possible.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as of the date first above written.

DEVELOPER

EMPLOYEE

By: _____
Name: _____
Title: _____

By: _____
Name: _____

ADDENDUM TO DEVELOPMENT AGREEMENT
[Limited Liability Company]

THIS ADDENDUM TO DEVELOPMENT AGREEMENT (“**Addendum**”) is entered this _____ day of _____, 20____, by and between Applebee’s Franchisor LLC, a Delaware limited liability company (“**Franchisor**”), _____, a _____ limited liability company (“**Developer**”), whose members are _____, a _____ (“_____”) and _____ (“_____”) _____ and _____ individually referred to as “**Member**” and collectively as “**Members**”), and _____, sole shareholder of _____ (“_____”) and _____, sole shareholder of _____ (“_____”) (Members, _____ and _____ individually referred to as “**Principal Shareholder**” and collectively as “**Principal Shareholder**”).

WITNESSETH:

WHEREAS, contemporaneous with the execution of this Addendum, Franchisor and Developer are executing an Applebee’s Neighborhood Grill & Bar Development Agreement (“**Development Agreement**”) granting Developer certain rights regarding the Territory therein described; and

WHEREAS, the same parties desire to amend the Development Agreement to reflect accurately the identity and nature of the parties to the Development Agreement as a result of Developer’s form of business as a limited liability company.

NOW, THEREFORE, the Development Agreement is hereby amended as follows:

1. Subsections 7.1, 7.2 and 7.6 of Section 7, entitled “DEVELOPER ORGANIZATION, AUTHORITY, FINANCIAL CONDITION AND SHAREHOLDERS,” are hereby amended by deleting the same as each now appears and inserting the following in its respective place and stead:

“7.1 Developer and the Principal Shareholders represent and warrant that: (a) Developer is a limited liability company, validly existing and in good standing under the laws of the state of its organization; (b) _____ and _____ are each a corporation, validly existing and in good standing under the laws of the state of their incorporation; (c) Developer is duly qualified and is authorized to do business and is in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (d) _____ and _____ are each duly qualified and authorized to do business and are in good standing in each jurisdiction in which their respective business activities or the nature of the properties owned by each required such qualification; (e) the execution and delivery of this Agreement and the transactions contemplated hereby are within Developer’s power under its articles of organization and operating agreement; (f) the execution and delivery of this Agreement and the transactions contemplated hereby are within _____ and _____’s power under their respective articles of incorporation and bylaws; (g) the execution and delivery of this Agreement have been duly authorized by the Developer; (h) the execution and delivery of this Agreement has been duly authorized by _____ and _____; (i) the operating agreement, articles of organization and certificate of organization of Developer delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (j) the articles of incorporation, bylaws and certificate of incorporation of _____ and _____ delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (k) the specimen certificate of shares provided to Franchisor, if any, representing the member’s ownership interest in Developer is a true specimen of Developer’s certificate of shares; (l) the financial

statement of Developer and financial statements of its Principal Shareholders, heretofore delivered to Franchisor, are true, complete and correct, and fairly present the financial positions of Developer and each Principal Shareholder, respectively, as of the date thereof; (m) such financial statements have been prepared in accordance with generally accepted accounting principles; and (n) there have been no materially adverse changes in the condition, assets or liabilities of Developer or Principal Shareholders since the date or dates thereof.”

“7.2 Developer and each Principal Shareholder covenant that during the term of this Agreement: (a) Developer shall do or cause to be done all things necessary to preserve and keep in full force its existence as a limited liability company and shall be in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (b) Developer shall have the authority under its articles of organization and operating agreement to carry out the terms of this Agreement; and (c) Developer shall print, in a conspicuous fashion on all certificates, if any, evidencing membership interest in Developer when issued, a legend referring to this Agreement and the restrictions on and obligations of Developer and Principal Shareholders hereunder, including the restrictions on transfer of Developer’s membership interests.”

“7.6 Principal Shareholders, jointly and severally, hereby personally and unconditionally guarantees each of Developer’s financial obligations to Franchisor (including, but not limited to, all obligations relating to the payment of fees by Developer to Franchisor). Principal Shareholders agree that Franchisor may resort to either or any of them for payment of any such financial obligation, whether or not Franchisor shall have proceeded against Developer, any other Principal Shareholder or any other obligor primarily or secondarily obligated to Franchisor with respect to such financial obligation. Each Principal Shareholder hereby expressly waives presentment, demand, notice of dishonor, protest and all other notices whatsoever with respect to Franchisor’s enforcement of this guaranty. In addition, each Principal Shareholder agrees that if the performance or observance by Developer of any term or provision hereof is waived or the time of performance thereof extended by Franchisor, or payment of any such financial obligation is accelerated in accordance with any agreement between Franchisor and any party liable in respect thereto or extended or renewed, in whole or in part, all as Franchisor may determine, whether or not notice to or consent by any Principal Shareholder or any other party liable in respect to such financial obligations is given or obtained, such actions shall not affect or alter the guaranty of any Principal Shareholder described in this Subsection.”

2. Subsections 8.1, 8.2(a), 8.2(b), 8.3 and 8.4 of Section 8, entitled “TRANSFER,” are hereby amended by deleting the same as each now appears and inserting the following in its respective place and stead:

“8.1 There shall be no Transfer of any Interest of Developer, or of a Principal Shareholder in Developer, in whole or in part (whether voluntarily or by operation of law), directly, indirectly or contingently, except in accordance with the provisions of this Section 8. “Transfer” and “Interest” are defined in Subsections 8.2, 8.3 and 8.4.”

“8.2 (a) any change in the ownership of or rights in or to any membership interest or other equity interest of any of the Principal Shareholders in Developer which would result from the act of such Principal Shareholder of Developer, such as a sale, exchange, pledge or hypothecation of the membership interest in or rights to any of Developer’s profits, revenues or assets, or any such change which would result by operation of law; and”

“(b) any change in the percentage interest owned by any of the Principal Shareholders in their membership interest or other equity interests in Developer’s profits, revenues or assets which would result from any act of Developer such as a sale, pledge or hypothecation of any Restaurant assets (other than a pledge of assets to secure *bona fide* loans made or credit extended in connection with acquisition of the assets pledged, provided that immediately before and after such transaction the net worth of Developer satisfies the applicable liquid asset requirement described in Subsection 7.3 of this Agreement; any sale or issuance of any of Developer’s membership interests or other equity interests); the retirement or redemption of any membership interest in Developer; or any sale or grant to any person of any right to participate in or otherwise to share or become entitled to any part of Developer’s profits, revenues, assets or equity.”

“8.3 “**Transfer**” shall not include: (a) a change in the ownership of or rights to any shares or other equity interest in Developer under the Securities Act of 1933; or (b) a change in the ownership of or rights to any securities or other equity interest in Developer pursuant to a private offering of Developer’s securities exempted from registration under such Act, provided that Developer, provides Franchisor with a copy of its prospectus and/or offering memorandum 10 days prior to its filing with the Securities and Exchange Commission or circulation to third parties so that Franchisor may comment and, if necessary, correct any information concerning Franchisor and/or the System, and further provided that after giving effect to such public or private offering, the Principal Shareholders “control” Developer. For purposes of this Section 8, “**control**” means either: (1) owning legal and equitable title to 51% or more of the outstanding voting interests of the Developer, which are not subject to proxy granted to or contract with any other person or party granting that party the right to vote part or all of such securities; (2) having and continually exercising the contractual power presently to designate a majority of the directors of the Developer; or (3) having and continually exercising the right, power and authority to act on behalf of, manage, operate and otherwise obligate or bind Developer in the conduct of Developer’s business.”

“8.4 “**Interest**” shall mean, when referring to interests or rights in Developer, the membership interest of the Principal Shareholders in Developer and any other equitable or legal right in or to any of the Principal Shareholders’ interest in Developer’s revenues, profits or assets; when referring to rights or assets of Developer, Developer’s rights under and interest in this Agreement, any Restaurant and its revenues, profits and assets.”

3. **Appendix C** to Development Agreement, entitled “STATEMENT OF OWNERSHIP INTERESTS” shall be amended to: (i) delete the word “Shareholder” and insert the word “Member” in lieu thereof; and (ii) delete the phrase “Percent of Issued and Outstanding Shares of Developer” and insert the phrase “Percent of Contributions to and Ownership Equity in Developer” in lieu thereof.

4. The first paragraph of **Appendix E** to Development Agreement, entitled “CONFIDENTIALITY AGREEMENT AND COVENANT NOT TO COMPETE,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ limited liability company (“Developer”), and _____, an individual employed by Developer (“Employee”).”

5. The first paragraph of **Appendix F** to Development Agreement, entitled “CONFIDENTIALITY AGREEMENT,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ limited liability company (“**Developer**”), and _____, an individual employed by Developer (“**Employee**”).”

6. The franchise agreement which is attached as Appendix B to Development Agreement (the “**Franchise Agreement**”) and all agreements entered pursuant to such Franchise Agreement between the parties hereto under this Development Agreement shall be amended as set forth in the following paragraphs 7 through 12 and shall be interpreted and governed in accordance with this Addendum. Any future amendment or modification to the Franchise Agreement and all agreements entered pursuant to such Franchise Agreement under the Development Agreement shall not affect this Addendum unless such amendment or modification expressly refers to this Addendum.

7. The first paragraph on Page 1 of the Franchise Agreement is amended by deleting the same as it now appears and inserting the following in its place and stead:

“This Applebee’s Neighborhood Grill & Bar Franchise Agreement (the “**Franchise Agreement**”) is made this _____ day of _____, 20____, by and between Applebee’s Franchisor LLC, a Delaware limited liability company (“**Franchisor**”), _____, a _____ limited liability company (“**Franchisee**”), whose members are (“**Members**”), (Members, _____ and _____ shall be individually referred to herein as the “**Principal Shareholder**” and collectively as the “**Principal Shareholders**”).”

8. Subsections 11.1, 11.2 and 11.5 of Section 11, entitled “FRANCHISE ORGANIZATION, AUTHORITY, FINANCIAL CONDITION AND SHAREHOLDERS,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“11.1 Franchisee and each Principal Shareholder represent and warrant that: (a) Franchisee is a limited liability company, validly existing and in good standing under the laws of its state of organization; (b) _____ and _____ are each a corporation, validly existing and in good standing under the laws of the state of their incorporation; (c) Franchisee is duly qualified and is authorized to do business and is in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (d) _____ and _____ are each duly qualified and authorized to do business and are in good standing in each jurisdiction in which its respective business activities or the nature of the properties owned by it required such qualification; (e) the execution and delivery of this Agreement and the transactions contemplated hereby are within Franchisee’s power under its articles of organization and operating agreement; (f) the execution and delivery of this Agreement and the transactions contemplated hereby are within _____ and _____’s power under their respective articles of incorporation and bylaws; (g) the execution and delivery of this Agreement has been duly authorized by the Franchisee; (h) the execution and delivery of this Agreement have been duly authorized by _____ and _____; (i) the operating agreement, articles of organization and certificate of organization of Franchisee delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (j) the articles of incorporation, bylaws and certificate of incorporation of _____ and _____ delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (k) that any specimen certificate evidencing membership interest in Franchisee delivered to Franchisor pursuant to Subsection 11.2(e) hereof is a true specimen of Franchisee’s certificate evidencing a membership interest in such

limited liability company; (l) the most recent balance sheet of Franchisee (“Balance Sheet”), and the most recent balance sheets of its Principal Shareholders heretofore delivered to Franchisor, are true, complete and correct, and fairly present the financial positions of the Franchisee and each Principal Shareholder, respectively, as of the date or date thereof; (m) the Balance Sheet and each such balance sheet have been prepared in accordance with generally accepted accounting principles; and (n) there have been no materially adverse changes in the condition, assets or liabilities of the Franchisee or the respective Principal Shareholders since the date or dates thereof.”

“11.2 Franchisee and each Principal Shareholder covenant that during the term of this Agreement: (a) Franchisee shall do or cause to be done all things necessary to preserve and keep in full force its existence as a limited liability company and shall be in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (b) Franchisee shall have the authority under its articles of organization and operating agreement to carry out the terms of this Agreement; (c) Franchisee shall print, in a conspicuous fashion on all certificates, if any, evidencing membership interest in Franchisee when issued, a legend referring to this Agreement and the restrictions on and obligations of Franchisee and Principal Shareholders hereunder, including, the restrictions on transfer of Franchisee’s membership interests; and (d) _____ shall print, in a conspicuous fashion on all certificates evidencing shares in such respective company when issued, a legend referring to this Agreement and the restrictions on and obligations of such Principal Shareholders hereunder, including the restrictions on transfer of such Principal Shareholder’s shares. Further, Franchisee shall deliver to Franchisor prior to the authorized change of any members a true specimen certificate evidencing membership interest in the limited liability company, bearing the legend described herein.”

“11.5 Principal Shareholders, jointly and severally, hereby personally and unconditionally guarantees each of Franchisee’s financial obligations to Franchisor (including, but not limited to, all obligations relating to the payment of fees by Franchisee to Franchisor). Each Principal Shareholder agrees that Franchisor may resort to such Principal Shareholder (or any of them) for payment of any such financial obligation, whether or not Franchisor shall have proceeded against Franchisee, any other Principal Shareholder or any other obligor primarily or secondarily obligated to Franchisor with respect to such financial obligation. Each Principal Shareholder hereby expressly waives presentment, demand, notice of dishonor, protest, and all other notices whatsoever with respect to Franchisor’s enforcement of this guaranty. In addition, each Principal Shareholder agrees that if the performance or observance by Franchisee of any term or provision hereof is waived or the time of performance thereof extended by Franchisor, or payment of any such financial obligation is accelerated in accordance with any agreement between Franchisor and any party liable in respect thereto or extended or renewed, in whole or in part, all as Franchisor may determine, whether or not notice to or consent by any Principal Shareholder or any other party liable in respect to such financial obligations is given or obtained, such actions shall not affect or alter the guaranty of any Principal Shareholder described in this Subsection.”

9. Subsections 12.2(a) and (b), 12.3 and 12.4 of Section 12, entitled “TRANSFER,” are hereby amended by deleting the same as each now appears and inserting the following in its respective place and stead:

12.2 “(a) any change in the ownership of or rights in or to any membership interest or other equity interest of any Principal Shareholder in Franchisee which would result from the act of such Principal Shareholder of Franchisee, such as a sale, exchange, pledge or

hypothecation of the membership interest in, or any interest in or rights to any of Franchisee's profits, revenues or assets, or any such change which would result by operation of law; and

(b) any change in the percentage interest owned by any of the Principal Shareholders in their membership interest or other equity interest in Franchisee's profits, revenues or assets which would result from any act of Franchisee such as a sale, pledge or hypothecation of any Restaurant assets (other than a pledge of assets to secure *bona fide* loans made or credit extended in connection with acquisition of the assets pledged, provided that immediately before and after such transaction the net worth of Franchisee shall not be less than the amount which is reflected on the Balance Sheets referred to in Subsection 11.1 of this Agreement); any sale or issuance of any of Franchisee's membership interests or other equity interests; the retirement or redemption of any membership interests in Franchisee; or any sale or grant to any person of any right to participate in or otherwise to share or become entitled to any part of Franchisee's profits, revenues, assets or equity."

"12.3 **"Transfer"** shall not include: (a) a change in the ownership of or rights to any shares or other equity interest in Franchisee under the Securities Act of 1933; or (b) a change in the ownership of or rights to any securities or other equity interest in Franchisee pursuant to a private offering of Franchisee's securities exempted from registration under such Act, provided that Franchisee provides Franchisor with a copy of its prospectus and/or offering memorandum 10 days prior to its filing with the Securities and Exchange Commission or circulation to third parties so that Franchisor may comment and, if necessary, correct any information concerning Franchisor and/or the System, and further provided that after giving effect to such change of ownership or private offering, the Principal Shareholders "control" Franchisee. For purposes of this Section 12, **"controls"** means either: (1) owning legal and equitable title to 51% or more of the outstanding voting interests of the Franchisee, which are not subject to proxy granted to or contract with any other person or party granting that party the right to vote part or all of such securities; (2) having and continually exercising the contractual power presently to designate a majority of the directors of the Franchisee; or (3) having and continually exercising the right, power and authority to act on behalf of, manage, operate and otherwise obligate or bind Franchisee in the conduct of Franchisee's business."

"12.4 **"Interest"** shall mean, when referring to interests or rights in Franchisee, the membership interest of any Principal Shareholder in Franchisee and any other equitable or legal right in or to any of the Principal Shareholders' interest in Franchisee's revenues, profits or assets; when referring to rights or assets of Franchisee, Franchisee's rights under and interest in this Agreement, the Restaurant and its revenues, profits and assets."

10. Subsection 14.4 of Section 14, entitled "INSPECTIONS," is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

"14.4 Franchisee shall maintain an accurate register of its certificates of membership interest ("Membership Register"). In the event that the beneficial ownership of Franchisee differs in any respect from record ownership, Franchisee also shall maintain a list of the names, addresses and interests of all beneficial owners. Franchisee shall produce its Membership Register and any list of beneficial owners certified by the corporation's secretary to be correct, at its principal executive offices upon ten (10) days prior written request by Franchisor. Franchisor's representatives shall have the right to examine the Membership Register and any list of beneficial owners, and to reproduce all or any part thereof. Further, upon ten (10) days written

notice, Franchisor may request a copy of the list of all members and the list of owners of beneficial owners to be forwarded to it at Franchisor’s principal office.”

11. **Appendix A** to Franchise Agreement, entitled “STATEMENT OF OWNERSHIP INTERESTS,” shall be amended to: (i) delete the word “Shareholder” and insert the word “Members” in lieu thereof; (ii) delete the phrase “Percent of Issued and Outstanding Shares of Franchisee” and insert the phrase “Percent of Contributions to Franchisee” in lieu thereof.

12. The first paragraph of **Appendix C** to Franchise Agreement, entitled “CONFIDENTIALITY AGREEMENT,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ limited liability company (“**Franchisee**”), and _____, an individual employed by Developer (“**Employee**”).”

13. Each of the terms and provisions of this Addendum is deemed incorporated by reference into the Development Agreement and the Franchise Agreement, exhibits and appendices attached thereto as if fully set forth therein. When a conflict exists between the subsections amended hereby and those contained in the Development Agreement, Franchise Agreement, and exhibits and appendices attached thereto, this Addendum shall control the construction and interpretation of such document.

14. No amendment or modification of this Addendum shall be binding unless executed in writing by Franchisor, Developer and Principal Shareholders.

15. Any capitalized term not otherwise defined in this Addendum shall have the meaning as set forth in the Development Agreement, Franchise Agreement, and exhibits and appendices attached thereto, respectively.

IN WITNESS WHEREOF, the undersigned have entered into this Addendum to the Development Agreement as of the date first above written.

FRANCHISOR:
APPLEBEE’S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

DEVELOPER:

_____ LLC

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDERS:

By: _____
Name: _____
Title: _____

Name: _____

Name: _____

ADDENDUM TO DEVELOPMENT AGREEMENT
[Limited Partnership]

THIS ADDENDUM TO DEVELOPMENT AGREEMENT (“**Addendum**”) is made and entered into as of the _____ day of _____, 20____, by and between Applebee’s Franchisor LLC, a Delaware limited liability company (“**Franchisor**”), _____, a _____ limited partnership (“**Developer**”), _____ (“**General Partner**”) and _____ (together with General Partner, individually, a “**Principal Shareholder**” and collectively, the “**Principal Shareholders**”).

WITNESSETH:

WHEREAS, contemporaneous with the execution of this Addendum, Franchisor, Developer and Principal Shareholders will execute an Applebee’s Neighborhood Grill & Bar Development Agreement (“**Development Agreement**”) granting Developer certain rights regarding the Territory; and

WHEREAS, the same parties desire to amend the Development Agreement to reflect accurately the identity and nature of the parties to the Development Agreement as a result of Developer’s form of business as a limited partnership.

NOW, THEREFORE, the Development Agreement is hereby amended as follows:

1. Section 7 Amended. Sections 7.1 and 7.2 of the Development Agreement are hereby amended by deleting said sections in their entirety and replacing them with the following:

“7.1 Developer and each Principal Shareholder represent and warrant that: (a) Developer is a limited partnership duly formed, validly existing and in good standing under the laws of _____; (b) the General Partner is a limited liability company duly organized, validly existing and in good standing under the laws of the state of _____; (c) Developer is duly qualified and is authorized to do business and is in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (d) the General Partner is duly qualified and is authorized to do business and is in good standing as a foreign company in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (e) the execution and delivery of this Agreement and the transactions contemplated hereby are within Developer’s power under its limited partnership agreement; (f) the execution and delivery of this Agreement and the transactions contemplated hereby are within the General Partner’s power under its articles of organization and operating agreement; (g) the execution and delivery of this Agreement has been duly authorized by the Developer; (h) the execution and delivery of this Agreement has been duly authorized by the General Partner; (i) the limited partnership agreement and the certificate of limited partnership of Developer delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (j) the articles of organization and operating agreement of the General Partner delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (k) the most recent balance sheet of Developer and the most recent balance sheet (collectively, “**Balance Sheets**”) of each of the Principal Shareholders and _____ (“**Guarantor**”) heretofore delivered to Franchisor, are true, complete and correct, and fairly present the financial positions of the Developer, Principal Shareholders and Guarantor, respectively, as of the date or dates thereof; (l) the Balance Sheets have been prepared in accordance with generally accepted accounting principles; (m) there have been no materially adverse changes in the condition, assets or liabilities of the Developer, Principal Shareholders or Guarantor since the date or dates thereof; (n) that any specimen certificate evidencing ownership interest in the limited partnership delivered to Franchisor pursuant to

Subsection 7.2(e) hereof is a true specimen of Developer's certificate evidencing ownership interest in the limited partnership; (o) the General Partner's specimen membership certificate delivered to Franchisor is a true specimen of the General Partner's membership certificate; and (p) Developer and the General Partner have and/or will comply with all applicable rules, regulations and statutes governing the sale of partnership interests, including, but not limited to, the Securities Act of 1933, as amended; the Securities and Exchange Act of 1934, as amended; and all applicable state securities rules, regulations and statutes.

7.2 Developer and Principal Shareholders covenant that during the term of this Agreement: (a) Developer shall do or cause to be done all things necessary to preserve and keep in full force its existence as a limited partnership and shall be in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (b) the General Partner shall do or cause to be done all things necessary to preserve and keep in full force its existence and shall be in good standing as a foreign company in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (c) Developer shall have the authority under its limited partnership agreement to carry out the terms of this Agreement; (d) the General Partner shall have the authority pursuant to its operating agreement to carry out the terms of this Agreement; (e) Developer shall print, in a conspicuous fashion on all certificates evidencing ownership interest in the limited partnership when issued, a legend referring to this Agreement and the restrictions on and obligations of Developer and the Principal Shareholders, including, but not limited to, the restrictions on transfer or removal of any interest of the Principal Shareholders in or of Developer. Further, Developer shall deliver to Franchisor prior to the sale of any partnership units a true specimen certificate evidencing ownership interest in the limited partnership, bearing the legend described herein and shall certify to Franchisor that any existing certificates now bear the legend described herein; and (f) the General Partner shall print, in a conspicuous fashion on all certificates representing membership interests, a legend referring to this Agreement and the restrictions on and obligations of the Principal Shareholders hereunder, including the restrictions on transfer of membership interests in the General Partner.

2. Section 8 Amended. Sections 8.2 - 8.4 of the Development Agreement are hereby amended by deleting said sections in their entirety and replacing them with the following:

"8.2 Except as provided in Subsection 8.3, "**Transfer**" shall mean any assignment, sale, pledge, hypothecation, gift or any other such event which would change ownership of or change or create a new Interest, including, but not limited to:

(a) any change in the ownership of or rights in or to the partnership interests or other equity interests of Developer which would result from the act of the Principal Shareholders, such as a sale, exchange, pledge or hypothecation of the partnership interest in or rights to any of Developer's profits, revenues or assets, or any such change which would result by operation of law;

(b) any change in the percentage interest owned by any Principal Shareholder in the partnership interests or other equity interests of Developer, or interests in Developer's profits, revenues or assets which would result from any act of Developer such as a sale, pledge or hypothecation of any Restaurant assets (other than a pledge of assets to secure *bona fide* loans made or credit extended in connection with acquisition of the assets pledged); any sale or issuance of any partnership interest or other equity interest in Developer; the retirement or redemption of any Interest in Developer; or any sale or grant to any person of any right to participate in or otherwise to share or become entitled to any part of Developer's profits, revenues, assets or equity; and

(c) the removal of the General Partner and/or the substitution or addition of a new general partner to the Developer.”

8.3 “**Transfer**” shall not include: (a) a change in the ownership of or rights to any partnership interest or other equity interest in Developer pursuant to a public offering of Developer’s securities registered under the Securities Act of 1933; or (b) a change in the ownership of or rights to any securities or other equity interest in Developer pursuant to a private offering of Developer’s securities exempted from registration under such Act, provided that Developer provides Franchisor with a copy of its prospectus and/or offering memorandum 10 days prior to its filing with the Securities and Exchange Commission or circulation to third parties so that Franchisor may comment and, if necessary, correct any information concerning Franchisor and/or the System, and further provided that after giving effect to such public or private offering, the General Partner “controls” Developer. For purposes of this Section 8, “control” means having and continually exercising the right, power and authority to act on behalf of, manage, operate and otherwise obligate or bind Developer in the conduct of Developer’s business.

8.4 “**Interest**” shall mean: when referring to interests or rights in Developer, the partnership interests of the Principal Shareholders in Developer and any other equitable or legal right in or to Developer’s revenues, profits or assets; when referring to rights or assets of Developer, Developer’s rights under and interest in this Agreement, any Restaurant and its revenues, profits and assets.”

Notwithstanding the terms of Section 8.7 of the Development Agreement, the proposed sale of an Interest owned by the General Partner will be subject to all of the terms thereof.

3. Appendix D Amended. **Appendix D**, entitled “STATEMENT OF OWNERSHIP INTERESTS,” shall be amended to remove the phrase “Shareholder” and the phrase “Partner” shall be inserted in lieu thereof. The phrase “Percent of Issued and Outstanding Shares of Developer” shall be amended and replaced by the phrase “Percent of Interest Owned in Developer.” **Appendix D** shall further be amended to add two new columns as follows:

<u>Partner</u>	<u>Percent of Interest Owned in Developer</u>
General Partner – _____	____%
Limited Partners – _____	____%
_____	____%

4. Appendix F Amended. The first paragraph of **Appendix F**, entitled “CONFIDENTIALITY AGREEMENT AND COVENANT NOT TO COMPETE,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ limited partnership (“**Developer**”), and _____, an individual employed by Developer (“**Employee**”).”

5. Appendix G Amended. The first paragraph of **Appendix G**, entitled “CONFIDENTIALITY AGREEMENT,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ limited partnership (“Developer”), and _____, an individual employed by Developer (“Employee”).”

6. General Partner; Legal Status. Nothing contained in this Addendum will be construed to limit any liability that General Partner may incur as a result of its legal status as a general partner of Developer under applicable law.

7. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Kansas, without regard to its conflict of laws provisions..

8. No Further Amendment. No further amendment or modification of the Development Agreement shall be binding unless executed in writing by Franchisor and Developer or their authorized successors or assigns. No course of conduct or course of performance under this or any other agreement between the parties will be deemed to modify this Addendum. Except as expressly set forth in this Addendum, the Development Agreement remains in full force and effect.

9. Entire Agreement. This Addendum and the agreements, documents and instruments referenced herein constitute the entire agreement between the parties with respect to the subject matter hereof, superseding and cancelling any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof.

10. Headings. The section headings are inserted as a matter of convenience and in no way define, limit or describe the scope of such section or affect the interpretation of this Addendum.

11. Counterparts. This Addendum may be signed in counterparts and each counterpart with a hand-written signature, whether an original or an electronic data text (including electronic mail) is considered an original and all counterparts constitute one and the same instrument.

12. Miscellaneous. Each of the terms and provisions of this Addendum is deemed incorporated by reference into the Development Agreement. When a conflict exists between this Addendum and the Development Agreement, this Addendum shall control. Any capitalized term not otherwise defined in this Addendum shall have the meaning as set forth in the Development Agreement. If any provision of this Addendum is found to be unenforceable, the remaining provisions will continue to be in full force and effect. This Addendum will be binding upon and inure to the benefit of the parties, their successors and permitted assigns. No waiver of any provision of this Addendum will be enforceable against a party unless it is in writing and signed by such party. No waiver by any party of any provisions of this Addendum will be deemed to be or constitute a waiver of any other provision hereof (whether or not similar), nor will such waiver constitute a continuing waiver unless otherwise expressly provided.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first written above.

FRANCHISOR:
APPLEBEE’S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

[SIGNATURES CONTINUED ON NEXT PAGE]

DEVELOPER:

By: _____
Its General Partner

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDERS:

Name: _____

Name: _____

EXHIBIT F

FRANCHISE AGREEMENT

STANDARD FORM
APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT

(Location Address)

(Franchisee Name)

(Date)

SUMMARY PAGES

1. Addresses for Notices:

Franchisor: Applebee's Franchisor LLC
10 W. Walnut St., 5th Floor
Pasadena, California 91103
Attn: General Counsel
Telephone Number: (818) 240-6055

Franchisee: _____

Attn.: _____
Telephone Number: _____

2. Commencement Date: _____, 20__

3. Delivery Date of Franchise Disclosure Document: _____, 20__

4. Development Agreement: The Development Agreement between Franchisor and Franchisee dated _____, 20__

5. Effective Date: _____, 20__

6. Governing Law and Jurisdiction: State of Kansas and Federal Courts of the State of Kansas (Johnson County)

7. Initial Franchise Fee: \$35,000

8. Insurance: *See* Section 16

9. Internet/World Wide Web: Franchisee has no right, license or authority to use any of the Marks on or in connection with the Internet, except as stated in and permitted by Section 18.5.

10. Local Ad Expenditure: *See* Section 8.2

11. Monthly Advertising Fee: *See* Section 8.2

12. Ownership Interests in Franchisee are owned by:

	Name	Percentage
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

13. Principal Shareholder(s): _____

14. Renewal: Four five-year terms at 10% of the then-current Franchise Fee for each renewal period. Franchisee must notify Franchisor seven to 12 months before agreement expires if wish to renew.

15. Restaurant Location: _____

16. Restricted Area: The lesser of: (a) a three-mile radius of the Restaurant within an international border; or (b) a radius from the Restaurant that includes either a daytime or residential population of 40,000 or more people.
17. Royalty Rate: See Exhibit I
18. Term: The period commencing on the Effective Date and ending 20 years from the Commencement Date, subject to earlier termination in accordance with the terms of this Franchise Agreement
19. Transfer Fee: \$2,500 for this Franchise Agreement

The Summary Pages are provided for information purposes only and to the extent the Summary Pages conflict with the terms of the Franchise Agreement, the terms of the Franchise Agreement will control.

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**APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT**

This Agreement is made this _____ day of _____, 2026, by and among APPLEBEE'S FRANCHISOR LLC, a Delaware limited liability company ("**Franchisor**"), _____, a (_____) corporation, sole proprietorship, _____ partnership, _____ limited partnership [*strike inappropriate language*] ("**Franchisee**") and _____ (collectively, the "**Principal Shareholders**" and, individually, a "**Principal Shareholder**" of Franchisee if a corporation or general partner if Franchisee is a limited partnership having as its general partner a corporation) and _____ ("**General Partner**" of Franchisee if Franchisee is a limited partnership).*

* (If Franchisee is not a corporation or a sole proprietorship, or if Franchisee is a limited liability company, the parties hereto hereby agree that an Addendum shall be attached to this Agreement so as properly to reflect the responsibilities of the partners of any general partnership, the general partner of any limited partnership and the shareholders of any corporate general partner of any partnership, or the members of any limited liability company.)

WITNESSETH:

RECITALS

A. Franchisor owns the rights to develop and operate a unique system of restaurants which specialize in the sale of high quality, moderately priced food and alcoholic beverages in an attractive, casual setting. Franchisor owns the service mark Applebee's Neighborhood Grill & Bar and variations of such mark, and other names, service marks and trademarks which may be adopted for use in the future (the "**Marks**"), designs, decor and color schemes for restaurant premises, signs, equipment, procedures and formulae for preparing food and beverage products, specifications for certain food and beverage products, inventory methods, operating methods, financial control concepts, training facilities and teaching techniques (the "**System**"). Franchisor has the right to offer franchises for the use of the Marks and the System.

B. Franchisor established, through its own development and operation, and through the granting of franchises, a chain of Applebee's Neighborhood Grill & Bar restaurants which are distinctive; which are similar in appearance, design and decor; and which are uniform in operation and product consistency.

C. The value of the Marks used in the System is based upon: (1) the maintenance of uniform high quality standards in connection with the preparation and sale of Franchisor-approved food and beverage products, (2) the uniform high standards of appearance of the individual restaurant units in the System, (3) the use of distinctive trademarks, service marks, building designs and advertising signs representing a uniformly high quality of product and services, and (4) the assumption by Franchisor and its franchisees of the obligation to maintain and enhance the goodwill and public acceptance of the System (and of the Marks) by strict adherence to the high standards required by Franchisor.

D. Franchisor, Franchisee and the Principal Shareholders have entered into a Development Agreement dated _____, 20____ ("**Development Agreement**"), relating to the development by Franchisee of Applebee's Neighborhood Grill & Bar restaurants.

E. Franchisee desires to use the System in connection with the operation of an Applebee's Neighborhood Grill & Bar restaurant at the location which is specified in Subsection 1.1 of this Agreement, pursuant to the terms, conditions and provisions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual obligations contained herein, it is hereby agreed as follows:

1. FRANCHISE GRANT AND TERM

1.1 Franchisor grants Franchisee, for the term stated below, the right, license and privilege:

(a) to use the System incident to the operation of an Applebee's Neighborhood Grill & Bar restaurant at _____ (the "**Restaurant**");

(b) to use the Marks which Franchisor shall from time to time designate as part of the System, but only in connection with the sale at the Restaurant of those products which Franchisor has designated and approved; and

(c) to hold itself out to the public as a Franchisee of Franchisor.

1.2 The term of the franchise shall commence as of the Commencement Date, as hereinafter defined, and shall end 20 years thereafter, unless this Agreement is terminated prior to that date in accordance with its provisions. "**Commencement Date**," as used herein, shall mean the date upon which the Restaurant opens for business. The parties agree that Franchisor, without obtaining the signature of Franchisee, may affix to this Agreement an addendum expressly setting forth the Commencement Date, which, when so affixed, shall become a part of this Agreement.

1.3 At the expiration of the term hereof, Franchisee shall have an option to operate the Restaurant for four successive terms of five years (unless the franchise agreement with respect to that additional term is sooner terminated in accordance with its provisions), provided that immediately prior to each such five-year term: (a) Franchisee satisfies the requirements which Franchisor then-imposes on its new franchisees, (b) all other restaurant units within the System which Franchisee then-operates substantially comply, in the opinion of Franchisor, with Franchisor's then-current standards, specifications, requirements and instructions, and (c) Franchisee executes the form of franchise agreement which Franchisor is then using with respect to new restaurants within the System, with the amount of royalty and advertising fees payable at the rates then-prevailing under the franchise agreements which Franchisor is then using for new restaurants within the System, and Franchisee pays to Franchisor for each of said five-year periods a franchise fee equal to 10% of the prevailing franchise fee paid by new franchisees at that time. Any franchise agreement which Franchisee executes for such additional term will also contain options to obtain an assignment of Franchisee's lease with a third-party and/or to purchase certain property or to purchase or lease the Restaurant premises exercisable by Franchisor upon termination thereof and an option to purchase or lease the Restaurant premises exercisable by Franchisor upon expiration of the renewal term (subject to any then-existing renewal rights of Franchisee). Such options will contain provisions substantially similar to the provisions of Franchisor's options described in Subsection 19.4 hereof. Franchisee shall give Franchisor written notice of its desire to exercise its option to operate the Restaurant for an additional term no earlier than 12 months, and no later than seven months, prior to expiration of the initial term. If Franchisee gives that notice, Franchisor, in its sole discretion, reasonably exercised, shall determine whether Franchisee has satisfied the foregoing requirements. Within 45 days of receiving the notice described above, Franchisor shall notify Franchisee in writing whether or not Franchisee is eligible to exercise the option described in this Subsection.

1.4 During the period from the date of this Agreement to the expiration or earlier termination of this Agreement, Franchisor shall not establish a restaurant unit utilizing the System, or license another franchisee to establish a restaurant unit utilizing the System, at any location within the lesser of a three-mile radius of the Restaurant or a radius from the Restaurant which includes either a daytime or residential

population of 40,000 or more people; provided, however, the 3-mile radius will be reduced to the extent it would extend over an international border. Notwithstanding the foregoing, Franchisor may establish a restaurant unit or may license a restaurant unit to a third-party within the geographic area set forth in the preceding sentence, provided that: (i) such restaurant is located within an airport (served by one or more public or charter carrier), train station, bus terminal, port authority, campus at any college, university or other post-secondary education institution, hospitals and other health care facilities, arena, stadium, state or national park, or military fort, post or base, travel plaza or casino, (ii) is located across an international border, or (iii) does not utilize the System or utilize the Applebee's Neighborhood Grill & Bar service mark. From the date hereof through the date of the expiration or earlier termination of this Agreement, to the extent that Franchisor establishes, franchises or licenses a ghost kitchen, Franchisor shall not authorize such ghost kitchen to use the Applebee's Neighborhood Grill and Bar trademark in fulfilling delivery orders within the Restaurant's Delivery Area (as defined below). Additionally, from the date hereof through the date of expiration or earlier termination of this Agreement, to the extent that Franchisor establishes, franchises or licenses a ghost kitchen, Franchisor shall not authorize such ghost kitchen to use the trademark for a virtual brand owned by Franchisor in fulfilling delivery orders within the Restaurant's Delivery Area; provided, that, this restriction shall only apply to the extent that such virtual brand was actually offered by the Restaurant at the time Franchisor establishes, franchises or licenses the ghost kitchen. To the extent that the restriction in the foregoing sentence is not applicable solely because the virtual brand was not actually offered by the Restaurant at the time the ghost kitchen was established, licensed or franchised, then, prior to authorizing the use of the trademark by such ghost kitchen in the Restaurant's Delivery Area, Franchisor shall first send a written notice ("**Notice**") to Franchisee inquiring whether Franchisee desires to negotiate in good faith with Franchisor to arrive at a mutually acceptable arrangement whereby by the Restaurant may offer such virtual brand within the Restaurant's Delivery Area (the date of such written notice, the "**Notice Date**"). If Franchisor has received an offer which it finds acceptable as of the Notice Date, the Notice will also contain an offer to the Franchisee consisting of commercial terms at least as favorable to those received with respect to the virtual brand within the Restaurant Delivery Area. Should Franchisee respond in writing to Franchisor within 7 days of the Notice Date that it wishes to negotiate in good faith concerning such an arrangement, then for a period of 30 days commencing on the Notice Date (such period, the "**Right of First Offer Period**"), Franchisor shall not authorize such ghost kitchen to use the trademark within the Restaurant's Delivery Area in order to allow time for Franchisor and Franchisee to negotiate such an arrangement in good faith. Following expiration of the Right of First Offer Period, if Franchisor and Franchisee have not entered into a written agreement providing for the Restaurant's offering of such virtual brand, Franchisor shall be free to authorize a ghost kitchen to use the trademark for such virtual brand owned by Franchisor in fulfilling deliveries within the Restaurant's Delivery Area. As used herein, "**Restaurant's Delivery Area**" means the area surrounding the Restaurant within which the Restaurant routinely fulfills delivery orders as of the date on which Franchisor establishes the ghost kitchen (in the case of a company owned ghost kitchen) or enters into a license or franchise agreement with the third party ghost kitchen operator (in the case of a licensed or franchised ghost kitchen); provided, however, in no event will the Restaurant's Delivery Area be smaller than the Restricted Area. The determination of the Restaurant's Delivery Area shall be in Franchisor's sole discretion after obtaining information from any third-party delivery vendors and Franchisee.

1.5 Franchisee, in consideration of the benefits and privileges provided to it by this Agreement, agrees to operate the Restaurant and perform as required hereunder for the full term of this Agreement.

1.6 This Agreement is entered into pursuant to and subject to the terms and conditions which are set forth in the Development Agreement.

2. UNIFORM STANDARDS

2.1 The System is a comprehensive restaurant system for the retailing of certain uniform and quality food and beverage products (including alcoholic beverages), emphasizing a varied menu of high

quality, moderately priced food products (including appetizers, creative sandwiches, dinner entrees and desserts), a selection of alcoholic and other beverages, and prompt and courteous service in a clean, wholesome, casual atmosphere. The foundation of the System is the establishment and maintenance of a reputation among the public for the operation of high quality restaurant units. A fundamental requirement of the System, this Franchise Agreement and franchises which Franchisor will grant to others is adherence by all franchisees to Franchisor's standards and policies providing for the uniform operation of all restaurant units within the System, including, but not limited to: (a) selling only those products which Franchisor has designated and approved; (b) using only Franchisor's prescribed building layout and designs, equipment, signs, interior and exterior decor items, fixtures and furnishings; (c) adhering strictly to Franchisor's standards and specifications relating to the selection, purchase, storage, preparation, packaging, service and sale of all food and beverage products being sold at the Restaurant; and (d) satisfying all of Franchisor's prescribed standards of quality, service and cleanliness. Compliance by all franchisees with the foregoing standards and policies in conjunction with the use of the Marks provides the basis for the wide public acceptance of the System and its valuable goodwill. Accordingly, strict adherence by all franchisees to all aspects of the System is required at all times.

2.2 The provisions of the Agreement shall be interpreted to give effect to the intent of the parties stated in this Section 2 to assure that Franchisee shall operate the Restaurant in conformity with the System, through strict adherence to Franchisor's standards and policies as they now exist and as they may be modified from time to time.

3. COMPLIANCE WITH THE SYSTEM

Franchisee acknowledges that every component of the System is important to Franchisor, to all franchisees and to the operation of the Restaurant, including the requirements: (a) that only those products designated and approved by Franchisor are sold at the Restaurant; and (b) that there is uniformity of food and beverage specifications, preparation methods, quality, appearance, building and interior design, color and decor, landscaping, facilities and service among all restaurant units in the System. Accordingly, Franchisee agrees to and shall comply with all aspects of the System (as it now exists and as it may be modified from time to time). Franchisee recognizes and agrees that Franchisor may prohibit the use of the System and its trade names, notwithstanding the granting of this Agreement, if Franchisee fails to design, construct, equip, furnish or operate its Restaurant in compliance with the specifications designated by Franchisor, unless prior written approval has been received from Franchisor.

4. GENERAL SERVICES OF FRANCHISOR

4.1 Franchisor shall advise and consult with Franchisee periodically in connection with the operation of the Restaurant, and at other reasonable times upon Franchisee's request. Franchisor will provide to Franchisee such of its know-how, new developments, techniques and improvements in areas of restaurant design, management, food and beverage preparation, sales promotion and service concepts as may be pertinent to the construction and operation of the Restaurant under the System. Franchisor may provide the foregoing information: (a) by sending representatives to visit the Restaurant; (b) by providing written or other material; (c) at meetings or seminars; and (d) at training sessions at Franchisor's training facility and/or such other locations as may be selected by Franchisor from time to time. Franchisor also shall make available to Franchisee all additional services, facilities, rights and privileges which Franchisor makes available from time to time to its franchisees of the System generally.

4.2 If Franchisee and its affiliates do not have any existing Applebee's Neighborhood Grill & Bar restaurants, for Franchisee's first restaurant opening, for approximately eight days before and six days after Franchisee opens its first Restaurant, Franchisor will provide Franchisee with the services of up to eight training personnel to train Franchisee's Restaurant employees in the operation of the kitchen, bar and dining

room areas. If Franchisee requires more than eight training personnel or a training period beyond 14 days, Franchisee will be responsible for the excess cost and expenses for the additional trainers and/or for the period beyond the 14-day period.

4.3 If Franchisee and/or any of its affiliates have existing Applebee's Neighborhood Grill & Bar restaurants, for every new Restaurant that Franchisee opens, Franchisor will provide Franchisee with financial assistance equal to the amount of costs and expenses reasonably and actually incurred by Franchisee to retain up to eight training personnel for up to 14 days (provided, however, that Franchisor shall have no obligation to reimburse Franchisee for any costs and expenses incurred in excess of a maximum amount which Franchisor shall communicate to Franchisee prior to the opening of the new Restaurant), but Franchisor will not provide Franchisee with any training personnel and Franchisee must meet the requirements set forth in the Brand Standards Manual and NRO Project Managers Guide. The initial expenditure of such costs and expenses shall be Franchisee's sole responsibility. A written description of qualified reimbursable costs and expenses will be provided to Franchisee by Franchisor. Franchisee shall provide Franchisor with reasonable supporting documentation for all reimbursement requests. The financial assistance described in this paragraph shall be limited to new Restaurant locations and shall not apply in cases of relocations, rebuilds, or re-openings.

4.4 From time to time, Franchisor may agree in writing to provide Franchisee with alternative training arrangements if Franchisee meets certain qualifications as determined by Franchisor.

4.5 From time to time during the term of this Agreement, Franchisor will develop and test new menu items. The menu consists of approved national food and beverage selections. Franchisee shall comply with all menu changes which generally occur every six months. The menu may be modified to reflect food and beverage items peculiar to Franchisee's local area, subject to Franchisor's testing and approval.

5. RESTAURANT SYSTEM AND PROCEDURES

5.1 Franchisor shall furnish Franchisee with advice and assistance in managing and operating the Restaurant, and Franchisor's representatives will visit the Restaurant periodically. Franchisor will assist Franchisee in coordinating the Restaurant's pre-opening activities, and as noted more particularly in Subsection 4.2 hereof, shall provide Franchisee with the services of certain of Franchisor's personnel to facilitate proper operation of the Restaurant when it opens for business.

5.2 Franchisee shall designate an employee who will supervise the Restaurant, and devote his or her full time, best efforts and constant personal attention to the day-to-day operation of the Restaurant (the "**General Manager**"). Franchisee also shall designate an employee who will supervise the Restaurant kitchen, and devote his or her full time, best efforts and constant personal attention to the day-to-day operation of the Restaurant kitchen (the "**Kitchen Manager**") and an appropriate number of Assistant Managers.

5.3 [Intentionally Omitted]

5.4 Unless Franchisor shall have given its prior written approval, Franchisee shall keep the Restaurant open for business only during the hours which are specified by Franchisor in the Franchise Operations Manual or in such other materials or manuals provided or made available by Franchisor to Franchisee (as amended, restated, supplemented or otherwise modified from time to time by Franchisor in its sole discretion, collectively, the "**Manuals**"), provided that such hours do not conflict with state laws or local ordinances relating to the sale of alcoholic beverages or governing the hours during which restaurant establishments may be open for business. In addition, Franchisee expressly agrees to:

(a) operate the Restaurant in a clean, safe and orderly manner, providing courteous, first-class service to the public;

(b) diligently promote and make every reasonable effort to increase the business of the Restaurant;

(c) advertise the business of the Restaurant by the use of the Marks and such other insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or established from time to time by Franchisor and included in the Manuals, subject to the limitations of Subsections 8.4 and 8.5 hereof;

(d) prohibit and, to the best of Franchisee's ability, prevent the use of the Restaurant for any immoral or illegal purpose, or for any other purpose, business activity, use or function which is not expressly authorized hereunder or in the Manuals; and

(e) comply fully with all applicable laws and regulations, including, but not limited to, those relating to building construction, maintenance and safety, environmental, fire prevention, food safety, public access and the sale of alcoholic beverages.

5.5 Franchisee hereby acknowledges receipt and loan of a copy of the Manuals heretofore or hereinafter furnished to Franchisee, and agrees to faithfully, completely and continuously perform, fulfill, observe and follow all instructions, requirements, standards, specifications, systems and procedures contained therein, including: (a) those relating to the construction, design, decor, building and equipping of the Restaurant; (b) those relating to the selection, purchase, storage, preparation, packaging, service and sale of all products being sold at the Restaurant; (c) those relating to the maintenance and repair of Restaurant building, grounds, equipment, signs, interior and exterior decor items, fixtures and furnishings; and (d) those relating to employee uniforms and dress, accounting, bookkeeping, record retention, and other business systems, procedures and operations. The Manuals are incorporated herein by reference and hereby made part of this Agreement. Franchisee acknowledges and agrees that the materials contained in the Manuals are integral, necessary and material elements of the System.

5.6 Franchisee understands, acknowledges and agrees that strict conformity with the System, including the standards, specifications, systems, procedures, requirements and instructions contained in this Agreement and in the Manuals, is vitally important, not only to the success of Franchisor, but to the collective success of all of Franchisor's other franchisees, by reason of the benefits which Franchisor and all of its franchisees will derive from uniformity in products sold, identity, quality, appearance, facilities and service among all restaurant units which are part of the System. Without limiting the generality of the foregoing provisions, Franchisee agrees to adhere strictly to the requirements in the Manuals relating: (a) to the construction, design, decor, building and equipping of the Restaurant; and (b) to the limitations on the number of video games or similar devices which may be placed on the Restaurant premises. Any failure to adhere to the standards, specifications, systems, requirements or instructions contained in this Agreement or in the Manuals shall constitute a material breach of this Agreement.

5.7 Franchisor shall have the right, at any time and from time to time, in the good faith exercise of its reasonable business judgment, consistent with the overall best interests of the System generally, having due regard for the financial burden which may be placed upon its franchisees, to revise, amend, delete from and add to the System and the material contained in the Manuals. Franchisee expressly agrees to comply with all such revisions, amendments, deletions and additions.

5.8 Franchisee shall offer for sale from the Restaurant, at all times when the Restaurant is open for business, only the products which are expressly designated in the Manuals, except, as noted more particularly in Subsection 4.3, to the extent that Franchisee has obtained Franchisor's prior written consent to a modification of that requirement. No product shall be offered or sold at or from the Restaurant under, or in

connection with, any trademark or service mark other than Franchisor's designated Marks without Franchisor's prior written consent.

5.9 Franchisor shall have the right to establish or to designate a group purchasing program from time to time (which may include a purchasing or distribution cooperative), with respect to equipment, supplies, inventory and services used in or by the Restaurant. Promptly upon notice thereof from Franchisor, Franchisee shall execute a participation agreement in the form approved by Franchisor for the group purchasing program and participate therein. Franchisor may modify or discontinue the group purchasing program at any time upon 30 days' prior written notice to Franchisee.

5.10 Franchisee shall obtain all food and beverage products, equipment, signs, interior and exterior decor items, fixtures, furnishings, supplies, and other products and materials required for the operation of or sold at the Restaurant solely from suppliers (including manufacturers, distributors and other sources) who demonstrate, to Franchisor's continuing reasonable satisfaction, the ability to meet Franchisor's then-current standards and specifications for such items; who possess adequate quality controls and capacity to supply Franchisee's needs promptly and reliably; and who have been approved in writing by Franchisor and not thereafter disapproved. The Manuals contain a list of approved suppliers. If Franchisee desires to purchase any items from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval, which approval shall not be unreasonably withheld, or shall request the supplier itself to do so. Franchisor shall have the right to inspect the supplier's facilities, and to require that samples from the supplier be delivered, at Franchisor's option, either to Franchisor or to an independent, certified laboratory designated by Franchisor for testing. Franchisee or the supplier shall pay the costs of any such test. Franchisor shall notify Franchisee in writing within 60 days of receiving any such request whether it disapproves the supplier. Failure by Franchisor to so notify Franchisee within that period shall be deemed to constitute Franchisor's approval of such supplier. Franchisor reserves the right, at its option, to reinspect the facilities and retest products of any such approved supplier at any time and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's criteria. Notwithstanding the foregoing, any supplier of goods which will bear any of the Marks shall not be approved to supply Franchisee such goods until such supplier has entered a written agreement with Franchisor or its affiliated companies regarding the production, use and sale of such goods.

5.11 No food or beverage product, interior or exterior decor item, sign, item of equipment, fixtures, furnishings or supplies, or other product or material required for the operation of the Restaurant, which bears any of the Marks, shall be used or sold in or upon the Restaurant premises unless the same shall have been first submitted to and approved in writing by Franchisor.

5.12 The Manuals and all related material furnished to Franchisee hereunder are and shall remain the property of Franchisor, and must be returned to Franchisor, along with any copies made thereof, immediately upon request or upon the expiration or earlier termination of this Agreement.

5.13 Franchisee shall participate in any of Franchisor's gift card programs.

6. TRAINING

6.1 Franchisor shall make its operations training course available to the General Manager, the Kitchen Manager, and Franchisee's Assistant Managers and other Restaurant managers.

6.2 Before the Restaurant opens for business, and thereafter as replacement personnel are employed by Franchisee, the General Manager, the Kitchen Manager and each Assistant Manager shall attend Franchisor's operations training facility for such period of time as Franchisor shall deem reasonably necessary, and shall successfully complete that course to Franchisor's reasonable satisfaction. If the General Manager, Kitchen Manager or an Assistant Manager fails to successfully complete Franchisor's operations training

course, Franchisor may require designation of a new General Manager, Kitchen Manager or Assistant Manager, as the case may be, and Franchisee shall designate a new General Manager, Kitchen Manager or Assistant Manager, who shall be required to successfully complete such training course.

6.3 The General Manager, the Kitchen Manager and each Assistant Manager shall, from time to time as reasonably required by Franchisor, attend and successfully complete to Franchisor's reasonable satisfaction a Franchisor-provided refresher course in restaurant operations.

6.4 Franchisee shall be responsible for the Restaurant's compliance with the operating standards, methods, techniques and material taught at Franchisor's operations training course, and shall cause the employees of the Restaurant to be trained in such standards, methods and techniques as are relevant to the performance of their respective duties.

6.5 Attendance of the General Manager, the Kitchen Manager and each Assistant Manager at any of Franchisor's training courses shall be tuition-free. Franchisee shall pay all other costs and expenses relating to the attendance of Franchisee's personnel at any of Franchisor's training courses, including, without limitation, the cost of travel, lodging, meals, and other related and incidental expenses.

7. RESTAURANT MAINTENANCE

7.1 Franchisee shall, at Franchisee's sole cost and expense, maintain the Restaurant in conformity with the standards, specifications and requirements of the System, as the same may be designated by Franchisor from time to time. Franchisee specifically agrees to repair or replace, at Franchisee's cost and expense, equipment, signs, interior and exterior decor items, fixtures, furnishings, supplies, and other products and materials required for the operation of the Restaurant as necessary or desirable, and to obtain, at Franchisee's cost and expense, any new or additional equipment, signs, interior and exterior decor items, fixtures, furnishings, supplies, and other products and materials which may be reasonably required by Franchisor for new products or procedures. Except as may be expressly provided in the Manuals, no alterations or improvements, or changes of any kind in design, equipment, signs, interior or exterior decor items, fixtures or furnishings shall be made in or about the Restaurant or Restaurant premises without the prior written approval of Franchisor in each instance.

7.2 In order to assure the continued success of the Restaurant, Franchisee must, at any time from time to time as reasonably required by Franchisor (taking into consideration the cost and then-remaining term of this Agreement), modernize the Restaurant premises, equipment, signs, interior and exterior decor items, fixtures, furnishings, supplies, and other products and materials required for the operation of the Restaurant, to Franchisor's then-current standards and specifications. Notwithstanding the foregoing, if this Agreement was entered into in connection with a Restaurant that had not initially opened for business to the public prior to the date of this Agreement, Franchisee shall not be required to commence any such modernization until after the six-year anniversary of the date of this Agreement. Franchisee's obligations under this Subsection are in addition to, and shall not relieve Franchisee from, any of its other obligations under this Agreement, including those contained in the Manuals.

7.3 If Franchisee is or becomes a lessee of the Restaurant premises, Franchisee shall have included in the lease provisions expressly permitting both Franchisee and Franchisor to take all actions and make all alterations referred to under Subsections 7.1 and 7.2 hereof, requiring the lessor thereunder to give Franchisor reasonable notice of any contemplated termination, and providing that Franchisor, Franchisor's affiliates, or approved franchisees of Franchisor have the unrestricted right to succeed to Franchisee's rights under the lease without the lessor having any right to impose conditions on such assignment or to obtain any payment in connection therewith. Franchisee shall not, without the prior written consent of Franchisor, execute any lease or other agreement which imposes, or purports to impose, any limitations on the ability of Franchisee and/or

of Franchisor or its affiliates to operate additional restaurants at any particular location beyond the geographic limitation set forth in Section 1.4 hereof, or any lease the term of which is shorter than the term of this Agreement. For purposes of clarification, Franchisor may require the lease to contain such other provisions as may be specified in Franchisor's then current lease approval policy or the terms and conditions of Franchisor's approval of the site for the Restaurant.

8. ADVERTISING

8.1 Franchisor shall develop and administer advertising, public relations and sales promotion programs designed to promote and enhance the collective success of all restaurant units in the System. It is expressly understood, acknowledged and agreed that in all phases of such advertising and promotion, including, without limitation, type, quantity, timing, placement and choice of media and medium, market areas, advertising agencies and public relations firms, Franchisor's decisions shall be final and binding. Franchisee shall have the right to participate actively in all such advertising, public relations and sales promotion programs, but only in full and complete accordance with such terms and conditions as may be established by Franchisor for each such program.

8.2 Franchisee shall pay the amounts described in this Section 8.2, in the manner described in Section 9 hereof.

(a) Advertising (National Advertising Fund):

(i) From the Commencement Date through December 31, 2026, Franchisee shall pay to Franchisor a minimum dollar amount equal to 4.25% of Franchisee's gross sales, as defined in Subsection 9.3 hereof (the "**Minimum Rate**").

(ii) From January 1, 2027 through the term of this Agreement, Franchisee shall pay to Franchisor a minimum dollar amount equal to 3.25% of Franchisee's gross sales.

(iii) The funds mentioned in Section 8.2(a)(i) and Section 8.2(a)(ii) shall become the sole and absolute property of Franchisor, to be allocated to a separate "**advertising account**" established by Franchisor (the "**Fund**"). Franchisor shall use such funds for market studies, advertising and marketing studies or services, production of commercials, advertising copy and layouts, traffic costs, agency fees, marketing personnel, or any other costs associated with the development, marketing and testing of advertising, and for the purchase of advertising time, space or materials in national, regional or other advertising media, in a manner determined by Franchisor in its sole discretion; provided, however, that all interest earned on such funds shall be Franchisor's or its affiliate's sole property. Within six months following the end of Franchisor's fiscal year, Franchisor shall provide all franchisees with an accounting of all amounts received from them and expended by Franchisor from the Fund for the matters set forth above.

(b) Local Advertising:

(i) From the Commencement Date through December 31, 2026, Franchisee shall not be required to expend a minimum dollar amount for local promotional activities.

(ii) From January 1, 2027 through the term of this Agreement, Franchisee shall expend a minimum dollar amount equal to 0.5% of Franchisee's gross sales, for local promotional activities, subject to the provisions of Subsections 8.3, 8.5 and 8.6 hereof.

(iii) Franchisor shall have the right at all times to review Franchisee's books and records, and to require Franchisee to produce evidence of its gross sales and local promotional activities, to

ensure Franchisee's compliance with this Section. Any amount determined by said audit to be due Franchisor as part of the advertising fee will be paid to Franchisor by Franchisee within 10 days thereafter.

(c) At any time after execution of this Agreement, Franchisor may in its sole discretion increase, to a maximum of 4% of gross sales, the percentage of gross sales which Franchisee shall be required to pay to Franchisor for allocation to the Fund pursuant to Subsection 8.2. Franchisor shall use the funds paid pursuant to that increased percentage requirement solely for the purchase of advertising time, space or materials in national, regional or other advertising media, in a manner determined by Franchisor in its sole discretion, provided that in each calendar year (or other 12-month period established by Franchisor) in which Franchisor makes expenditures for advertising from the Fund, so long as Franchisee is in compliance with its obligations hereunder, Franchisor's expenditures for advertising in the Territory encompassed by the Development Agreement (including expenditures for national or regional advertising in media which reach that Territory) shall be on a basis which is roughly proportional to Franchisee's contribution to the Fund during that calendar year or other 12-month period; provided that, Franchisor does not guarantee that the benefits of such advertising will be equal to or comparable to the benefits of advertising received by other Applebee's Neighborhood Grill & Bar franchisees.

(d) Franchisor also may increase the percentage of gross sales which Franchisee shall be required to spend for local promotional activities, provided however, that in no event shall Franchisee be required to make payments pursuant to Subsection 8.2 in an aggregate dollar amount in excess of 5% of gross sales. For purposes of clarification, Franchisor may also decrease the amounts required to be paid or expended by Franchisor pursuant to this Subsection 8.2.

8.3 Franchisor may designate any geographic area in which two or more Restaurants are located and owned by different parties as a region for purposes of establishing an advertising cooperative (a **"Cooperative"**).

(a) If a Cooperative is established, the members of the Cooperative for that region will consist of all Restaurants whether operated by Franchisor, its affiliated companies, or franchisees. Franchisor will determine in advance how each Cooperative will be organized and governed and when it must start operation. Each Cooperative will be governed by a co-op advertising policy, which will be provided to all members of the Cooperative upon request. Once the Cooperative is established, members of the Cooperative may not dissolve, merge or change the structure of a Cooperative without the prior written consent of Franchisor. Each Cooperative will be organized for the exclusive purposes of administering advertising programs and developing, subject to Franchisor's approval, promotional materials for use by the members in Local Advertising. If a Cooperative has been established for a geographic area where the Restaurant is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, Franchisee must sign all documents Franchisor requests and become a member of the Cooperative according to the terms of the documents. Franchisor will provide to Franchisee a copy of the Cooperative documents applicable to the geographic area in which the Restaurant will be located upon Franchisee's request.

(b) Franchisee must contribute to the Cooperative the amounts required by the documents governing the Cooperative, subject to the maximum contributions described in Section 8.2(b) above. Franchisee's payments to the Cooperative will apply toward satisfaction of Franchisee's Local Advertising requirement. Franchisee agrees to submit to Franchisor and the Cooperative any reports that Franchisor or the Cooperative requires. All contributions to the Cooperative will be maintained and administered according to the Cooperative governing documents. Franchisor retains the right to approve all expenditures made by the Cooperative. The Cooperative will be operated solely as a means for the collection and expenditure of the Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining Franchisor's approval.

8.4 Franchisee shall submit to Franchisor, for Franchisor's approval, an advertising campaign plan relating to the promotion of the opening of the Restaurant which is sufficient to meet the needs of the market. The Manuals contain a Press Release kit to assist Franchisee in this regard. Franchisee shall conduct the approved advertising campaign and make all expenditures for advertising to promote the opening of the Restaurant no later than 60 days after the Restaurant opens for business. Franchisor will reimburse 50% of Franchisee's out-of-pocket advertising expenditures up to a maximum of \$2,500, if Franchisee meets the following criteria:

(a) Franchisee's opening advertising expenditures are made, and the approved advertising campaign has been conducted, within 60 days after the opening of the Restaurant;

(b) Franchisee submits to Franchisor within 120 days after the opening of the Restaurant documentation for the opening advertising expenditures, such as paid invoices from suppliers of goods or services evidencing expenditure on the opening advertising promotion; and

(c) Franchisee's opening advertising expenditures are made pursuant to the approved advertising campaign plan and in accordance with the Grand Opening Reimbursement Program Policy Guidelines set forth in the Manuals.

8.5 Nothing in the foregoing Subsections shall be deemed to prohibit Franchisee from making additional expenditures for local promotional activities. All of Franchisee's local promotional activities shall utilize approved advertising media. "**Approved advertising media**" are limited to the following:

(a) Newspapers, magazines and other such periodicals;

(b) Radio and television;

(c) Outdoor advertising by signs displayed on billboards or buildings; and

(d) Handbills, flyers, door-hangers and direct mail.

In the event Franchisee wants to use a form of advertising medium not set forth above, Franchisee shall submit a description of such medium and advertising to Franchisor. Franchisor shall notify Franchisee whether it approves the use of such medium within 30 days of Franchisee's request. Failure by Franchisor to so notify Franchisee within that period shall be deemed to constitute Franchisor's approval of such request. Guidelines for local promotional activities are contained in the Manuals, including Franchisee's required participation in any co-operative marketing program.

8.6 All advertising copy and other materials employed by Franchisee in local promotional activities shall be in strict accordance and conformity with the standards, formats and specimens contained in the Manuals and shall receive the prior approval of Franchisor. In the event Franchisee wishes to deviate from the materials contained in the Manuals, Franchisee shall submit, in each instance, the proposed advertising copy and materials to Franchisor for approval in advance of publication. Franchisor shall notify Franchisee in writing, within 15 days of such submission, whether Franchisor disapproves such advertising copy and materials. Failure by Franchisor to so notify Franchisee within that period shall be deemed to constitute Franchisor's approval of such advertising copy and materials. In no event shall Franchisee's advertising contain any statement or material which may be considered: (a) in bad taste or offensive to the public or to any group of persons; (b) defamatory of any person or an attack on any competitor; (c) to infringe upon the use, without permission, of any other persons' trade name, trademark, service mark or identification; or (d) inconsistent with the public image of Franchisor or of the System.

9. FEES

9.1 As partial consideration for the rights granted hereunder, Franchisee shall pay Franchisor:

(a) an initial franchise fee of _____ dollars (\$ _____), to be paid in the manner prescribed in Subsection 4.1 of the Development Agreement as payment for the grant of the franchise. If Franchisor has not received such fee within 5 business days of the date hereof, Franchisee authorizes Franchisor, at Franchisor's election and without obligation to do so, to electronically debit such fee from any of Franchisee's accounts enrolled in Franchisor's electronic funds transfer program. Should, for any reason whatsoever, the funds in any such account be insufficient to pay in full the amount due, Franchisee shall remain liable for such shortfall and, immediately upon demand, remit to Franchisor the full amount of any such deficiency;

(b) a monthly royalty fee as determined by Franchisor, not to exceed 5% of each calendar month's gross sales, as provided in Subsection 4.3 of the Development Agreement, as payment for Franchisee's continuing right to operate the Restaurant as part of the System (*see Exhibit 1*); and

(c) a monthly advertising fee equal to such percentage of each calendar month's gross sales as Franchisor may require pursuant to Subsection 8.2 hereof.

9.2 The fees referred to in Subsections 9.1(b) and (c) (the "**Fees**") shall be paid on or before the twelfth day of the next full month immediately following the month to which the Fees relate. Any Fees, including the initial franchise fee, which are not paid when due shall bear interest from and after the due dates thereof at the rate of 18% per annum or the highest rate permitted by applicable law, whichever is less.

9.3 (a) Except for the sale of a gift card (on which royalty shall be due and payable upon redemption of the gift card and as provided in Subsection 9.3(b) hereof, the term "**gross sales**," as used in this Agreement, shall mean all receipts (cash, cash equivalents or credit) or revenues from sales from all business conducted upon or from the Restaurant premises, whether evidenced by check, cash, credit, debit card, charge account, exchange or otherwise, including, but not limited to, amounts received from the sale of goods, wares and merchandise (including sales of food, beverages and tangible property of every kind and nature, promotional or otherwise), from all services performed from or at the Restaurant premises, and from all orders taken or received at the Restaurant premises, regardless of where such orders are filled (including any payments received from the sale of meals to employees). Gross sales shall not be reduced by any deductions for cash shortages incurred in connection with the transaction of business with customers, credit card company charges or theft which is reimbursed by insurance or is not reported to the appropriate police authorities. Each charge or sale upon installment or credit shall be treated as a sale for the full price in the month during which such charge or sale shall be first made, irrespective of the time when Franchisee shall receive payment (whether full or partial) therefor.

(b) Gross sales shall not include: (i) the sale of merchandise for which cash has been refunded or, except as provided in the second sentence of Subsection 9.3(a), not received, or allowances made for merchandise, if the sales of any such returned or exchanged merchandise shall have been previously included in gross sales; (ii) the amount of any sales tax imposed by any federal, state, municipal or other governmental authority directly on sales and intended to be collected from customers, provided that the amount thereof is added to the selling price and actually paid by Franchisee to such governmental authority; (iii) the sale of merchandise for which a gift card is redeemed, if the initial sale of the gift card shall have been previously included in gross sales; (iv) the sale of waste products of the Restaurant; (v) telephone, game and vending machine revenues; (vi) the sale of non-food items or beverages at a discount in connection with a promotional campaign; (vii) one-time sale of furniture, fixtures or equipment; (viii) theft which is not covered by insurance and is reported to the appropriate police authorities; and (ix) delivery fees imposed in connection

with dispatch services provided by Mobo Systems, Inc. In addition, Franchisor may, from time to time, in writing, permit or allow certain other items to be excluded from gross sales. Any such permission or allowance may be revoked or withdrawn at Franchisor's discretion.

9.4 Franchisee agrees that, subject to the provisions of this Section 9.4, Franchisor or its designee may withdraw funds from Franchisee's designated bank account by electronic funds transfer ("EFT") in the amount of any royalties or other fees payable to Franchisor under this Agreement. Franchisor or its designee will make each EFT withdrawal of the royalty fees described in Section 9.1(b) and advertising fees described in Section 9.1(c) on the dates such payments are due. Franchisor or its designee may withdraw any other payments owed to Franchisor pursuant to, or in connection with, this Agreement if such payments become more than 10 days past due. Franchisee's designated bank account for EFT withdrawals shall at all times be maintained in the United States and such account shall permit EFT withdrawals by Franchisor or its designee without approval of, or involvement by, a government agency or authority. If Franchisee has not submitted a monthly Restaurant report as required by Section 10.2(a) hereof, Franchisor or its designee may make an EFT withdrawal for overdue royalty fees based on a good faith estimate of the Gross Sales for the applicable month. After the applicable monthly Restaurant report is submitted, Franchisor or its designee will make an appropriate credit to Franchisee for any overpayment or will invoice Franchisee for any underpayment, as applicable.

9.5 Franchisee will, upon execution of this Agreement, execute a document in the form of **Appendix D**, granting to Franchisor or its designee the authority to process EFTs from Franchisee's designated bank account. From time-to-time at Franchisor's request, Franchisee will execute any additional documents necessary to confirm or update this authority. Franchisee will be responsible for any EFT transfer fee or similar charge imposed by Franchisee's bank, and for any service charges incurred by Franchisor or its designee and/or imposed by Franchisee's bank should any EFT not be honored by Franchisee's bank for any reason. Throughout the term of this Agreement, Franchisee will maintain a minimum balance sufficient to satisfy all of Franchisee's obligations under this Agreement. It will be a material event of default of Franchisee if Franchisee closes the account without Franchisor's consent, or closes the account with Franchisor's consent, but fails to promptly establish another account and execute all documents necessary for Franchisor or its designee to process all payments by EFT from the new account.

10. RECORD KEEPING; ACCESS TO INFORMATION

10.1 Franchisee shall employ a point of sale system approved by Franchisor, without modification, in connection with the business of the Restaurant. Franchisee shall use such bookkeeping and record keeping forms as shall be prescribed in the Manuals.

10.2 Franchisee shall complete and submit to Franchisor, on a regular, continuous basis, each of the following reports, in the form specified in the Manuals:

- (a) monthly Restaurant reports, on or before the 12th day of each calendar month following the month to which the report relates;
- (b) annual Restaurant reports, on or before the 15th day of April of each year;
- (c) weekly gross sales reports, on or before the Tuesday following the calendar week to which the report relates; and
- (d) such additional reports as Franchisor shall request.

10.3 The annual Restaurant reports referred to above shall include a balance sheet dated as of the end of Franchisee's fiscal year or calendar year and a profit and loss statement for such year, together with such additional financial information as Franchisor may reasonably request. Such balance sheet and profit and loss statement shall be prepared in accordance with generally accepted accounting principles, certified as correct and complete by Franchisee's chief executive officer, president, chief financial officer or controller and reported on and reviewed by an independent state-licensed certified public accountant. If Franchisee fails to provide Franchisor with such balance sheet and profit and loss statement, Franchisor shall have the right to have an independent audit made of Franchisee's books and records, and Franchisee shall promptly reimburse Franchisor for the cost thereof.

10.4 Each of the reports referred to in this Section 10 shall be completed by Franchisee or its accountant in the respective specimen forms, and in accordance with the instructions, contained in the Manuals. Subsection 10.3 notwithstanding, time is of the essence with respect to the completion and submission of each such report.

10.5 Franchisee shall install and maintain such equipment, make such arrangements and follow such procedures as Franchisor may require in the Manuals or otherwise in writing (including the establishment and maintenance of Internet, intranet or extranet access or such other means of electronic communication, as specified by Franchisor from time to time) to permit Franchisor to access, download, and retrieve electronically, by telecommunication or other designated method, any information stored in Franchisee's electronic cash registers or on Franchisee's computer systems, including information concerning the gross sales of the Restaurant, and to permit Franchisor to upload and for Franchisee to receive and download information from Franchisor with or without Franchisee's prior consent. Franchisee further agrees that Franchisor will have and be afforded access to such information at the times and in the manner that Franchisor may specify from time to time, including extracting information by electronic, digital or other means. Franchisee shall hire all employees for the operation of the Restaurant and shall be exclusively responsible for the terms of their employment, compensation, and for the proper training of such employees pursuant to the standards set forth in the Manuals for the operation of the Restaurant.

11. FRANCHISEE ORGANIZATION, AUTHORITY, FINANCIAL CONDITION AND SHAREHOLDERS

11.1 Franchisee and each Principal Shareholder represent and warrant that: (a) Franchisee is a corporation duly incorporated, validly existing and in good standing under the laws of the State of its incorporation; (b) Franchisee is duly qualified and is authorized to do business and is in good standing as a foreign corporation in each jurisdiction in which the Restaurant is located and its business activities or the nature of the properties owned by it requires such qualification; (c) the execution and delivery of this Agreement and the transaction contemplated hereby are within Franchisee's corporate power and do not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which Franchisee, any Principal Shareholder or any person with an ownership interest in Franchisee or any Principal Shareholder is a party; (d) the execution and delivery of this Agreement has been duly authorized by Franchisee and is permitted by its articles of incorporation and by-laws; (e) the articles of incorporation and by-laws of Franchisee delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (f) the certified copies of the minutes electing the officers of Franchisee and authorizing the execution and delivery of this Agreement are true, correct and complete, and there have been no changes therein since the date(s) thereof; (g) the specimen stock certificate delivered to Franchisor is a true specimen of Franchisee's stock certificate; (h) the most recent balance sheet of Franchisee ("Balance Sheet") and the most recent balance sheets of its Principal Shareholders heretofore delivered to Franchisor, are true, complete and correct, and fairly present the financial positions of Franchisee and each Principal Shareholder, respectively, as of the dates thereof; (i) the Balance Sheet and each

such balance sheet have been prepared in accordance with generally accepted accounting principles; and (j) there have been no materially adverse changes in the condition, assets or liabilities of Franchisee or Principal Shareholders since the date or dates thereof.

11.2 Franchisee and each Principal Shareholder covenant that during the term of this Agreement: (a) Franchisee shall do or cause to be done all things necessary to preserve and keep in full force its corporate existence and shall be in good standing as a foreign corporation in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (b) Franchisee shall have the corporate authority to carry out the terms of this Agreement; and (c) Franchisee shall print, in a conspicuous fashion on all certificates representing shares of its stock when issued, a legend referring to this Agreement and the restrictions on and obligations of Franchisee and Principal Shareholders hereunder, including the restrictions on transfer of Franchisee's shares.

11.3 In addition to the financial information which Franchisee is required to provide to Franchisor under Subsections 10.2 and 11.1 hereof, Franchisee and Principal Shareholders shall provide Franchisor with such other financial information as Franchisor may reasonably request from time to time, including without limitation: (a) on an annual basis, copies of the then-most current financial statements of Franchisee and each Principal Shareholder, dated as of the end of the last preceding fiscal year of Franchisee or Principal Shareholder, said statements to be delivered to Franchisor no later than April 15 of each year, which financial statements shall conform to the standards set forth in Subsection 11.1 hereof, (b) on a quarterly basis, copies of the then-most current quarterly financial statements of Franchisee and each Principal Shareholder, which shall include a balance sheet, profit and loss statement and statements of cash flow, said statements to be delivered to Franchisor no later than 60 days after the end of each such quarter, which financial statements shall conform to the standards set forth in Subsection 11.1 hereof, and (c) on a quarterly basis, a copy of the then-most current quarterly Restaurant-level profit and loss statement, said statement to be delivered to Franchisor no later than 60 days after the end of each such quarter, which statement shall conform to the standards set forth in Subsection 11.1 hereof.

11.4 Franchisee and each Principal Shareholder represent, warrant and covenant that all Interests (as defined in Subsection 12.4 hereto) in Franchisee are owned as set forth on **Appendix A** hereto, that no Interest has been pledged or hypothecated (except in accordance with Section 12 of this Agreement), and that no change will be made in the ownership of any such Interest other than as permitted by this Agreement, or otherwise consented to in writing by Franchisor. Franchisee and Principal Shareholders agree to furnish Franchisor with such evidence as Franchisor may request, from time to time, for the purpose of assuring Franchisor that the Interests of Franchisee and Principal Shareholders remain as represented herein. Franchisee and Principal Shareholders represent and warrant that (x) the Entity Information Sheet attached as **Appendix A** hereto accurately indicates the beneficial and direct ownership of all Interests in the Franchisee, each Principal Shareholder, and each other entity specified thereon and (y) each person and entity indicated on **Appendix A** as an authorized signatory and officer of the Franchisee, Principal Shareholder, or other entity specified therein is in fact an authorized signatory and duly elected officer of such entity and has been duly authorized to execute and deliver this Agreement and all other agreements and instruments in connection herewith. Franchisor may rely these representations and warranties on an ongoing basis throughout the term of this Agreement and Franchisee and Principal Shareholders shall promptly update Franchisor as to any changes in the information provided on **Appendix A**.

11.5 Each Principal Shareholder, jointly and severally, hereby personally and unconditionally guarantees each of Franchisee's financial obligations to Franchisor and its affiliates (including, but not limited to, all obligations relating to the payment of fees by Franchisee to Franchisor and its affiliates). Each Principal Shareholder agrees that Franchisor and its affiliates may resort to such Principal Shareholder (or any of them) for payment of any such financial obligation, whether or not Franchisor and its affiliates shall have proceeded against Franchisee, any other Principal Shareholder or any other obligor primarily or secondarily obligated to

Franchisor with respect to such financial obligation. Each Principal Shareholder hereby expressly waives presentment, demand, notice of dishonor, protest, and all other notices whatsoever with respect to Franchisor's and its affiliates' enforcement of this guaranty. In addition, each Principal Shareholder agrees that if the performance or observance by Franchisee of any term or provision hereof is waived or the time of performance thereof extended by Franchisor and its affiliates, or payment of any such financial obligation is accelerated in accordance with any agreement between Franchisor and its affiliates and any party liable in respect thereto or extended or renewed, in whole or in part, all as Franchisor and its affiliates may determine, whether or not notice to or consent by any Principal Shareholder or any other party liable in respect to such financial obligations is given or obtained, such actions shall not affect or alter the guaranty of each Principal Shareholder described in this Subsection.

11.6 Franchisee and each Principal Shareholder represent and warrant to Franchisor that:

(a) Neither Franchisee nor any Principal Shareholder or any other person with a direct or indirect ownership interest in Franchisee is identified, either by name or an alias, pseudonym or nickname, on the list of “**Specially Designated Nationals and Blocked Persons**” maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts available at www.treas.gov/offices/enforcement/ofac/). Further, Franchisee and its Principal Shareholders represent and warrant that neither has violated and agree that neither will violate any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons or entities who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act (text available at <http://www.epic.org/privacy/terrorism/hr3162.html>), U.S. Executive Order 13244 (text available at <https://www.treasury.gov/resource-center/sanctions/Programs/Documents/terror.pdf>, or similar law;

(b) Franchisee has not made, nor has any Principal Shareholder made, any expenditures other than for lawful purposes or directly or indirectly offered, gave, promised to give or authorized the payment or the gift of any money, or anything of value, to any person or entity, while knowing or having reason to know that all or a portion of such money or thing of value would be given or promised, directly or indirectly, to any government official, official of an international organization, officer or employee of a foreign government or anyone acting in an official capacity for a foreign government, for the purpose of: (1) influencing any action, inaction or decision of such official in a manner contrary to his or her position or creating an improper advantage; or (2) inducing such official to influence any government or instrumentality thereof to effect or influence any act or decision of such government or instrumentality.

(c) Franchisee nor any Principal Shareholder or any other person or entity who has any direct or indirect ownership interest is or will become directly or indirectly owned or controlled by governmental authorities of any country that is subject to a United States embargo; and

(d) Franchisee understands and its Principal Shareholders understand and have been advised by legal counsel on the requirements of the United States Foreign Corrupt Practices Act (currently located at <https://www.justice.gov/criminal-fraud/foreign-corrupt-practices-act>, any local foreign corrupt practices laws and the Patriot Act (currently located at www.epic.org/privacy/terrorism/hr3162.html, acknowledge the importance to Franchisor and the Restaurants and the parties' relationship of their respective compliance with the requirements of these laws, including any applicable auditing requirements and any requirement to report or provide access to information to Franchisor or any government, that is made part of any applicable law, and agree to take all steps required by their consultants, agents and employees to comply with such laws prior to engaging or employing any such individuals or entities.

12. TRANSFER

12.1 There shall be no Transfer of any Interest of Franchisee, or of a Principal Shareholder in Franchisee, in whole or in part (whether voluntarily or by operation of law), directly, indirectly or contingently, except in accordance with the provisions of this Section 12. “**Transfer**” and “**Interest**” are defined in Subsections 12.2, 12.3 and 12.4. Any proposed Transfer also shall be subject to the provisions of the Development Agreement, which are incorporated herein by reference.

12.2 Except as provided in Subsection 12.3, “**Transfer**” shall mean any assignment, sale, pledge, hypothecation, gift or any other event which would change ownership of or change or create a new Interest, including, but not limited to:

(a) any change in the ownership of or rights in or to any shares of stock or other equity interest in Franchisee which would result from the act of any shareholder of Franchisee (“**Shareholder**”), such as a sale, exchange, pledge or hypothecation of shares, or any interest in or rights to any of Franchisee’s profits, revenues or assets, or any such change which would result by operation of law; and

(b) any change in the percentage interest owned by any Shareholder in the shares of stock of Franchisee, or interests in its profits, revenues or assets which would result from any act of Franchisee such as a sale, pledge or hypothecation of any Restaurant assets (other than a pledge of assets to secure bona fide loans made or credit extended in connection with acquisition of the assets pledged, provided that immediately before and after such transaction the net worth of Franchisee shall not be less than the amount which is reflected on the Balance Sheet referred to in Subsection 11.1 of this Agreement); any sale or issuance of any shares of Franchisee’s stock; the retirement or redemption of any shares of Franchisee’s stock; or any sale or grant to any person of any right to participate in or otherwise to share or become entitled to any part of Franchisee’s profits, revenues, assets or equity.

12.3 “**Transfer**” shall not include: (a) a change in the ownership of or rights to any shares or other equity interest in Franchisee pursuant to a public offering of Franchisee’s securities registered under the Securities Act of 1933, or (b) a change in the ownership of or rights to any securities or other equity interest in Franchisee pursuant to a private offering of Franchisee’s securities exempted from registration under such Act, provided that Franchisee provides Franchisor with a copy of its prospectus and/or offering memorandum 10 days prior to its filing with the Securities and Exchange Commission or circulation to third parties so that Franchisor may comment and, if necessary, correct any information concerning Franchisor and/or the System, and further provided that after giving effect to such public or private offering, the Principal Shareholders, or any of them, “control” Franchisee. For purposes of this Section 12, “**control**” means either: (1) owning legal and equitable title to 51% or more of the outstanding voting securities of Franchisee, which are not subject to a proxy granted to or contract with any other person or party granting that party the right to vote part or all of such securities; or (2) having and continually exercising the contractual power presently to designate a majority of the directors of Franchisee.

12.4 “**Interest**” shall mean when referring to interests or rights in Franchisee, any shares of Franchisee’s stock and any other equitable or legal right in or to any of Franchisee’s stock, revenues, profits or assets; when referring to rights or assets of Franchisee, Franchisee’s rights under and interest in this Agreement, the Restaurant and its revenues, profits and assets.

12.5 (a) The Interest of a Principal Shareholder may be transferred to such Principal Shareholder’s spouse or children or to a person designated in such Principal Shareholder’s will or trust (individually and collectively referred to as a “**Successor**”), upon such Principal Shareholder’s death or permanent incapacity, without Franchisor’s approval, provided that such Successor shall agree to be bound by

the restrictions contained in this Section 12, and the other agreements and covenants of the Principal Shareholders contained in this Agreement;

(b) The Interest of a Principal Shareholder may not be transferred to another Principal Shareholder without Franchisor's approval, which approval shall not be unreasonably withheld; and

(c) The Interest of a Successor may only be transferred in accordance with Subsection 12.5(b), 12.6, 12.7 or 12.8, regardless of whether such Transfer is for consideration or by gift or will or other device.

12.6 If at any time any of the Principal Shareholders desires to dispose of all or substantially all of the Interests of the Principal Shareholder(s) in Franchisee, or any of the Principal Shareholders (or Franchisee) desires to dispose of all or substantially all of Franchisee's Interest in this Agreement or in the assets which Franchisee has acquired as a result of this Agreement, the Principal Shareholder(s) or Franchisee, as the case may be, shall notify Franchisor of that desire, in writing, 30 days before announcing that fact publicly or engaging the services of a broker or sales agent.

12.7 (a) If at any time any of the Principal Shareholders or Franchisee, as the case may be, obtains from a third-party or third parties a bona fide offer (the "**Offer**") in writing for the purchase of all or substantially all of the Interests of the Principal Shareholders in Franchisee, or of Franchisee's Interest in this Agreement or in the assets which Franchisee has acquired as a result of this Agreement, the Principal Shareholders or Franchisee shall give notice (the "**Selling Notice**") to Franchisor stating that the Principal Shareholders or Franchisee, as the case may be, have received the Offer, identifying the prospective purchaser by name and address, specifying the proposed purchase price and attaching a true and complete copy of the Offer, including all relevant materials required for approval by Franchisor;

(b) Franchisor shall have an option to purchase (the "**Option**"), exercisable within a period of 45 days after receipt of the Selling Notice (the "**Option Period**"), such Interests at the price and on the conditions set forth in the Offer, except that Franchisor shall not be obligated to pay any finder's or broker's fee, and if the Offer provides for payment of consideration other than cash, or if the Offer involves certain intangible benefits, Franchisor may elect to purchase such Interests by offering a reasonable dollar value substitute for the non-cash/intangible benefits part of the Offer. Notwithstanding the foregoing, if Franchisor exercises the Option, Franchisor: (a) will be entitled to receive representations and warranties from Franchisee and the Principal Shareholders, jointly and severally, that are customarily received by purchasers in similar transactions; and (b) will be permitted to not close if it is not satisfied with the results of its business, legal and financial due diligence;

(c) The Option shall be exercisable by Franchisor delivering to the Principal Shareholders or Franchisee, as the case may be, within the Option Period, a notice: (i) stating that the Option is being exercised; and (ii) specifying the time, date and place at which such purchase and sale will take place, which date shall be within 45 days after Franchisor delivers such notice. Franchisee shall provide Franchisor access to and copies of such information and documentation Franchisor shall request regarding the purchase prior to the start of the Option Period. The 45-day limitation for purposes of determining the sale date shall not apply if at the end of said 45-day period the only issue which prevents completion of the purchase and sale is the need to effect transfers of the applicable liquor licenses. In the event of such a delay, the purchase and sale shall take place within 10 days after those liquor licenses have been transferred;

(d) If the Option is not exercised, the Principal Shareholders or Franchisee, as the case may be, may sell the Interests in or of Franchisee to the third-party which made the Offer, on conditions no more favorable to the third-party offerer than those set forth in the Offer, provided that Franchisor approves the proposed transferee in accordance with the criteria set forth in Appendix B and provided further that such

sale takes place within 90 days after the expiration of the Option Period. The 90-day limitation described in the preceding sentence shall not apply if at the end of said 90-day period the issue which prevents completion of the purchase and sale is either the need to effect transfers of the applicable liquor licenses or consent or approval of the transaction by a state or federal regulatory agency. In the event of such a delay, the purchase and sale shall take place within 10 days after those issues have been resolved or waived by Franchisor;

(e) If the Option is not exercised, the Principal Shareholders or Franchisee, as the case may be, shall immediately notify Franchisor in writing of any change in the terms of an Offer. Any change in the terms of an Offer shall cause it to be deemed a new Offer, conferring upon Franchisor a new Option pursuant to this Subsection 12.7; the Option Period with respect to the new Option shall be deemed to commence on the day on which Franchisor receives written notice of a change in the terms of the original Offer. Provided however, in such an instance, Franchisor shall provide Franchisee its response within 15 days after Franchisor's receipt of all the modified terms, unless such changes are deemed material by Franchisor and in such an event, Franchisor shall have a 45-day period within which to review said changes;

12.8 (a) Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Franchisor has entered into this Agreement in reliance on the business skill and financial capability of Franchisee, and the business skill, financial capability and personal character of each Principal Shareholder. Except as otherwise provided in this Section 12, the Principal Shareholders shall at all times retain control of Franchisee. Except as otherwise provided in this Section 12, no Transfer of any part of Franchisee's Interest in this Agreement or in the Restaurant, and no Transfer of any Interest of any Principal Shareholder, shall be completed except in accordance with this Subsection 12.8. In the event of such a proposed Transfer of any part of Franchisee's Interest in this Agreement or in the Restaurant, or of any Interest of any Principal Shareholder, the party or parties desiring to effect such Transfer shall give Franchisor notice in writing of the proposed Transfer, which notice shall set forth the name and address of the proposed transferee, its financial condition, including a copy of its financial statement dated not more than 90 days prior to the date of said notice, and all the terms and conditions of the proposed Transfer. Upon receiving such notice, Franchisor may: (i) approve the Transfer; or (ii) withhold its consent to the Transfer. Franchisor shall, within 45 days of receiving such notice and all of the information requested by Franchisor regarding the proposed Transfer and the parties thereto, advise the party or parties desiring to effect the Transfer whether it: (1) approves the Transfer; or (2) withholds its consent to the Transfer, giving the reasons for such disapproval. Failure of Franchisor to so advise said party or parties within that 45-day period shall be deemed to be an approval of the proposed Transfer. **Appendix B** sets forth the criteria for obtaining Franchisor's consent to a proposed Transfer; and

(b) In the event that Franchisor approves the Transfer and the Transfer is not completed within 90 days of the later of: (i) expiration of the 45-day notice period; or (ii) delivery of notice of Franchisor's approval of the proposed Transfer, Franchisor's approval of the proposed Transfer shall automatically be revoked. The 90-day limitation described in the preceding sentence shall not apply if at the end of said 90-day period the only issue which prevents completion of the Transfer is the need to effect transfers of the applicable liquor licenses. In the event of such a delay, the Transfer shall take place within 10 days after those liquor licenses have been transferred. Any subsequent proposal to complete the proposed Transfer shall be subject to Franchisor's right of approval as provided herein. The party which desires to effect the proposed Transfer shall immediately notify Franchisor in writing of any change in the terms of a Transfer. Any change in the terms of a Transfer prior to closing shall cause it to be deemed a new Transfer, revoking any approval previously given by Franchisor and conferring upon Franchisor a new right to approve such Transfer, which shall be deemed to commence on the day on which Franchisor receives written notice of such changes in terms.

12.9 In connection with any request for Franchisor's approval of a proposed Transfer pursuant to this Section 12, the parties to the proposed Transfer shall pay Franchisor a non-accountable fee to defray the actual cost of review and the administrative and professional expenses related to the proposed Transfer and the

preparation and execution of documents and agreements of \$2,500. For purposes of clarification, the transfer fee reflected in the preceding sentence relates to this Agreement only and does not limit the ability of Franchisor to charge fees in connection with other franchise agreements involved in the Transfer.

13. CONFIDENTIALITY; RESTRICTIONS

13.1 Franchisee and its Principal Shareholders acknowledge that over the term of this Agreement they are to receive proprietary information which Franchisor or its affiliates have acquired or developed over time at great expense, including, but not limited to, information regarding the System, methods of site selection, marketing and public relations methods, product analysis and selection, and service methods and skills relating to the development and operation of restaurants. They further acknowledge that this information, which includes, but is not necessarily limited to, that contained in the Manuals, is not generally known in the industry and is beyond their own present skills and experience, and that to develop it themselves would be expensive, time consuming and difficult. Franchisee and its Principal Shareholders further acknowledge that such information provides a competitive advantage and will be valuable to them in the development of their business, and that gaining access to it is therefore a primary reason why they are entering into this Agreement. Accordingly, Franchisee and its Principal Shareholders agree that such information, as described above, which may or may not be “**trade secrets**” under prevailing judicial interpretations or statutes, is private and valuable, and constitutes trade secrets belonging to Franchisor or its affiliates. Accordingly, in consideration of Franchisor’s confidential disclosure to them of these trade secrets, Franchisee and Principal Shareholders agree as follows (subject to the provisions of the Development Agreement and any other franchise agreement between Franchisor and Franchisee):

(a) During the term of this Agreement, neither Franchisee nor any Principal Shareholder, for so long as such Principal Shareholder owns an Interest in Franchisee, may, without the prior written consent of Franchisor, directly or indirectly engage in, or acquire any financial or beneficial interest (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures) in, advise, help, guarantee loans or make loans to, any restaurant business whose menu or method of operation is similar to that employed by restaurant units within the System which is either: (i) located in the Territory, as defined in the Development Agreement; (ii) located in the Area of Dominant Influence (as defined and established from time to time by Arbitron Ratings Company) of any restaurant developed pursuant to the Development Agreement; (iii) located within a five-mile radius of any restaurant unit within the System; or (iv) determined by Franchisor, exercising reasonable good faith judgment, to be a direct competitor of the System;

(b) Neither Franchisee, for two years following the termination of this Agreement, nor any Principal Shareholder, for two years following the termination of all of his or her Interest in Franchisee or the termination of this Agreement, whichever occurs first, may directly or indirectly engage in, or acquire any financial or beneficial interest (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures) in, advise, help, guarantee loans or make loans to, any restaurant business whose menu or method of operation is similar to that employed by restaurant units within the System which is located either: (i) in the Territory, as defined in the Development Agreement; (ii) in the Area of Dominant Influence (as defined and established from time to time by Arbitron Ratings Company) of any restaurant developed pursuant to the Development Agreement; (iii) within a five-mile radius of any restaurant unit within the System; or (iv) within any area for which an active, currently binding development agreement has been granted by Franchisor to another franchisee as of the date of the termination; and

(c) Neither Franchisee nor any Shareholder shall at any time: (i) appropriate or use the trade secrets incorporated in the System, or any portion thereof, in any restaurant business which is not within the System; (ii) disclose or reveal any portion of the System to any person, other than to Franchisee’s Restaurant employees as an incident of their training; (iii) acquire any right to use any name, mark or other intellectual property right which is or may be granted by this Agreement, except in connection with the

operation of the Restaurant; or (iv) communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how of Franchisor or its affiliates concerning the methods of development or operation of a restaurant utilizing the System.

13.2 Franchisee and Principal Shareholders agree that the provisions of this Section 13 are and have been a primary inducement to Franchisor to enter into this Agreement, and that in the event of breach thereof Franchisor would be irreparably injured and would be without adequate remedy at law. Therefore, in the event of a breach, or a threatened or attempted breach, of any of such provisions Franchisor shall be entitled, in addition to any other remedies which it may have hereunder or at law or in equity (including the right to terminate this Agreement), to a preliminary and/or permanent injunction and a decree for specific performance of the terms hereof without the necessity of showing actual or threatened damage, and without being required to furnish a bond or other security.

13.3 The restrictions contained in Subsection 13.1(a) and (b) above shall not apply to ownership of less than 2% of the shares of a company whose shares are listed and traded on a national securities exchange if such shares are owned for investment only, and are not owned by an officer, director, employee, or consultant of such publicly traded company.

13.4 If any court or other tribunal having jurisdiction to determine the validity or enforceability of this Section 13 determines that it would be invalid or unenforceable as written, then the provisions hereof shall be deemed to be modified or limited to such extent or in such manner as necessary for such provisions to be valid and enforceable to the greatest extent possible.

13.5 Franchisee shall require the General Manager, the Kitchen Manager and each of its Restaurant managers to execute a confidentiality agreement in the form attached hereto as **Appendix C**. Franchisee shall be responsible for compliance of its employees with the agreements identified in this Subsection.

14. INSPECTIONS

14.1 Franchisor shall have the right at any time, and from time to time, to have its representatives enter the Restaurant premises without notice for the purpose of inspecting the condition thereof and the operation of the Restaurant in order to determine whether Franchisee is in compliance with the standards, specifications, requirements and instructions contained in this Agreement and in the Manuals, and for any other reasonable purpose connected with the operation of the Restaurant.

14.2 Without limiting the generality of Subsection 14.1, a representative of Franchisor shall be present in the Restaurant to consult with Franchisee or its General Manager from time to time and, at least semi-annually, a representative shall conduct an inspection/consultation at the Restaurant (which may be conducted with or without notice). During such inspection, Franchisor's representative will inspect the condition of the Restaurant and observe procedures and operations at the Restaurant. Also during the inspection/consultation, Franchisor's representative will meet with the General Manager and such other Restaurant employees as Franchisor's representative may designate, for the purpose of evaluating the condition and operation of the Restaurant and seeking to maintain or achieve compliance with the standards, specifications, requirements and instructions contained in this Agreement and in the Manuals.

14.3 Without limiting the generality of Subsection 14.1, Franchisor's representatives shall have the right at all times during normal business hours to confer with Restaurant employees and customers, and to inspect Franchisee's books, records and tax returns, or such portions thereof as pertain to the operation of the Restaurant. All such books, records and tax returns shall be kept and maintained at the principal executive offices of Franchisee or such other place as may be agreed upon by the parties in writing. If any inspection reveals that the gross sales reported in any report or statement are less than the actual gross sales ascertained

by such inspection, then Franchisee shall immediately pay Franchisor the additional amount of fees owing by reason of the understatement of gross sales previously reported, together with interest as provided in Subsection 9.2. In the event that any report or statement understates gross sales by more than 3% of the actual gross sales ascertained by Franchisor's inspection, Franchisee shall, in addition to making the payment provided for in the immediately preceding sentence, pay and reimburse Franchisor for any and all expenses incurred in connection with its inspection, including, but not limited to, reasonable accounting and legal fees. Such payments shall be without prejudice to any other rights or remedies which Franchisor may have under this Agreement or otherwise. If any inspection reveals that the gross sales reported in any report or statement are greater than the actual gross sales ascertained by such inspection, and that Franchisee thereby has made an overpayment of fees, the amount of the overpayment (without interest) shall be offset against future fees owing by Franchisee to Franchisor.

14.4 Franchisee shall maintain an accurate stock register. In the event that the beneficial ownership of Franchisee's stock differs in any respect from record ownership, Franchisee also shall maintain a list of the names, addresses and interests of all beneficial owners of its stock. Franchisee shall produce its stock register, and any list of beneficial owners certified by the corporation's secretary to be correct, at its principal executive offices upon 10 days' prior written request by Franchisor. Franchisor's representatives shall have the right to examine the stock register and any list of beneficial owners, and to reproduce all or any part thereof. Further, upon 10 days' written notice, Franchisor may request a copy of the list of stockholders and owners of beneficial interests to be forwarded to it at Franchisor's principal office.

15. RELATIONSHIP OF PARTIES AND INDEMNIFICATION

15.1 Franchisee is not, and shall not represent or hold itself out as, an agent, legal representative, joint venturer, partner, employee or servant of Franchisor for any purpose whatsoever and, where permitted by law to do so, shall file a business certificate to such effect with the proper recording authorities. Franchisee is an independent contractor and is not authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on behalf of Franchisor. Franchisee agrees that Franchisor does not have any fiduciary obligation to Franchisee. Franchisee shall not use the name Applebee's Neighborhood Grill & Bar (other than in connection with the operation of the Restaurant), or Applebee's, or any similar words as part of or in association with any trade name of any business entity which is, directly or indirectly, associated with Franchisee.

15.2 Franchisee shall indemnify and hold harmless Franchisor and its officers, directors, employees, agents, affiliates, successors and assigns from and against: (a) any and all claims based upon, arising out of, or in any way related to the operation or condition of any part of the Restaurant or Restaurant premises, the conduct of business thereat, the ownership or possession of real or personal property, and any negligent act, misfeasance or nonfeasance by Franchisee or any of its agents, contractors, servants, employees or licensees (including, without limitation, the performance by Franchisee of any act required by, or performed pursuant to, any provision of this Agreement); and (b) any and all fees (including reasonable attorneys' fees), costs and other expenses incurred by or on behalf of Franchisor in the investigation of or defense against any and all such claims. Without limiting the generality of the foregoing, Franchisee will satisfy the obligations set forth in this paragraph without regard to any acts or omissions, real or alleged, of Franchisor or its officers, directors, employees, agents, affiliates, successors and assigns.

15.3 In addition to, and not in limitation of, any subsection hereof, Franchisee specifically covenants, represents and warrants that Franchisee is in compliance in all material respects with all federal, state, municipal and local laws governing the generation, use or disposal of hazardous waste or hazardous materials, and any and all other laws designed to protect the environment and that:

(a) There have been no past, and there are no current or anticipated, releases or substantial threats of a release of a hazardous substance, pollutant or contaminant from or onto the Restaurant or real property upon which the Restaurant is located and referred to in this Agreement (“**Premises**”) which is or may be subject to regulation under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9601, *et seq.*) or other laws designed to protect the environment;

(b) The Premises have not previously been used, are not now being used and are not contemplated to be used for the treatment, collection, storage or disposal of any refuse or objectionable waste so as to require a permit or approval from the Environmental Protection Agency pursuant to the Hazardous and Solid Waste Amendments of 1984 (96 Stat. 3221) or any other federal, state, county or municipal agency charged with the responsibility of protecting the environment;

(c) The Premises have not previously been used, are not now being used, and are not contemplated to be used, for the generation, transportation, treatment, storage or disposal of any hazardous waste;

(d) No portion of the Premises are located on or over a “**sanitary landfill**” or an “**open dump**” within the meaning of the Resource Conservation and Recovery Act (42 U.S.C. 6941 *et seq.*), as amended by the Hazardous and Solid Waste Amendments of 1984 (96 Stat. 3221);

(e) No asbestos fibers or materials or polychlorinated biphenyls (**PCB’s**) are on or in the Premises;

(f) There have not been, nor are there presently pending, any federal or state enforcement actions against the Premises, nor is Franchisee or its Landlord, if any, subject to any outstanding administrative orders which require ongoing compliance efforts in connection with compliance with laws designed to protect the environment;

(g) Franchisee has not entered into any consent decrees or administrative consent orders with any agency charged with the responsibility of protecting the environment;

(h) There have not been any notices of violation sent to Franchisee under the Citizens Suit Provisions of any statute;

(i) Franchisee has not received any request for information, notice or demand letters for administrative inquiries from any governmental entity with regard to its environmental practices;

(j) Franchisee has maintained all required records under each and every applicable environmental statute and is in full compliance with all environmental permits issued to it by any governmental or regulatory agency;

(k) Franchisee maintains all insurance policies as may be required by any applicable law governing the environment;

(l) Franchisee has no reason to believe that any operation of equipment on or at the Premises may be the cause of a future spill or release of a pollutant;

(m) Franchisee has not in the past, nor is it presently, generating, transporting or disposing of a hazardous substance as defined by Section 9601(12) of CERCLA; and

(n) Franchisor shall have the right, at Franchisee's expense, to require an environmental audit of the Premises from a company or companies satisfactory to Franchisor.

16. INSURANCE

16.1 Franchisee shall procure before the commencement of Restaurant operations, and shall maintain in full force and effect during the entire term of this Agreement, at its sole cost and expense, an insurance policy or policies protecting Franchisee and Franchisor and their respective officers, directors and employees against any and all claims, loss, liability or expense whatsoever, arising out of or in connection with the condition, operation, use or occupancy of the Restaurant or Restaurant Premises. Franchisee shall procure workers' compensation coverage for each of its employees no later than the first date of such employee's employment. Franchisee shall also insure the Restaurant building and other improvements, equipment, signs, interior and exterior decor items, furnishings and fixtures, and any additions thereto, in accordance with standard fire and extended coverage insurance policies then in effect for similar businesses. Franchisor and Franchisor's parent, designated subsidiaries and affiliates, and respective officers, directors, members, managers, employees, agent, successors and assigns, as may be specified by Franchisor from time to time shall be named as an additional insured in all such policies, workers' compensation excepted, and the certificate or certificates of insurance shall state that the policy or policies shall not be subject to cancellation or alteration without at least 30 days prior written notice to Franchisor. Such policy or policies shall be written by an insurance company(ies) rated at least A-VII by AM Best or company(ies) satisfactory to Franchisor, and shall be in such form and contain such limits of liability and other required insurance as shall be satisfactory to Franchisor from time to time. In any event, such policy or policies shall include at least the following for the year 2020:

<u>KIND OF INSURANCE</u>	<u>MINIMUM LIMITS OF LIABILITY</u>
Workers' Compensation	Statutory
Employer's Liability	\$500,000 bodily injury by accident \$500,000 bodily injury by disease
Commercial General Liability, including Product Liability, Injury and Liquor Liability	\$1,000,000 each person, \$1,000,000 each incident \$2,000,000 aggregate
Fire and Extended Coverage including (a) Business Interruption and (b) Service Interruption	Full replacement value Policy limits per occurrence, except service interruption; 24 hour waiting period; \$250,000 limit
Umbrella Liability Insurance Following Form of the Primary Liability	\$20,000,000
Cyber Liability	\$500,000 per loss

Franchisee shall provide certificates of such insurance to Franchisor prior to the opening of the Restaurant and at the time of each policy renewal. Upon request, Franchisee shall provide copies of each insurance policy to Franchisor. The insurance afforded by the policy or policies respecting Commercial General Liability shall not be limited in any way by reason of any insurance which may be maintained by Franchisor or its affiliates. The insurance provisions of this Agreement may be supplemented from time to time through written notice by Franchisor.

16.2 Within 60 days after the execution of this Agreement, but in no event later than the day before the Restaurant opens for business, Franchisee shall submit to Franchisor for approval certificates of insurance showing compliance with the requirements of Subsection 16.1. Notwithstanding the foregoing, Franchisee shall submit to Franchisor for approval certificates of insurance showing compliance with the worker's compensation requirements set forth in Subsection 16.1 prior to the training of any Franchisee employee at a Restaurant operated by Franchisor. Maintenance of such insurance and the performance by Franchisee of its obligations under this Section 16 shall not relieve Franchisee of liability under the indemnity provisions of this Agreement, and shall not limit such liability.

16.3 Should Franchisee, for any reason, fail to procure or maintain the insurance coverage required by this Section, then Franchisor shall have the right and authority but not the obligation to immediately procure such insurance coverage and to charge the cost thereof to Franchisee, which amounts shall be paid immediately upon notice and shall be subject to charges for late payments in the manner set forth in Subsection 9.2.

16.4 No later than 30 days following Franchisee's receipt of same, Franchisee shall submit to Franchisor a copy of any written report relating to the condition of the Restaurant premises, or any aspect thereof, prepared by an insurer or prospective insurer or by a representative of a federal, state or local government agency, provided that if any such report contains comments or information which could materially and detrimentally affect the Restaurant, such report shall be submitted to Franchisor within three days following Franchisee's receipt thereof.

17. DEBTS AND TAXES

Franchisee shall pay or cause to be paid promptly when due all obligations incurred, directly or indirectly, in connection with the Restaurant and its operation, including, without limitation: (a) all taxes and assessments that may be assessed against the Restaurant land, building and other improvements, equipment, fixtures, signs, furnishings, and other property; (b) all debts or other sums secured by liens and encumbrances of every kind and character created or placed upon or against any of said property; and (c) all accounts and other indebtedness of every kind and character incurred by or on behalf of Franchisee in the conduct of the Restaurant business. Notwithstanding the foregoing, Franchisee will not be in default of this Agreement as a result of a non-payment or non-performance of the foregoing so long as it disputes said debt or lien and is, in the sole opinion of Franchisor, validly and in good faith pursuing a resolution of said claim or lien and has reserved sufficient sums to pay the debt/claim as is agreed to by Franchisor.

18. TRADE NAMES, SERVICE MARKS AND TRADEMARKS

18.1 Franchisee acknowledges the sole and exclusive right of Franchisor and its affiliates (except for rights granted under existing and future franchise agreements) to use the Marks in connection with the products and services to which they are or may be applied by Franchisor or its affiliates, and represents, warrants and agrees that Franchisee shall not, either during the term of this Agreement, or after the expiration or other termination hereof, directly or indirectly, contest or aid in contesting the validity, ownership or use thereof by Franchisor or its affiliates, or take any action whatsoever in derogation of the rights claimed herein by Franchisor or its affiliates.

18.2 The right granted to Franchisee under this Agreement to use the Marks is nonexclusive, and Franchisor and its affiliates, in its or their sole discretion, subject only to the limitations contained in Subsection 1.4 of this Agreement, have the right to grant other rights in, to and under those names and marks in addition to those rights already granted, and to develop and grant rights in other names and marks on any such terms and conditions as Franchisor or its affiliates deem appropriate. The rights granted under this Agreement do not include any right or authority of any kind whatsoever to pre-package or sell pre-packaged

food products, under any of the Marks, or any menu items approved for sale at the Restaurant, whether at the Restaurant, on the Internet, or at any other location, including grocery stores.

18.3 Franchisee understands and acknowledges and agrees that Franchisor has the unrestricted right, subject only to the limitations contained in Subsection 1.4 of this Agreement, to engage, directly and indirectly, through its employees, representatives, licenses, assigns, agents, affiliates, subsidiaries and others, at wholesale, retail, and otherwise, in: (a) the production, distribution and sale of products under the Marks or other names or marks; (b) the use, in connection with such production, distribution and sale, of any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used, from time to time, by Franchisor or its affiliated companies with respect to the System or otherwise; and (c) the production, distribution and sale of products through another restaurant or restaurants which do not utilize the System or the Applebee's Neighborhood Grill & Bar service mark and which otherwise compete or might compete with the Restaurant. Further, Franchisee agrees that ownership of any trademarks, service marks or other insignia, symbols, designs or slogans used in development and promotion of any products or menu items, including any general promotion or concept not tied to a specific product, and all recipes and copyrighted material, whether such development was instituted at the request or suggestion of Franchisee or Franchisor, and whether such development was done in collaboration with Franchisor or done independently by Franchisee, shall, as between Franchisor and Franchisee, be the sole and exclusive property of Franchisor. Any goodwill engendered by the trademarks, service marks, insignia, symbols, designs or slogans used shall inure to the benefit of Franchisor and its affiliated companies whose ownership shall be sole and exclusive.

18.4 Nothing contained in this Agreement shall be construed to vest in Franchisee any right, title or interest in or to any of Franchisor's names or the Marks, the goodwill now or hereafter associated therewith, or any right in the design of any restaurant building or premises, or the decor or trade-dress of the Restaurant, other than the rights and license expressly granted herein for the term hereof. Any and all goodwill associated with or identified by any of Franchisor's names or the Marks shall inure directly and exclusively to the benefit of Franchisor and its affiliates, including, without limitation, any goodwill resulting from operation and promotion of the Restaurant, provided that this Subsection shall not be construed to entitle Franchisor to receive any portion of the consideration paid to Franchisee and/or any Principal Shareholder as a result of a Transfer of an Interest pursuant to Section 12 hereof.

18.5 Franchisee shall adopt and use each of the Marks only in a manner expressly approved by Franchisor, and shall not use any of the Marks in connection with any statement or material which may, in the judgment of Franchisor, be in bad taste or inconsistent with Franchisor's public image, or tend to bring disparagement, ridicule or scorn upon Franchisor, any of the Marks, or the goodwill associated therewith. Franchisee shall not adopt, use or register as its corporate name (by filing a certificate or articles of incorporation or otherwise) any trade or business name, style or design which includes, or is similar to, any of Marks, logos, insignia, slogans, emblems, symbols, designs or other identifying characteristics. Franchisee has no right, license or authority to use any of the Marks on or in connection with the Internet, except as stated in and permitted by this Section 18.5. Without limiting the foregoing, Franchisee shall not use any of the Marks in any Internet domain name or URL or use any Internet domain name or URL that may be confusingly similar to one or more of the Marks. Franchisee shall not display or use any of the Marks or other of Franchisor's intellectual property in connection with, or associate the System with (through a link or otherwise) any web site advertising, address, or listing on the World Wide Web or any other portion of the Internet without Franchisor's prior written consent. Franchisee shall submit for Franchisor's approval any Internet domain name, URL or Internet e-mail address Franchisee intends to use in connection with the Restaurant.

18.6 Franchisor shall have the right, at any time and from time to time, upon notice to Franchisee, to make additions to, deletions from and changes in any of the Marks, or all of them, all of which additions,

deletions and changes shall be made in good faith, on a reasonable basis and with a view toward the overall best interests of the System.

18.7 Franchisee agrees to notify Franchisor promptly in writing of any suit or claim for infringement relating to the marks. Subject to the terms and conditions of this Subsection 18.7, Franchisor and its affiliates shall have the sole right to defend or settle any such suit or claim of infringement at Franchisor's or its affiliates' expense. Franchisee, at Franchisee's expense, shall have the right to be represented by counsel. Franchisor or its affiliates shall, however, retain control of any negotiations with respect to such claim or of any litigation involving such suit. Franchisee agrees to cooperate with Franchisor and its affiliates and to assist Franchisor and its affiliates' whenever reasonably requested by them, at Franchisor's and its affiliates' expense, in the defense of any such infringement suit or claim.

18.8 Franchisor represents that it is the sole owner of the service mark Applebee's Neighborhood Grill & Bar.

19. EXPIRATION AND TERMINATION; OPTION TO PURCHASE RESTAURANT; ATTORNEYS' FEES

19.1 Franchisor shall have the right to terminate this Agreement immediately upon written notice to Franchisee stating the reason for such termination:

(a) in the event of any breach or default of any of the provisions of Subsection 9.1, Sections 12 or 13, Subsection 14.1 or Section 23;

(b) if a petition in bankruptcy, an arrangement for the benefit of creditors, or a petition for reorganization is filed by Franchisee, or is filed against Franchisee and not dismissed within 90 days from the filing thereof, or if Franchisee shall make any assignment for the benefit of creditors, or if a receiver or trustee is appointed for Franchisee and is not dismissed within 90 days of such appointment;

(c) if Franchisee ceases to operate the Restaurant or otherwise conveys an intention to cease operating the Restaurant without the prior written consent of Franchisor or loses its right to possession of the Restaurant premises; provided however, this provision will not apply if Franchisee ceases to operate the Restaurant or loses its right to possession of the Restaurant premises by reason of Force Majeure and Franchisee complies with the requirements of Section 24 of this Agreement;

(d) if Franchisor discovers that Franchisee has made any material misrepresentation or omitted any material fact in the information which was furnished to Franchisor in connection with this Agreement;

(e) if any part of this Agreement relating to the payment of fees to Franchisor, or the preservation of any of the Marks, trade secrets or secret formulae licensed or disclosed hereunder is, for any reason, declared invalid or unenforceable; or

(f) if Franchisee or any Principal Shareholder is convicted of or pleads nolo contendere to a felony or any crime involving moral turpitude.

If Franchisee defaults in the performance or observance of any of its other obligations hereunder, and such default continues for a period of 60 days after written notice to Franchisee specifying such default, Franchisor shall have the right to terminate this Agreement effective immediately upon written notice to Franchisee, without affording Franchisee any further opportunity to cure such default. If Franchisee defaults in the performance or observance of the same obligation two or more times within a 12-month period,

Franchisor shall have the right to terminate this Agreement immediately upon commission of the second act of default and upon written notice to Franchisee stating the reason for such termination, without allowance for any curative period.

The foregoing provisions of this Subsection 19.1 are subject to the provisions of any local statutes or regulations which limit the grounds upon which Franchisor may terminate this Agreement, or which require that Franchisor give Franchisee additional prior written notice of termination and opportunity to cure any default.

19.2 Upon the termination of this Agreement by Franchisor, Franchisee may not remove any property from the Restaurant premises for 30 days after the termination. Upon the expiration or earlier termination of this Agreement for any reason:

(a) Franchisee shall immediately discontinue its use of the System and its use of the Marks and other identifying characteristics;

(b) if the Restaurant premises are owned by Franchisee or leased from a third-party, Franchisee shall, upon demand by Franchisor, remove (at Franchisee's expense) the Marks, sign facia, and other identifying characteristics from all premises, and paint all premises and other improvements maintained pursuant to this Agreement a design and color which is basically different from Franchisor's authorized design and color. If Franchisee shall fail to make or cause to be made any such removal or repainting within 30 days after written notice, then Franchisor shall have the right to enter upon the Restaurant premises, without being deemed guilty of trespass or any tort (or Franchisee shall cause Franchisor to be permitted on the premises as necessary), and make or cause to be made such removal, alterations and repainting at the reasonable expense of Franchisee, which expense Franchisee shall pay to Franchisor immediately upon demand;

(c) Franchisee shall not thereafter use the Marks or any other trademark, trade name, service mark, logo, insignia, slogan, emblem, symbol, design or other identifying characteristic that is in any way associated with Franchisor or similar to those associated with Franchisor, or use any food or proprietary menu item, recipe or method of food preparation or operate or do business under any name or in any manner that might tend to give the public the impression that Franchisee is or was a licensee or franchisee of, or otherwise associated with, Franchisor or its affiliated companies; and

(d) Franchisee shall, as directed by Franchisor and to the extent permitted under applicable state and/or local law, cooperate in transferring to Franchisor, Franchisor's affiliates or an approved franchisee of Franchisor, any and all required state and/or local licenses permitting the sale of liquor by the drink on the Restaurant premises, and shall otherwise cooperate with Franchisor as directed by Franchisor to cause the sale of liquor by the drink on the Restaurant premises by Franchisor, Franchisor's affiliates or an approved franchisee of Franchisor to continue uninterrupted.

19.3 In the event that any party to this Agreement initiates any legal proceeding to construe or enforce any of the terms, conditions and/or provisions of this Agreement, including, but not limited to, its termination provisions and its provisions requiring Franchisee to make certain payments to Franchisor incident to the operation of the Restaurant, or to obtain damages or other relief to which any such party may be entitled by virtue of this Agreement, the prevailing party or parties shall be paid its reasonable attorneys' fees and expenses by the other party or parties. If Franchisee fails to comply with a written notice of termination sent by Franchisor and a court later upholds such termination of this Agreement, Franchisee's operation of the Restaurant, from and after the date of termination stated in such notice, shall constitute willful trademark infringement and unfair competition by Franchisee, and Franchisee shall be liable to Franchisor for damages resulting from such infringement in addition to any fees paid or payable hereunder, including, without limitation, any profits which Franchisee derived from such post-termination operation of the Restaurant.

19.4 (a) With respect to Restaurant premises owned by Franchisee, in the event of termination of this Agreement, Franchisor shall have, for 30 days after the termination is effective, an option, exercisable upon written notice to Franchisee within such 30-day period, to elect to purchase the Restaurant premises from Franchisee for the fair market value of the land and buildings, furnishings and equipment located therein;

(b) In addition to the option described above, Franchisor shall have an option, exercisable upon written notice to Franchisee, to elect to purchase the Restaurant premises from Franchisee upon expiration of this Agreement for the fair market value of the land and buildings, furnishings, and equipment located therein subject to Franchisee's option to operate the Restaurant for an additional term under Subsection 1.3 hereof. If Franchisee does not notify Franchisor, pursuant to Subsection 1.3 hereof, of a desire to operate the Restaurant for an additional term, then Franchisor shall provide the written notice described in the preceding sentence within 30 days after the latest date by which Franchisee is required by Subsection 1.3 to advise Franchisor of such a desire; if Franchisee does notify Franchisor of a desire to operate the Restaurant for an additional term and Franchisor determines that Franchisee is not eligible to do so, Franchisor shall provide the written notice described in the preceding sentence within 30 days of its written notice to Franchisee that Franchisee is not eligible to operate the Restaurant for such additional term. With respect to the option to purchase upon expiration of this Agreement, this option shall not apply if prior to 30 days before said expiration, Franchisee enters into an agreement to sell such Restaurant premises to a third-party upon the expiration of the Franchise Agreement, provided that Franchisee's agreement with the purchaser includes a covenant by the purchaser, which is expressly enforceable by Franchisor as a third-party beneficiary thereof, pursuant to which the purchaser agrees that, for a period of 12 months after the expiration of this Agreement, the purchaser shall not use such premises for the operation of a restaurant business whose menu or method of operation is similar to that employed by restaurant units within the System;

(c) If Franchisee receives approval to operate the Restaurant premises for an additional term in accordance with Subsection 1.3 hereof, Franchisee will be required to execute the then-existing form of franchise agreement, which shall contain an option to obtain assignment of Franchisee's lease with a third-party and/or to purchase certain property, exercisable by Franchisor upon termination thereof, and an option to purchase the Restaurant premises, exercisable by Franchisor upon expiration of the additional term (subject to any then-existing rights to renew of Franchisee). Such options shall be substantially similar to the provisions described in this Subsection 19.4;

(d) If the parties cannot agree on the purchase price or other terms of purchase within 30 days following Franchisor's exercise of its option pursuant to Subsection 19.4(a) and (b), the price or disputed terms of purchase shall be determined by three appraisers, with each party selecting one appraiser and the two appraisers, so chosen, selecting the third appraiser. In the event of such an appraisal, each party shall bear its own legal and other costs and shall split equally the appraisal fees. The appraisers' determination of the price and other disputed terms of purchase shall be final and binding;

(e) If Franchisor elects to exercise its option to purchase upon termination of this Agreement, the purchase price shall be paid within 30 days of the determination of the purchase price and other terms of purchase. If Franchisor elects to exercise its option to purchase upon expiration of this Agreement, the purchase price shall be paid within 30 days of the later of: (a) the determination of the purchase price and other terms of purchase; or (b) expiration of this Agreement. If Franchisor does not elect to exercise its option to purchase the Restaurant premises, Franchisee may sell such premises to a third-party, provided that Franchisee's agreement with the purchaser includes a covenant by the purchaser, which is expressly enforceable by Franchisor as a third-party beneficiary thereof, pursuant to which the purchaser agrees that it shall not use such premises for the operation of a restaurant business whose menu or method of operation is similar to that employed by restaurant units within the System for a period of 12 months after the termination or expiration of this Agreement; and

(f) If the Restaurant premises are leased by Franchisee from a third-party, such lease must allow Franchisee to assign the lease to Franchisor. Upon termination of this Agreement for any reason, Franchisor has the right, exercisable upon written notice to Franchisee within 30 days after termination is effective, to require Franchisee to assign all Franchisee's rights and obligations under the lease to Franchisor and to immediately surrender possession of the premises, including all fixtures and leasehold improvements, to Franchisor. The lessor may not impose any assignment fee or other similar charge on Franchisor in connection with such assignment. If Franchisor exercises that right, it has an additional right, to be exercised within 30 days after taking possession of the premises, to purchase all of Franchisee's equipment, signs, decor items, furnishings, supplies and other products and materials at their then-fair market value. If the parties cannot agree on the price, the price will be determined in the manner set forth in connection with Franchisee-owned Restaurant premises. If Franchisor elects not to purchase the items mentioned above, Franchisee shall, at Franchisee's own expense and under Franchisor's supervision remove those items from the premises within 10 days after such final election, or 10 days after expiration of the option period, whichever is earlier. If Franchisee fails to remove all such property from the premises within such period, Franchisor shall be entitled to do so, or to authorize a third-party to do so, all at Franchisee's expense.

19.5 In addition to the provisions contained in Subsection 19.4 hereof:

(a) With respect to Restaurant premises owned by Franchisee, in the event of termination of this Agreement and Franchisor's exercise of its option to purchase the Restaurant premises pursuant to Subsection 19.4(a) hereof, Franchisee shall have, for 10 days after its receipt of written notice of Franchisor's election to purchase, an option, exercisable upon written notice to Franchisor, to lease said premises to Franchisor, pursuant to a lease which provides for rental at a rate not in excess of 6% of gross sales and triple net terms. Said lease shall provide for a lease term of at least 10 years with two five-year options to renew, and for primary annual rent of not in excess of the number derived from multiplying 6% times the gross sales reported by Franchisee to Franchisor for which Franchisee has paid a royalty fee for the next preceding calendar year times 80%;

(b) In addition to the option described above, Franchisee shall have an option, exercisable upon written notice to Franchisor, to elect to lease the Restaurant premises to Franchisor upon expiration of this Agreement and Franchisor's exercise of its option to purchase the Restaurant premises pursuant to Subsection 19.4(b) hereof, pursuant to the same terms set forth in Subsection 19.5(a) above, subject to Franchisee's option to operate the Restaurant for an additional term under Subsection 1.3 hereof. If: (i) Franchisee does not notify Franchisor, pursuant to Subsection 1.3 hereof, of a desire to operate the Restaurant for an additional term; or (ii) Franchisee does notify Franchisor of a desire to operate the Restaurant for an additional term and Franchisor determines that Franchisee is not eligible to do so, and Franchisor exercises its option to purchase the Restaurant premises, then Franchisee shall provide the written notice described in the preceding sentence within 10 days after its receipt of written notice of Franchisor's election to purchase. With respect to the option to lease upon expiration of this Agreement, this option shall not apply if prior to 30 days before said expiration, Franchisee enters into an agreement to sell such Restaurant premises to a third-party upon the expiration of the Franchise Agreement, provided that Franchisee's agreement with the purchaser includes a covenant by the purchaser, which is expressly enforceable by Franchisor as a third-party beneficiary thereof, pursuant to which the purchaser agrees, at Franchisor's option, either to lease said premises to Franchisor upon the terms set forth in Subsection 19.5(a), or that for a period of 12 months after the expiration of this Agreement, the purchaser shall not use such premises for the operation of a restaurant business whose menu or method of operation is similar to that employed by restaurant units within the System; and

(c) If Franchisee receives approval to operate the Restaurant premises for an additional term in accordance with Subsection 1.3 hereof, Franchisee will be required to execute the then-existing form

of franchise agreement which shall contain an option to obtain assignment of Franchisee's lease with a third-party and/or to lease certain property, exercisable by Franchisor upon termination thereof, and an option to lease the Restaurant premises, exercisable by Franchisor upon expiration of the additional term (subject to any then-existing rights to renew of Franchisee). Such options shall be substantially similar to the provisions described in this Subsection 19.5.

20. NO WAIVER OF DEFAULT

20.1 The waiver by any party to this Agreement of any breach or default, or series of breaches or defaults, of any term, covenant or condition herein, or of any same or similar term, covenant or condition contained in any other agreement between Franchisor and any franchisee, shall not be deemed a waiver of any subsequent or continuing breach or default of the same or any other term, covenant or condition contained in this Agreement, or in any other agreement between Franchisor and any franchisee.

20.2 All rights and remedies of the parties hereto shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement. The rights and remedies of the parties hereto shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration or earlier termination of this Agreement shall not discharge or release Franchisee or any Principal Shareholder from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration or earlier termination of the Agreement.

21. CONSTRUCTION, SEVERABILITY, GOVERNING LAW AND JURISDICTION

21.1 If any part of this Agreement shall for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions shall remain in full force and effect as if the Agreement had been executed with such invalid portion eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid; provided however, that in the event any part hereof relating to the payment of fees to Franchisor, or the preservation of any of Franchisor's Marks, trade secrets or secret formulae licensed or disclosed hereunder is for any reason declared invalid or unenforceable, then Franchisor shall have the right to terminate this Agreement upon written notice to Franchisee. If any clause or provision herein would be deemed invalid or unenforceable as written, it shall be deemed modified or limited to such extent or in such manner as may be necessary to render the clause or provision valid and enforceable to the greatest extent possible in light of the interest of the parties expressed in that clause or provision, subject to the provisions of the preceding sentence.

21.2 FRANCHISEE AND PRINCIPAL SHAREHOLDERS ACKNOWLEDGE THAT FRANCHISOR MAY GRANT NUMEROUS FRANCHISES THROUGHOUT THE UNITED STATES ON TERMS AND CONDITIONS SIMILAR TO THOSE SET FORTH IN THIS AGREEMENT, AND THAT IT IS OF MUTUAL BENEFIT TO FRANCHISEE AND PRINCIPAL SHAREHOLDERS AND TO FRANCHISOR THAT THESE TERMS AND CONDITIONS BE UNIFORMLY INTERPRETED. THEREFORE, THE PARTIES AGREE THAT TO THE EXTENT THAT THE LAW OF THE STATE OF KANSAS DOES NOT CONFLICT WITH LOCAL FRANCHISE STATUTES, RULES AND REGULATIONS, KANSAS LAW SHALL APPLY TO THE CONSTRUCTION OF THIS AGREEMENT AND SHALL GOVERN ALL QUESTIONS WHICH ARISE WITH REFERENCE HERETO; PROVIDED HOWEVER, THAT PROVISIONS OF KANSAS LAW REGARDING CONFLICTS OF LAW SHALL NOT APPLY HERETO.

21.3 THE PARTIES AGREE THAT ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE PERFORMANCE THEREOF WHICH CANNOT BE AMICABLY SETTLED, EXCEPT AS OTHERWISE PROVIDED HEREIN WILL BE RESOLVED BY A PROCEEDING IN A COURT IN JOHNSON COUNTY, KANSAS, AND FRANCHISEE AND PRINCIPAL SHAREHOLDERS EACH IRREVOCABLY ACCEPT THE JURISDICTION OF THE COURTS OF THE STATE OF KANSAS AND THE FEDERAL COURTS SERVING JOHNSON COUNTY, KANSAS FOR SUCH CLAIMS, CONTROVERSIES OR DISPUTES. EACH PARTY WAIVES ITS RIGHT TO A JURY TRIAL IN ANY COURT ACTION ARISING AMONG THE PARTIES UNDER THIS AGREEMENT OR OTHERWISE RELATED TO THIS AGREEMENT, WHETHER MADE BY CLAIM, COUNTERCLAIM, THIRD-PARTY CLAIM OR OTHERWISE.

The parties agree that service of process in any proceeding arising out of or relating to this Agreement or the performance thereof may be made as to Franchisee and any Principal Shareholder by serving a person of suitable age and discretion (such as the person in charge of the office) at the address of Franchisee specified in this Agreement and as to Franchisor by serving the president or a vice-president of Franchisor at the address of Franchisor or by serving Franchisor's registered agent.

22. [INTENTIONALLY OMITTED]

23. LIQUOR LICENSE

The grant of the rights which are the subject of this Agreement is expressly conditioned upon the ability of Franchisee to obtain and maintain any and all required state and/or local licenses permitting the sale of liquor by the drink on the Restaurant premises, and Franchisee agrees to use its best efforts to obtain such licenses. After obtaining the necessary state or local liquor licenses, Franchisee shall thereafter comply with all applicable laws and regulations relating to the sale of liquor on the Restaurant premises. If, during any 12-month period during the term of this Agreement, Franchisee is prohibited for any reason from selling liquor on the Restaurant premises for more than 30 days because of a violation or violations of state or local liquor laws, then at the option of Franchisor this Agreement may be terminated forthwith by Franchisor upon written notice to Franchisee.

24. FORCE MAJEURE

24.1 As used in this Agreement, the term "**Force Majeure**" shall mean any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government and any other similar cause not within the control of the party affected thereby.

24.2 If the performance of any obligation by any party under this Agreement is prevented or delayed by reason of Force Majeure, which cannot be overcome by use of normal commercial measures, the parties shall be relieved of their respective obligations to the extent the parties are respectively necessarily prevented or delayed in such performance during the period of such Force Majeure. The party whose performance is affected by an event of Force Majeure shall give prompt notice of such Force Majeure event to the other party by telephone or electronic mail (in each case to be confirmed in writing), setting forth the nature thereof and an estimate as to its duration, and shall be liable for failure to give such timely notice only to the extent of damage actually caused.

24.3 Notwithstanding the provisions of this Section 24, if, as a result of an event of Force Majeure (including condemnation proceedings), Franchisee ceases to operate the Restaurant or loses the right to possession of the Restaurant premises, Franchisee shall apply within 30 days after the event of Force Majeure

for Franchisor’s approval to relocate and/or reconstruct the Restaurant. If relocation is necessary, Franchisor agrees to use its reasonable efforts to assist Franchisee in locating an alternative site in the same general area where Franchisee can operate a Restaurant within the System for the balance of the term of the Franchise Agreement. If Franchisor so assists Franchisee, Franchisee shall reimburse Franchisor for its reasonable out-of-pocket expenses incurred as a result thereof. (This provision shall not be construed to prevent Franchisee from receiving the full amount of any condemnation award of damages relating to the closing of the Restaurant; provided however, that if Franchisor or an affiliate is the lessor of the Restaurant premises, Franchisee specifically waives and releases any claim it may have for the value of any building, fixtures and other improvements on the premises, whether or not installed or paid for by Franchisee, and Franchisee agrees to subordinate any claim it may have to Franchisor’s claim for such improvements.) Selection of an alternative location will be subject to the site approval procedures set forth in Section 5 of the Development Agreement. For purposes of clarification, if Franchisee does not have development rights, Franchisor does not have any obligation to approve a new site. Once Franchisee has obtained Franchisor’s approval to relocate and/or reconstruct the Restaurant, Franchisee must diligently pursue relocation and/or reconstruction until the Restaurant is reopened for business.

25. MISCELLANEOUS

25.1 All notices and other communications required or permitted to be given hereunder shall be deemed given when delivered in person, by overnight courier service or mailed by registered or certified mail addressed to the recipient at the address set forth below, unless that party shall have given written notice of change of address to the sending party, in which event the new address so specified shall be used.

FRANCHISOR: Applebee’s Franchisor LLC
10 W. Walnut St., 5th Floor
Pasadena, California 91103
Attention: General Counsel

FRANCHISEE: _____

PRINCIPAL SHAREHOLDERS: _____

One person shall be designated in writing to receive all notices and to be empowered to act on behalf of Franchisee with respect to all matters relating to the Restaurant, and notice and/or service upon such person shall constitute notice and/or service upon Franchisee. Upon the Effective Date, such person shall be _____ (the “**Designated Representative**”) whose address and telephone number are as follows:

Any change in the Designated Representative requires the prior written consent of Franchisor.

25.2 All terms used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. The words “includes,” “including” and “inclusive” and the phrases “in

particular,” “such as,” “i.e.” and “for example” when used in this Agreement shall be interpreted and construed so as not to limit the generality of the words of general application and nature which precede these words and phrases. The headings inserted in this Agreement are for reference purposes only and shall not affect the construction of this Agreement or limit the generality of any of its provisions.

25.3 Franchisee shall, at its own cost and expense, promptly comply with all laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof. Without limiting the generality of the foregoing, Franchisee shall abide by all applicable rules and regulations of any public health department.

25.4 In the event that Franchisor or its affiliates have leased the Restaurant premises to Franchisee pursuant to a written lease agreement (the “Lease”), the Lease is hereby incorporated in this Agreement by reference, and any failure on the part of Franchisee (Lessee therein) to perform, fulfill or observe any of the covenants, conditions or agreements contained in the Lease shall constitute a material breach of this Agreement. It is expressly understood, acknowledged and agreed by Franchisee that any termination of the Lease shall result in automatic and immediate termination of this Agreement without additional notice to Franchisee.

25.5 This Agreement and the documents referred to herein constitute the entire agreement between the parties, superseding and canceling any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. FRANCHISEE EXPRESSLY ACKNOWLEDGES THAT IT HAS ENTERED INTO THIS FRANCHISE AGREEMENT AS A RESULT OF ITS OWN INDEPENDENT INVESTIGATION AND AFTER CONSULTATION WITH ITS OWN ATTORNEY, AND NOT AS A RESULT OF ANY REPRESENTATIONS OF FRANCHISOR, ITS AGENTS, OFFICERS OR EMPLOYEES, EXCEPT AS CONTAINED HEREIN AND IN FRANCHISOR’S FRANCHISE DISCLOSURE DOCUMENT, HERETOFORE MADE AVAILABLE TO FRANCHISEE. Nothing in this Agreement will disclaim or require Franchisee to waive reliance on any representation that Franchisor made in the most recent disclosure document (including its exhibits and amendments) that Franchisor delivered to Franchisee or its representative.

25.6 Except as expressly authorized herein, no amendment or modification of this Agreement shall be binding unless executed in writing both by Franchisor and by Franchisee and Principal Shareholders.

25.7 Franchisee and the Principal Shareholders acknowledge and agree that: (i) this Agreement (and the relationship of the parties contemplated by this Agreement) grants Franchisor the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee’s explicit rights and obligations hereunder that may affect favorably or adversely Franchisee’s interests; (ii) Franchisor will use its business judgment in exercising such discretion based on Franchisor’s assessment of its interests and the System, balancing those interests with or against the interests of the operators of Restaurants generally (including Franchisor, its affiliates and other franchisees) and specifically without considering the individual interests of any particular franchisee; (iii) Franchisor will have no liability to Franchisee for the exercise of its discretion in this manner; and (iv) even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification for such action or decision, no trier of fact in any legal action shall substitute its judgment for Franchisor’s judgment so exercised, and such action or decision will not be subject to challenge for abuse of discretion.

If Franchisor takes any action or chooses not to take any action in Franchisor’s discretion with regard to any matter related to this Agreement and Franchisor’s action or inaction is challenged for any reason, the parties expressly direct the trier of fact that Franchisor’s reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of Franchisor’s discretion, without regard to

whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

26. ACKNOWLEDGMENTS

Franchisee and Principal Shareholders acknowledge that:

- (a) Franchisee has received a copy of this Agreement and has had an opportunity to consult with its attorney with respect thereto at least seven days prior to execution of this Agreement;
- (b) No representation has been made by Franchisor as to the future profitability of the Restaurant;
- (c) Prior to the execution of this Agreement, Franchisee has had ample opportunity to contact Franchisor's existing franchisees, if any, and to investigate all statements made by Franchisor relating to the System;
- (d) This Agreement establishes the right to construct and operate a Restaurant only at the location specified in Subsection 1.1 hereof; and
- (e) Franchisor is the sole owner of the service marks identified in this Agreement, and of the goodwill associated therewith, and Franchisee acquires no right, title or interest in those names and marks other than the right to use them only in the manner and to the extent prescribed and approved by Franchisor.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as of the date first above written.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

By: _____
Name: _____
Title: _____

_____, Individually

EXHIBIT 1 TO FRANCHISE AGREEMENT

ROYALTY FEE

The monthly royalty fee to be paid by Franchisee shall be 4% of each calendar month's gross sales, which fee shall be subject to change by Franchisor in its sole discretion.

APPENDIX A TO FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP INTERESTS

<u>Shareholder</u>	<u>Percent of Issued and Outstanding Shares of Franchisee</u>

APPENDIX B TO FRANCHISE AGREEMENT

REVIEW AND CONSENT WITH RESPECT TO TRANSFERS

In determining whether to grant or to withhold consent to a proposed Transfer, Franchisor shall consider all of the facts and circumstances which it views as relevant in the particular instance, including, but not limited to, any of the following: (i) work experience and aptitude of Proposed New Owner and/or proposed new management (a proposed transferee of a Principal Shareholder's Interest and/or a proposed transferee of this Agreement is referred to as "**Proposed New Owner**"); (ii) financial background and condition of Proposed New Owner, and actual and pro forma financial condition of Franchisee; (iii) character and reputation of Proposed New Owner; (iv) conflicting interests of Proposed New Owner; (v) the terms and conditions of Proposed New Owner's rights, if the proposed Transfer is a pledge or hypothecation; (vi) the adequacy of Franchisee's operation of any Restaurant and compliance with the System and this Agreement; and (vii) such other criteria and conditions as Franchisor shall then consider relevant in the case of an application for a new franchise to operate a restaurant unit within the System by an applicant that is not then currently doing so. Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Franchisee and Principal Shareholders, including the proposed Transferor(s), to execute a general release which releases Franchisor and its affiliates from any claims they may have had or then have against Franchisor and its affiliates. In the event Proposed New Owner is a partnership (including, but not limited to, a limited partnership), Proposed New Owner will also be required to execute an addendum to the Agreement which amends the references to Franchisee and its Principal Shareholders to include the partnership approved by Franchisor and Proposed New Owner's general partner(s) and the principal shareholders of the general partner(s), if the general partner(s) is a corporation. This addendum will contain a provision including in the definition of "**Transfer**" the withdrawal, removal or voluntary/involuntary dissolution (if applicable) of the general partner(s) or the substitution or addition of a new general partner. Franchisee or Principal Shareholders, as the case may be, shall provide Franchisor with such information as it may require in connection with a request for approval of a proposed Transfer. For purposes of clarification, nothing in this Appendix B shall limit Franchisor's discretion in granting or withholding consent to a Transfer or to require the applicable parties to agree to certain terms as a condition to obtaining consent to a Transfer.

APPENDIX C TO FRANCHISE AGREEMENT

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ corporation ("**Developer**"), and _____, an individual employed by Developer ("**Employee**").

WITNESSETH:

WHEREAS, APPLEBEE'S FRANCHISOR LLC ("**Applebee's**") has the right to grant franchises for all rights in and to a unique system for the development and operation of restaurants (the "**System**"), which includes proprietary rights in valuable trade names, service marks and trademarks, including the service mark Applebee's Neighborhood Grill & Bar and variations of such mark, designs and color schemes for restaurant premises, signs, equipment, procedures and formulae for preparing food and beverage products, specifications for certain food and beverage products, inventory methods, operating methods, financial control concepts, a training facility and teaching techniques;

WHEREAS, Developer is the owner of the exclusive right to develop restaurants franchised by Applebee's which utilize the System ("**Restaurants**") for the period and in the territory described in the Development Agreement between Applebee's and Developer (the "**Development Agreement**"); and

WHEREAS, Developer acknowledges that Applebee's information as described above was developed over time at great expense, is not generally known in the industry and is beyond Developer's own present skills and experience, and that to develop it itself would be expensive, time-consuming and difficult, that it provides a competitive advantage and will be valuable to Developer in the development of its business, and that gaining access to it was therefore a primary reason why Developer entered into the Development Agreement; and

WHEREAS, in consideration of Applebee's confidential disclosure to Developer of these trade secrets, Developer has agreed to be obligated by the terms of Development Agreement to execute, with each employee of Developer who will have supervisory authority over the development or operation of more than one Restaurant in the Territory described in the Development Agreement, a written agreement protecting Applebee's trade secrets and confidential information entrusted to Employee.

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

(1) The parties acknowledge and agree that Employee is or will be employed in a supervisory or managerial capacity and in such capacity will have access to information and materials which constitute trade secrets and confidential and proprietary information. The parties further acknowledge and agree that any actual or potential direct or indirect competitor of Applebee's, or of any of its franchisees, shall not have access to such trade secrets and confidential information;

(2) The parties acknowledge and agree that the System includes trade secrets and confidential information which Applebee's has revealed to Developer in confidence, and that protection of said trade secrets and confidential information and protection of Applebee's against unfair competition from others who enjoy or who have had access to said trade secrets and confidential information are essential for the maintenance of goodwill and special value of the System;

(3) Employee agrees that he or she shall not at any time: (i) appropriate or use the trade secrets incorporated in the System, or any portion thereof, for use in any business which is not within the System;

(ii) disclose or reveal any portion of the System to any person, other than to Developer's employees as an incident of their training; (iii) acquire any right to use, or to license or franchise the use of any name, mark or other intellectual property right which is or may be granted by any franchise agreement between Applebee's and Developer; or (iv) communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the methods of development or operation of a Restaurant which may be communicated to Employee or of which Employee may be apprised by virtue of Employee's employment by Developer. Employee shall divulge such confidential information only to such of Developer's other employees as must have access to that information in order to operate a Restaurant or to develop a prospective site for a Restaurant. Any and information, knowledge and know-how, including, without limitation, drawings, materials, equipment, specifications, techniques and other data, which Applebee's designates as confidential, shall be deemed confidential for purposes of this Agreement;

(4) Employee further acknowledges and agrees that any materials or manuals provided or made available to Developer by Applebee's (collectively, the "**Manuals**"), described in Section 5 of the applicable franchise agreement between Applebee's and Developer, are loaned by Applebee's to Developer for limited purposes only, remain the property of Applebee's, and may not be reproduced, in whole or in part, without the written consent of Applebee's;

(5) Employee agrees to surrender to Developer or to Applebee's each and every copy of the Manuals and any other information or material in his or her possession or control upon request, upon termination of employment or upon completion of the use for which said Manuals or other information or material may have been furnished to Employee;

(6) The parties agree that in the event of a breach of this Agreement, Applebee's would be irreparably injured and would be without an adequate remedy at law. Therefore, in the event of a breach or a threatened or attempted breach of any of the provisions hereof, Applebee's shall be entitled to enforce the provisions of this Agreement as a third-party beneficiary hereof and shall be entitled, in addition to any other remedies which it may have hereunder at law or in equity (including the right to terminate the Development Agreement), to a temporary and/or permanent injunction and a decree for specific performance of the terms hereof without the necessity of showing actual or threatened damage, and without being required to furnish a bond or other security; and

(7) If any court or other tribunal having jurisdiction to determine the validity or enforceability of this Agreement determines that it would be invalid or unenforceable as written, the provisions hereof shall be deemed to be modified or limited to such extent or in such manner necessary for such provisions to be valid and enforceable to the greatest extent possible.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as of the date first above written.

DEVELOPER

EMPLOYEE

By: _____
Name: _____
Title: _____

By: _____
Name: _____

APPENDIX D

EFT WITHDRAWAL AUTHORIZATION

APPLEBEE'S SERVICES, INC. ("COMPANY")

ID NUMBER: _____

The undersigned ("DEPOSITOR") authorizes COMPANY to initiate debit entries to the Checking Account indicated below at the DEPOSITORY named below, and authorizes DEPOSITORY to debit to such account all entries COMPANY initiates.

DEPOSITORY

NAME _____ BRANCH _____

CITY _____ STATE _____

CHECKING ACCOUNT NO. _____

ROUTING NUMBER _____

DEPOSITOR agrees that this authorization will remain in full force and effect until **DEPOSITOR** has given **COMPANY** written notice of its revocation in such time and in such manner as to afford **COMPANY** and **DEPOSITORY** a reasonable opportunity to act on the notice.

DEPOSITOR'S

NAME _____ ID NUMBER _____

DEPOSITOR'S SIGNATURE _____

NAME AND TITLE OF PERSON SIGNING (if signed in a representative capacity) _____

DATE _____

NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE DEPOSITOR MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE DEBIT ORIGINATOR (COMPANY) IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

ADDENDUM TO FRANCHISE AGREEMENT
[Limited Liability Company]

THIS ADDENDUM TO FRANCHISE AGREEMENT (“**Addendum**”) is entered this _____ day of _____, 20____, by and between Applebee’s Franchisor LLC, a Delaware limited liability company (“**Franchisor**”), _____, a _____ limited liability company (“**Franchisee**”), whose members are _____, a _____ (“_____”) and _____, a _____ (“_____”) (_____ and _____ shall be individually referred to as “**Member**” and collectively as “**Members**”) and _____ (“_____”), sole shareholder of _____ and _____ (“_____”), sole shareholder of _____ (Members, _____ and _____ shall be individually referred to as “**Principal Shareholder**” and collectively as “**Principal Shareholders**”).

WITNESSETH:

WHEREAS, contemporaneous with the execution of this Addendum, Franchisor and Franchisee will execute an Applebee’s Neighborhood Grill & Bar Franchise Agreement (“**Franchise Agreement**”) granting Franchisee certain rights therein described; and

WHEREAS, the parties desire to amend the Franchise Agreement to reflect accurately the identity and nature of the parties to the Franchise Agreement as a result of Franchisee’s form of business as a limited liability company.

NOW, THEREFORE, the Franchise Agreement is hereby amended as follows:

1. Section 11 Amended. Subsections 11.1 and 11.2 of Section 11, entitled “**FRANCHISE ORGANIZATION, AUTHORITY, FINANCIAL CONDITION AND SHAREHOLDERS**,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“11.1 Franchisee and each Principal Shareholder represent and warrant that: (a) Franchisee is a limited liability company, validly existing and in good standing under the laws of its state of organization; (b) _____ are each a corporation, validly existing and in good standing under the laws of the state of their incorporation; (c) Franchisee is duly qualified and is authorized to do business and is in good standing in each jurisdiction in which the Restaurant is located and its business activities or the nature of the properties owned by it requires such qualification; (d) _____ are each duly qualified and authorized to do business and are in good standing in each jurisdiction in which the Restaurant is located and its respective business activities or the nature of the properties owned by it required such qualification; (e) the execution and delivery of this Agreement and the transactions contemplated hereby are within Franchisee’s power under its articles of organization and operating agreement and do not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which Franchisee is a party; (f) the execution and delivery of this Agreement and the transactions contemplated hereby are within _____’s power under their respective articles of incorporation and bylaws and do not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which _____ or any person with an ownership interest in Franchisee or any Principal Shareholder is a party; (g) the execution and delivery of this Agreement has been duly authorized by Franchisee and is permitted by its governing documents; (h) the execution and delivery of this Agreement have been duly authorized by _____ and is permitted by its governing documents; (i) the operating agreement, articles of organization and certificate of organization of Franchisee delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (j) the articles of incorporation, bylaws

and certificate of incorporation of _____ delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (k) that any specimen certificate evidencing membership interest in Franchisee delivered to Franchisor pursuant to Subsection 11.2(e) hereof is a true specimen of Franchisee's certificate evidencing a membership interest in such limited liability company; (l) the most recent balance sheet of Franchisee ("**Balance Sheet**"), and the most recent balance sheets of its Principal Shareholders heretofore delivered to Franchisor, are true, complete and correct, and fairly present the financial positions of Franchisee and each Principal Shareholder, respectively, as of the dates thereof; (m) the Balance Sheet and each such balance sheet have been prepared in accordance with generally accepted accounting principles; and (n) there have been no materially adverse changes in the condition, assets or liabilities of Franchisee or Principal Shareholders since the date or dates thereof."

"11.2 Franchisee and each Principal Shareholder covenant that during the term of this Agreement: (a) Franchisee shall do or cause to be done all things necessary to preserve and keep in full force its existence as a limited liability company and shall be in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (b) Franchisee shall have the authority under its articles of organization and operating agreement to carry out the terms of this Agreement; (c) Franchisee shall print, in a conspicuous fashion on all certificates, if any, evidencing membership interest in Franchisee when issued, a legend referring to this Agreement and the restrictions on and obligations of Franchisee and Principal Shareholders hereunder, including, the restrictions on transfer of Franchisee's membership interests; and (d) _____ shall print, in a conspicuous fashion on all certificates evidencing shares in such respective company when issued, a legend referring to this Agreement and the restrictions on and obligations of such Principal Shareholders hereunder, including the restrictions on transfer of each such Principal Shareholder's shares. Further, Franchisee shall deliver to Franchisor prior to the authorized change of any members a true specimen certificate evidencing membership interest in the limited liability company, bearing the legend described herein."

2. Section 12 Amended. Subsections 12.2(a) and (b), 12.3 and 12.4 of Section 12, entitled "**TRANSFER**," are hereby amended by deleting the same as each now appears and inserting the following in its respective place and stead:

12.2 "(a) any change in the ownership of or rights in or to any membership interest or other equity interest of any Principal Shareholder in Franchisee which would result from the act of any Principal Shareholder of Franchisee, such as a sale, exchange, pledge or hypothecation of the membership interest in, or any interest in or rights to any of Franchisee's profits, revenues or assets, or any such change which would result by operation of law; and

(b) any change in the percentage interest owned by any Principal Shareholder in the membership interest or other equity interest in Franchisee's profits, revenues or assets which would result from any act of Franchisee such as a sale, pledge or hypothecation of any Restaurant assets (other than a pledge of assets to secure *bona fide* loans made or credit extended in connection with acquisition of the assets pledged, provided that immediately before and after such transaction the net worth of Franchisee shall not be less than the amount which is reflected on the Balance Sheets referred to in Subsection 11.1 of this Agreement); any sale or issuance of any of Franchisee's membership interests or other equity interests; the retirement or redemption of any membership interests in Franchisee; or any sale or grant to any person of any right to participate in or otherwise to share or become entitled to any part of Franchisee's profits, revenues, assets or equity."

"12.3 "**Transfer**" shall not include: (a) a change in the ownership of or rights to any shares or other equity interest in Franchisee under the Securities Act of 1933; or (b) a change in the ownership of or rights to any securities or other equity interest in Franchisee pursuant to a private

offering of Franchisee's securities exempted from registration under such Act, provided that Franchisee provides Franchisor with a copy of its prospectus and/or offering memorandum 10 days prior to its filing with the Securities and Exchange Commission or circulation to third-parties so that Franchisor may comment and, if necessary, correct any information concerning Franchisor and/or the System, and further provided that after giving effect to such change of ownership or private offering, the Principal Shareholders "control" Franchisee. For purposes of this Section 12, "**controls**" means either: (1) owning legal and equitable title to 51% or more of the outstanding voting securities of Franchisee, which are not subject to proxy granted to or contract with any other person or party granting that party the right to vote part or all of such securities; (2) having and continually exercising the contractual power presently to designate a majority of the directors of Franchisee; or (3) having and continually exercising the right, power and authority to act on behalf of, manage, operate and otherwise obligate or bind Franchisee in the conduct of Franchisee's business."

"12.4 **"Interest"** shall mean: when referring to interests or rights in Franchisee, the membership interest of any Principal Shareholder in Franchisee and any other equitable or legal right in or to any of the Principal Shareholders' interest in Franchisee's revenues, profits or assets; when referring to rights or assets of Franchisee, Franchisee's rights under and interest in this Agreement, the Restaurant and its revenues, profits and assets."

3. Section 14 Amended. Subsection 14.4 of Section 14, entitled "**INSPECTIONS**," is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

"14.4 Franchisee shall maintain an accurate register of its certificates of membership interest ("**Membership Register**"). In the event that the beneficial ownership of Franchisee differs in any respect from record ownership, Franchisee also shall maintain a list of the names, addresses and interests of all beneficial owners. Franchisee shall produce its Membership Register and any list of beneficial owners certified by the corporation's secretary to be correct, at its principal executive offices upon 10 days' prior written request by Franchisor. Franchisor's representatives shall have the right to examine the Membership Register and any list of beneficial owners, and to reproduce all or any part thereof. Further, upon 10 days' written notice, Franchisor may request a copy of the list of all members and the list of owners of beneficial interest to be forwarded to it at Franchisor's principal office."

4. Appendix A Amended. Appendix A to Franchise Agreement, entitled "**STATEMENT OF OWNERSHIP INTERESTS**," shall be amended to: (i) delete the word "Shareholder" and insert the word "Members" in lieu thereof; and (ii) delete the phrase "Percent of Issued and Outstanding Shares of Franchisee" and insert the phrase "Percent of Contributions to Franchisee" in lieu thereof.

5. Appendix C. Amended. The first paragraph of **Appendix C** to Franchise Agreement, entitled "**CONFIDENTIALITY AGREEMENT**," is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

"THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ limited liability company ("**Franchisee**"), and _____, an individual employed by Franchisee ("**Employee**")."

6. Governing Law. This Addendum shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Kansas, without regard to its conflict of laws provisions.

7. No Further Amendment. No further amendment or modification of the Franchise Agreement shall be binding unless executed in writing by Franchisor and Franchisee or their authorized successors or assigns. No course of conduct or course of performance under this or any other agreement between the parties

will be deemed to modify this Addendum. Except as expressly set forth in this Addendum, the Franchise Agreement remains in full force and effect.

8. Entire Agreement. This Addendum and the agreements, documents and instruments referenced herein constitute the entire agreement between the parties with respect to the subject matter hereof, superseding and cancelling any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof.

9. Headings. The section headings are inserted as a matter of convenience and in no way define, limit or describe the scope of such section or affect the interpretation of this Addendum.

10. Counterparts. This Addendum may be signed in counterparts and each counterpart with a hand-written signature, whether an original or an electronic data text (including electronic mail) is considered an original and all counterparts constitute one and the same instrument.

11. Miscellaneous. Each of the terms and provisions of this Addendum is deemed incorporated by reference into the Franchise Agreement. When a conflict exists between this Addendum and the Franchise Agreement, this Addendum shall control. Any capitalized term not otherwise defined in this Addendum shall have the meaning as set forth in the Franchise Agreement. If any provision of this Addendum is found to be unenforceable, the remaining provisions will continue to be in full force and effect. This Addendum will be binding upon and inure to the benefit of the parties, their successors and permitted assigns. No waiver of any provision of this Addendum will be enforceable against a party unless it is in writing and signed by such party. No waiver by any party of any provisions of this Addendum will be deemed to be or constitute a waiver of any other provision hereof (whether or not similar), nor will such waiver constitute a continuing waiver unless otherwise expressly provided.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first written above.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

By: _____
Name: _____
Title: _____

Name: _____

ADDENDUM TO FRANCHISE AGREEMENT
[Limited Partnership]

THIS ADDENDUM TO FRANCHISE AGREEMENT (“**Addendum**”) is entered this _____ day of _____, 20____, by and between Applebee’s Franchisor LLC, a Delaware limited liability company (“**Franchisor**”), _____, a _____ limited partnership (“**Franchisee**”), _____, (“**General Partner**”) and _____ (together with General Partner, the “**Principal Shareholders**”).

WITNESSETH:

WHEREAS, contemporaneous with the execution of this Addendum, Franchisor and Franchisee will execute an Applebee’s Franchise Agreement (“**Franchise Agreement**”) granting Franchisee certain rights therein described; and

WHEREAS, the same parties desire to amend the Franchise Agreement to reflect accurately the identity and nature of the parties to the Franchise Agreement as a result of Franchisee’s form of business as a limited partnership.

NOW, THEREFORE, the Franchise Agreement is hereby amended as follows:

1. Section 11 Amended. Sections 11.1 and 11.2 of the Franchise Agreement are hereby amended by deleting said sections in their entirety and replacing them with the following:

“11.1 Franchisee and each Principal Shareholder represent and warrant that: (a) Franchisee is a limited partnership, validly existing and in good standing under the laws of _____; (b) the General Partner is a limited liability company duly organized, validly existing and in good standing under the laws of _____; (c) Franchisee is duly qualified and is authorized to do business and is in good standing in each jurisdiction in which the Restaurant is located and its business activities or the nature of the properties owned by it requires such qualification; (d) the General Partner is duly qualified and is authorized to do business and is in good standing as a foreign company in each jurisdiction in which the Restaurant is located and its business activities or the nature of the properties owned by it requires such qualification; (e) the execution and delivery of this Agreement and the transactions contemplated hereby are within Franchisee’s power under its limited partnership agreement and do not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which Franchisee is a party; (f) the execution and delivery of this Agreement and the transactions contemplated hereby are within the General Partner’s power under its articles of organization and operating agreement and do not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to General Partner or any person with an ownership interest in Franchisee or any Principal Shareholder is a party is a party; (g) the execution and delivery of this Agreement has been duly authorized by Franchisee and is permitted by its governing documents; (h) the execution and delivery of this Agreement has been duly authorized by the General Partner and is permitted by its governing documents; (i) the limited partnership agreement and the certificate of limited partnership of Franchisee delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (j) the articles of organization and operating agreement of the General Partner delivered to Franchisor are true, complete and correct, and there have been no changes therein since the date thereof; (k) the most recent balance sheet of Franchisee and the most recent balance sheet (collectively, “**Balance Sheets**”) of each of the Principal Shareholders and

____ (“**Guarantor**”) heretofore delivered to Franchisor, are true, complete and correct, and fairly present the financial positions of the Developer, Principal Shareholders and Guarantor, respectively, as of the date or dates thereof; (l) the Balance Sheets have been prepared in accordance with generally accepted accounting principles; (m) there have been no materially adverse changes in the condition, assets or liabilities of the Developer, Principal Shareholders or Guarantor since the date or dates thereof; (n) that any specimen certificate evidencing ownership interest in the limited partnership delivered to Franchisor pursuant to Subsection 11.2(e) hereof is a true specimen of Franchisee’s certificate evidencing ownership interest in the limited partnership; (o) the General Partner’s specimen membership certificate delivered to Franchisor is a true specimen of the General Partner’s membership certificate; and (p) Franchisee and the General Partner have and/or will comply with all applicable rules, regulations and statutes governing the sale of partnership interests, including, but not limited to, the Securities Act of 1933, as amended; the Securities and Exchange Act of 1934, as amended; and all applicable state securities rules, regulations and statutes.

11.2 Franchisee and each Principal Shareholder covenant that during the term of this Agreement: (a) Franchisee shall do or cause to be done all things necessary to preserve and keep in full force its existence as a limited partnership and shall be in good standing in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (b) the General Partner shall do or cause to be done all things necessary to preserve and keep in full force its existence and shall be in good standing as a foreign company in each jurisdiction in which its business activities or the nature of the properties owned by it requires such qualification; (c) Franchisee shall have the authority under its limited partnership agreement to carry out the terms of this Agreement; (d) the General Partner shall have the authority to carry out the terms of this Agreement; (e) Franchisee shall print, in a conspicuous fashion on all certificates evidencing ownership interest in the limited partnership when issued, a legend referring to this Agreement and the restrictions on and obligations of Franchisee and the Principal Shareholders, including, but not limited to, the restrictions on transfer or removal of any interest of the Principal Shareholders in or of Franchisee. Further, Franchisee shall deliver to Franchisor prior to the sale of any partnership units a true specimen certificate evidencing ownership interest in the limited partnership, bearing the legend described herein; and (f) the General Partner shall print, in a conspicuous fashion on all certificates representing membership interest when issued, a legend referring to this Agreement and the restrictions on and obligations of the Principal Shareholders hereunder, including the restrictions on transfer of membership interests in the General Partner.”

2. Section 12 Amended. Sections 12.2 - 12.4 of the Franchise Agreement are hereby amended by deleting said sections in their entirety and replacing them with the following:

“12.2 Except as provided in Subsection 12.3, “**Transfer**” shall mean any assignment, sale, pledge, hypothecation, gift or any other event which would change ownership of or change or create a new Interest, including, but not limited to:

(a) any change in the ownership of or rights in or to the partnership interest or other equity interests of Franchisee which would result from the act of the Principal Shareholders, such as a sale, exchange, pledge or hypothecation of the partnership interest in or rights to any of Franchisee’s profits, revenues or assets, or any such change which would result by operation of law;

(b) any change in the percentage interest owned by any Principal Shareholder in the partnership interests or other equity interests of Franchisee, or interests in Franchisee’s profits, revenues or assets which would result from any act of Franchisee such as a sale, pledge or hypothecation of any Restaurant assets (other than a pledge of assets to secure *bona fide* loans

made or credit extended in connection with acquisition of the assets pledged, provided that immediately before and after such transaction the net worth of Franchisee shall not be less than the amount which is reflected on the Balance Sheets referred to in Subsection 11.1 of this Agreement); any sale or issuance of any partnership interest or other equity interest in Franchisee; the retirement or redemption of any Interest in Franchisee; or any sale or grant to any person of any right to participate in or otherwise to share or become entitled to any part of Franchisee's profits, revenue, assets or equity; and

(c) the removal of the General Partner and/or the substitution or addition of a new general partner to Franchisee.

12.3 **"Transfer"** shall not include: (a) a change in the ownership of or rights to any partnership interest or other equity interest in Franchisee pursuant to a public offering of Franchisee's securities registered under the Securities Act of 1933; or (b) a change in the ownership of or rights to any securities or other equity interest in Franchisee pursuant to a private offering of Franchisee's securities exempted from registration under such Act, provided that Franchisee provides Franchisor with a copy of its prospectus and/or offering memorandum 10 days prior to its filing with the Securities and Exchange Commission or circulation to third parties so that Franchisor may comment and, if necessary, correct any information concerning Franchisor and/or the System, and further provided that after giving effect to such public or private offering, the General Partner "controls" Franchisee and the Principal Shareholder "controls" the General Partner. For purposes of this Section 12, **"control"** means: having and continually exercising the right, power and authority to act on behalf of, manage, operate and otherwise obligate or bind Franchisee in the conduct of Franchisee's business.

12.4 **"Interest"** shall mean: when referring to interest or rights in Franchisee, the partnership interests of the Principal Shareholders in Franchisee and any other equitable or legal right in or to any of revenues, profits or assets; when referring to rights or assets of Franchisee, Franchisee's rights under and interest in this Agreement, the Restaurant and its revenues, profits and assets.

Notwithstanding the terms of Section 12.7 of the Franchise Agreement, the proposed sale of an Interest owned by the General Partner will be subject to all of the terms thereof."

3. Section 13 Amended. Section 13.1(c) of the Franchise Agreement is hereby amended by deleting said section in its entirety and replacing it with the following:

"(c) Neither Franchisee, Principal Shareholders nor any other owner of Franchisee shall at any time: (i) appropriate or use the trade secrets incorporated in the System, or any portion thereof, in any restaurant business which is not within the System; (ii) disclose or reveal any portion of the System to any person, other than to Franchisee's Restaurant employees as an incident of their training; (iii) acquire any right to use any name, mark or other intellectual property right which is or may be granted by this Agreement, except in connection with the operation of the Restaurant; or (iv) communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the methods of development or operation of a restaurant utilizing the System, which may be communicated by Franchisor in connection with the franchise granted hereunder."

4. Section 14 Amended. Subsection 14.4 of Section 14, entitled **"INSPECTIONS,"** is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

"14.4 Franchisee shall maintain an accurate register of its certificates of limited partnership interest (**"Limited Partnership Register"**) and General Partner shall maintain an accurate

register of its members and membership interests (“**Membership Register**”). In the event that the beneficial ownership of Franchisee or of General Partner’s membership interest differs in any respect from record ownership, Franchisee and General Partner also shall maintain a list of the names, addresses and interests of all beneficial owners. Franchisee shall produce its Limited Partnership Register and General Partner shall produce its Membership Register, and any list of beneficial owners certified by the company’s secretary to be correct, at its principal executive offices upon 10 days’ prior written request by Franchisor. Franchisor’s representatives shall have the right to examine the Limited Partnership Register and the Membership Register and any list of beneficial owners, and to reproduce all or any part thereof. Further, upon 10 days’ written notice, Franchisor may request a copy of the list of members and the list of owners of beneficial interests to be forwarded to it at Franchisor’s principal office.”

5. Appendix A Amended. **Appendix A**, entitled “**STATEMENT OF OWNERSHIP INTERESTS**,” shall be amended to remove the phrase “Shareholder” and the phrase “Partner” shall be inserted in lieu thereof. The phrase “Percent of Issued and Outstanding Shares of Franchisee” shall be amended and replaced by the phrase “Percent of Interest Owned in Franchisee.” **Appendix A** shall further be amended to add two new columns as follows:

<u>“ Partner</u>	<u>Percent of Interest Owned in Franchisee</u>
General Partner - _____	____ %
Limited Partners - _____	____ %
_____	____ %”

6. Appendix C Amended. The first paragraph of Appendix C, entitled “**CONFIDENTIALITY AGREEMENT**,” is hereby amended by deleting the same as it now appears and inserting the following in its place and stead:

“THIS AGREEMENT is made this _____ day of _____, 20____, by and between _____, a _____ limited partnership (“**Franchisee**”), and _____, an individual employed by Franchisee (“**Employee**”).”

7. General Partner’s Legal Status. Nothing contained in this Agreement will be construed to limit any liability that General Partner may incur as a result of its legal status as a general partner of Franchisee under applicable law.

8. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Kansas, without regard to its conflict of laws provisions.

9. No Further Amendment. No further amendment or modification of the Franchise Agreement shall be binding unless executed in writing by Franchisor and Franchisee or their authorized successors or assigns. No course of conduct or course of performance under this or any other agreement between the parties will be deemed to modify this Addendum. Except as expressly set forth in this Addendum, the Franchise Agreement remains in full force and effect.

10. Entire Agreement. This Addendum and the agreements, documents and instruments referenced herein constitute the entire agreement between the parties with respect to the subject matter hereof, superseding and cancelling any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject

matter hereof.

11. Headings. The section headings are inserted as a matter of convenience and in no way define, limit or describe the scope of such section or affect the interpretation of this Addendum.

12. Counterparts. This Addendum may be signed in counterparts and each counterpart with a hand-written signature, whether an original or an electronic data text (including electronic mail) is considered an original and all counterparts constitute one and the same instrument.

13. Miscellaneous. Each of the terms and provisions of this Addendum is deemed incorporated by reference into the Franchise Agreement. When a conflict exists between this Addendum and the Franchise Agreement, this Addendum shall control. Any capitalized term not otherwise defined in this Addendum shall have the meaning as set forth in the Franchise Agreement. If any provision of this Addendum is found to be unenforceable, the remaining provisions will continue to be in full force and effect. This Addendum will be binding upon and inure to the benefit of the parties, their successors and permitted assigns. No waiver of any provision of this Addendum will be enforceable against a party unless it is in writing and signed by such party. No waiver by any party of any provisions of this Addendum will be deemed to be or constitute a waiver of any other provision hereof (whether or not similar), nor will such waiver constitute a continuing waiver unless otherwise expressly provided.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first written above.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: General Partner

PRINCIPAL SHAREHOLDER(S):

By: _____
Name: _____
Title: _____

Name: _____

EXHIBIT G

GUARANTEE OF OBLIGATIONS

GUARANTEE OF OBLIGATIONS

THIS GUARANTEE OF OBLIGATIONS (this “**Guarantee**”) is given by Guarantor Name, Choose entity type (“**Guarantor**”), to APPLEBEE’S FRANCHISOR LLC, a Delaware limited liability company (“**Franchisor**”), in consideration of the execution of the franchise agreement pertaining to AP # _____ located at (the “**Restaurant**”) by Franchisee Entity, a _____ Choose an entity type (“**Franchisee**”).

Guarantor hereby covenants with Franchisor that if any default shall, at any time, be made by Franchisee in the payment of any sums of money due to Franchisor or its affiliates pursuant to the franchise agreement or the addendum thereto by and among Franchisor, Franchisee, and Principal Shareholder, dated concurrently herewith (the “**Franchise Agreement**”), or if Franchisee or Principal Shareholder shall default in fulfilling any of the covenants, agreements or conditions of the Franchise Agreement to be performed by Franchisee or Principal Shareholder, Guarantor shall: (a) pay to Franchisor, its affiliates or its successors or assigns, any and all sums of money which may be owing under the Franchise Agreement, (b) take such action as may be required to cure the default in any of the covenants, agreements or conditions of the Franchise Agreement to be performed by Franchisee, and (c) pay any and all damages that may arise as a consequence thereof.

This Guarantee shall be a continuing guarantee, and the liability of Guarantor hereunder shall in no way be affected or diminished in any manner whatsoever by reason of: (a) the assertion by Franchisor against Franchisee or Principal Shareholder of any of the rights or remedies reserved to Franchisor pursuant to the Franchise Agreement, (b) the waiver by Franchisor, or the failure of Franchisor, to enforce any of the provisions, covenants, or conditions of the Franchise Agreement, or (c) the granting by Franchisor of any indulgence or extension of time to Franchisee or Principal Shareholder. The liability hereunder shall in no way be affected or diminished by reason of any amendment, modification, renewal or extension of the Franchise Agreement, or the abandonment or surrender of the Restaurant by Franchisee.

Guarantor hereby expressly waives the following:

- i. notice of the acceptance of this Guarantee by any person or entity, and
- ii. any and all notices to which Guarantor might otherwise be entitled to in connection with this Guarantee and the Franchise Agreement. It shall not be necessary for Franchisor or its affiliates, in order to enforce this Guarantee, to first institute any suit or proceeding or exhaust legal remedies against Franchisee or Principal Shareholder.

Guarantor hereby expressly waives any right to require, as a condition precedent to bringing action on this Guarantee:

- i. proceeding against Franchisee or Principal Shareholder under the Franchise Agreement,
- ii. proceeding against any other person or entity, or
- iii. pursuing any other remedy in Franchisor’s or its successors’ or assigns’ power whatsoever.

This Guarantee shall not be discharged or affected by the dissolution, liquidation or bankruptcy of Franchisee, Principal Shareholder, the merger of Franchisee or Principal Shareholder with another corporation or business entity, or any change in the ownership of Stock of Franchisee or Principal Shareholder.

This Guarantee is an absolute guaranty of payment and not of collection. Guarantor agrees to pay reasonable attorneys' fees, court costs and any and all other costs and expenses which may be incurred in the enforcement of this Guarantee, whether or not suit is brought hereon.

This Guarantee shall inure to the benefit of Franchisor, its affiliates and its successors and assigns. Notice of assignment, transfer or disposition by Franchisor or its affiliates of its interests hereunder or under the Franchise Agreement is hereby waived by Guarantor.

Guarantor agrees to be personally bound by each and every provision of the Franchise Agreement.

This Guarantee shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Kansas, without regard to its conflict of laws provisions.

No amendment or modification of this Guarantee will be binding unless executed in writing by the parties or their permitted successors or assigns. No course of conduct or course of performance under this Guarantee or any other agreement between the parties will be deemed to amend or modify this Guarantee.

This Guarantee, together with all documents referenced herein, represents the entire agreement between the parties regarding the subject matter hereof, and supersedes any and all prior and contemporaneous proposals, agreements, understandings, representations, inducements and statements, whether oral or written, of the parties regarding the subject matter hereof. This Guarantee shall be binding upon and shall inure to the benefit of the parties and their permitted successors and assigns.

The invalidity or enforceability, in whole or in part, of any provision of this Guarantee will not affect the validity or enforceability of any other provision. In the event of a conflict or inconsistency between the terms of this Guarantee and any other agreement between and/or among Guarantor and Franchisor or its affiliates, the terms of this Guarantee shall control.

No purported waiver of a breach or default will be valid unless specifically stated in writing by the waiving party. No such waiver waives any subsequent breach or default of the same or any other term in this Guarantee.

Guarantor may not assign any of its rights or delegate any of its obligations under this Guarantee without the prior written consent of Franchisor. Any assignment by Guarantor in breach of this Guarantee is void.

This Guarantee may be executed in any number of counterparts and by any electronic means, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, this Guarantee is executed this _____ day of _____, 20____.

Guarantor Name

Guarantor Name, Individually

APPROVED:

FRANCHISEE:

Franchisee Entity
a _____ Choose an entity type

By: _____
Name:
Title:

ACCEPTED:

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC
a Delaware limited liability company

By: _____
Name:
Title:

EXHIBIT H

MANUALS' TABLES OF CONTENTS

Eatin' Good in the Neighborhood®

Applebee's



BRAND STANDARDS MANUAL

.....

BEVERAGE

Winter Menu • January 2026



Confidential and Proprietary Information for the exclusive use of employees and franchisees of Applebee's International, Inc.

The information contained in this Manual is confidential and is intended solely for the use of the employees and Franchisees of the Applebee's Grill and Bar system. The information is the property of Applebee's International, Inc. and its parents, subsidiaries, and affiliates (All). Unauthorized review, use, disclosure or copying of this information, or any part thereof, is strictly prohibited and may be unlawful.

Disclaimer

This Manual contains brand standards which are mandatory standards Franchisees must meet as required by your Franchise Agreement. These standards exist to protect All's interests in its trademarks and the Applebee's Grill and Bar system and not for the purpose of establishing any control over those matters that are reserved to Franchisees. For example, each Franchisee must follow the recipes, cooking instructions, and plate presentation standards described in recipe manuals, job aids, and other Brand Standards materials except when a Franchisee has obtained approval from All for a deviation through the Form 100 Exception Authorization Request process.

Each Franchisee is solely responsible for following Applebee's Grill and Bar system standards and for the day-to-day operation of your restaurants. For example, each Franchisee is responsible for the control of your employees in the daily operation of a restaurant, as well as the safety and security of your employees and customers. No information that we provide to you in these areas shifts any part of this responsibility from you. In the event there is a guest incident that occurs due to the failure to follow an Applebee's Grill and Bar system standard that may jeopardize the Applebee's Grill and Bar brand, the Franchisee must contact Applebee's International, Inc. and report the incident within 12 hours of its occurrence.

This Manual also contains suggestions and best demonstrated practices where specifically indicated. We recommend these suggested practices to enhance the likelihood that you will be in compliance with system standards relating to the operation of your restaurant.

Where this Manual provides suggestions and best demonstrated practices, All's intent is to protect the image of the Applebee's system and brand and not for the purpose of limiting a Franchisee's control over, or a Franchisee's obligation and sole responsibility to manage its restaurants, including but not limited to its employment and customer relations practices. You are not required to adopt or use any suggestions and these suggestions do not negate your sole responsibility for all employment matters related to your restaurants. Each Franchisee is solely responsible for the daily operation of restaurants, including selecting, compensating, and training your employees, developing employee relations, and establishing your own policies and practices in a manner that complies with all laws applicable to your business. We advise that you consult your own employment attorney regarding workplace matters.

The information in this Manual is provided "as is." All does not and cannot warrant any Franchisee's results. All makes no warranties, express or implied, including warranty as to performance, merchantability, or fitness for a particular purpose. All is not engaged to render legal or other professional advice, and makes no representation that the information is accurate or complete with respect to all laws, rules and regulations applicable to a Franchisee's restaurant. All recommends that the Franchisee contact your own lawyer to make sure you understand and comply with all laws applicable to your business.

All may update this Manual to provide better service to Applebee's guests and build a stronger business. All will send instructions to update and maintain this Manual through various forms of communication, including email, mail, DinePlate and CORE News items. It is the Franchisee's responsibility to use the most current version of the Manual as instructed.

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Eatin' Good in
the Neighborhood®

Applebee's®



BRAND STANDARDS MANUAL

FOOD SAFETY, SANITATION, HEALTH & HYGIENE

Winter Menu • January 2026

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Applebee's



BRAND STANDARDS MANUAL

PLATE PRESENTATIONS

Winter Menu • January 2026

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Applebee's



BRAND STANDARDS MANUAL

.....

RECIPES

Winter Menu • January 2026

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EXHIBIT I-1

LIST OF FRANCHISEES AND FRANCHISE OUTLETS

Restaurant Account	Address Line 1	City	State/Province/Region	Zip Code	Restaurant Phone Number	Venue Type
Apple North, Inc.	4331 Credit Union Drive	Anchorage	AK	99503-6658	(907) 222-7753	Traditional
Apple of North Alabama, Inc.	3001 Carter Hill Road	Montgomery	AL	36111-1801	(334) 264-9064	Traditional
Apple of North Alabama, Inc.	11950 Hwy. 431 South	Guntersville	AL	35976-5675	(256) 878-9903	Traditional
Apple of North Alabama, Inc.	4711 Norrell Drive	Trussville	AL	35173-2679	(205) 661-0607	Traditional
Apple of North Alabama, Inc.	2271 Florence Blvd	Florence	AL	35630-2852	(256) 764-7644	Traditional
Apple of North Alabama, Inc.	1917 Cobbs Ford Road	Prattville	AL	36066-7738	(334) 361-8899	Traditional
Apple of North Alabama, Inc.	2041-A Beltline Road SW	Decatur	AL	35601-5515	(256) 340-0114	Traditional
Apple of North Alabama, Inc.	3028 Memorial Pkwy SW	Huntsville	AL	35801-5303	(256) 881-8111	Traditional
Apple of North Alabama, Inc.	1722 Rainbow Drive	Gadsden	AL	35901-5502	(256) 546-7774	Traditional
Apple of North Alabama, Inc.	6601 Atlanta Highway	Montgomery	AL	36117-4233	(334) 396-0500	Traditional
Apple of North Alabama, Inc.	1331 Hwy. 72 East	Athens	AL	35611-4405	(256) 233-4430	Traditional
Apple of North Alabama, Inc.	3195 Taylor Road	Montgomery	AL	36116-6503	(334) 274-0009	Traditional
Apple of North Alabama, Inc.	302 Hughes Road	Madison	AL	35758-1140	(256) 772-3441	Traditional
RMH FRANCHISE CORPORATION	2409 S. McKenzie Street	Foley	AL	36535-3405	(251) 943-6006	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	3050 Ross Clark Circle, S.W.	Dothan	AL	36301-1122	(334) 793-7800	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	1688 U.S. Hwy. 231 South	Ozark	AL	36360-2843	(334) 445-0098	Traditional
Apple Bama LLC	1627-34 Opelika Road	Auburn	AL	36830-1718	(334) 887-7747	Traditional
Apple Bama LLC	612 Hamric Dr E	Oxford	AL	36203-1817	(256) 835-2434	Traditional
Apple Bama LLC	2090 Highway 280/431	Phenix City	AL	36867-3613	(334) 448-2500	Traditional
Apple of North Alabama, Inc.	2106 Cherokee Ave SW	Cullman	AL	35055-5568	(256) 736-5336	Traditional
Apple of North Alabama, Inc.	111 Airport Road West	Fort Payne	AL	35968-3347	(256) 273-5245	Traditional
Apple of North Alabama, Inc.	2009 Hwy 78 E	Jasper	AL	35501	(205) 544-2130	Traditional
Apple of North Alabama, Inc.	3150 Memorial Parkway NW	Huntsville	AL	35810-2404	(256) 859-4200	Traditional
Apple of North Alabama, Inc.	2246 Bessemer Road	Birmingham	AL	35207-4712	(205) 451-1031	Traditional
Apple of North Alabama, Inc.	1250 Boots Blvd	Fultondale	AL	35068-1670	(205) 380-8282	Traditional
Apple of North Alabama, Inc.	5050 Academy Lane	Bessemer	AL	35022-5249	(205) 424-5255	Traditional
Apple of North Alabama, Inc.	2933 John Hawkins Pkwy	Hoover	AL	35244-1095	(205) 444-1102	Traditional
Apple of North Alabama, Inc.	1701 McFarland Blvd. East	Tuscaloosa	AL	35404-5833	(205) 633-0900	Traditional
Apple of North Alabama, Inc.	360 Cahaba Valley Rd	Pelham	AL	35124-1398	(205) 982-1022	Traditional
Apple of North Alabama, Inc.	1600 Huffman Road	Center Point	AL	35215-5519	(205) 853-3200	Traditional
APPLE ARKANSAS, INC.	2133 N. West Ave.	El Dorado	AR	71730-3351	(870) 881-9600	Traditional
APPLE ARKANSAS, INC.	3953 W. Sunset Avenue	Springdale	AR	72762-4923	(479) 751-9844	Traditional
Hop 3193, LLC	401 East Harrell Drive	Russellville	AR	72802-2276	(479) 968-4467	Traditional
APPLE CENTRAL, LLC	528 N 47th Street	Rogers	AR	72756-9528	(479) 936-8989	Traditional
RMH FRANCHISE CORPORATION	2053 S. Alma School Road	Mesa	AZ	85210-4002	(480) 831-7557	Traditional
RMH FRANCHISE CORPORATION	3899 El Mercado Loop	Sierra Vista	AZ	85635-5211	(520) 459-1664	Traditional
RMH FRANCHISE CORPORATION	1881 East Highway 69	Prescott	AZ	86301-5671	(928) 445-8787	Traditional
RMH FRANCHISE CORPORATION	5880 W. Peoria Ave.	Glendale	AZ	85302-1302	(623) 878-3500	Traditional
RMH FRANCHISE CORPORATION	2651 N 75th Ave	Phoenix	AZ	85035-1209	(623) 849-8895	Traditional
RMH FRANCHISE CORPORATION	6259 E. Southern Avenue	Mesa	AZ	85206-3714	(480) 830-3099	Traditional
RMH FRANCHISE CORPORATION	5870 East Broadway	Tucson	AZ	85711-3245	(520) 750-9780	Traditional
RMH FRANCHISE CORPORATION	2547 N 44th Street	Phoenix	AZ	85008-2444	(602) 952-0033	Traditional
RMH FRANCHISE CORPORATION	13832 W. McDowell Road	Goodyear	AZ	85338-2259	(623) 536-8440	Traditional
RMH FRANCHISE CORPORATION	2180 E. Baseline Road	Phoenix	AZ	85042-6953	(602) 323-5680	Traditional
RMH FRANCHISE CORPORATION	2230 W. Ina Road	Tucson	AZ	85741-2649	(520) 297-2220	Traditional
RMH FRANCHISE CORPORATION	1143 N. Higley Road	Mesa	AZ	85205-5305	(480) 981-4667	Traditional
RMH FRANCHISE CORPORATION	4712 E. Ray Rd.	Higley	AZ	85236-5002	(480) 279-0824	Traditional
RMH FRANCHISE CORPORATION	8001 West Bell Road	Peoria	AZ	85382-3824	(623) 878-1410	Traditional
RMH FRANCHISE CORPORATION	5210 W Baseline Rd.	Laveen	AZ	85339-2949	(602) 605-8010	Traditional
RMH FRANCHISE CORPORATION	2032 East Baseline Road	Mesa	AZ	85204-6965	(480) 545-4299	Traditional
RMH FRANCHISE CORPORATION	13756 W. Bell Road	Surprise	AZ	85374-3865	(623) 544-0368	Traditional
RMH FRANCHISE CORPORATION	9330 W. Northern Ave.	Glendale	AZ	85305-1103	(623) 877-4885	Traditional
Apple Yuma Foothills, Inc.	11274 S. Fortuna Road	Yuma	AZ	85367-7847	(928) 305-9200	Traditional
Apple Yuma II, Inc.	1100 East 16th Street	Yuma	AZ	85365-2016	(928) 782-7474	Traditional
Apple SoCal LLC	291 W. Ventura Blvd	Camarillo	CA	93010-8359	(805) 445-7160	Traditional
Apple SoCal LLC	377 N. Citrus Ave	Azusa	CA	91702-3909	(626) 334-5103	Traditional
Apple SoCal LLC	27750 Newport Road	Menifee	CA	92584-9107	(951) 301-5094	Traditional
Apple SoCal LLC	43545 10th St. West	Lancaster	CA	93534-6005	(661) 942-6410	Traditional

Apple SoCal LLC	3030 Plaza Bonita Road	National City	CA	91950-8009	(619) 475-1855	Traditional
Apple SoCal LLC	12600 Day Street	Moreno Valley	CA	92553-7572	(951) 413-1418	Traditional
Apple SoCal LLC	2800 N. Main Street	Santa Ana	CA	92705-6016	(657) 212-6701	Traditional
Apple SoCal LLC	4935 Graywood Ave	Lakewood	CA	90712-2514	(562) 531-0980	Traditional
Apple SoCal LLC	107 Fletcher Parkway	El Cajon	CA	92020-2510	(619) 593-3066	Traditional
Apple SoCal LLC	7677 Balboa Avenue	San Diego	CA	92111-2230	(858) 569-4590	Traditional
Apple SoCal LLC	2146 Vista Way	Oceanside	CA	92054-5600	(760) 757-5848	Traditional
Apple SoCal LLC	3820 Mulberry	Riverside	CA	92507-4222	(951) 369-7447	Traditional
Apple SoCal LLC	521 N. McKinley	Corona	CA	92879-1292	(951) 371-1995	Traditional
Apple SoCal LLC	3956 Grand Avenue	Chino	CA	91710-5435	(909) 590-7844	Traditional
Apple SoCal LLC	10709 Foothill Blvd	Rancho Cucamonga	CA	91730-3858	(909) 980-3633	Traditional
Apple SoCal LLC	12375 Limonite Avenue	Mira Loma	CA	91752-3726	(951) 360-8537	Traditional
Apple SoCal LLC	39720 N 10th Street West	Palmdale	CA	93551-3001	(661) 266-9100	Traditional
Apple SoCal LLC	899 East Spring St	Signal Hill	CA	90755-1702	(562) 426-6723	Traditional
Apple SoCal LLC	9480 East Mira Mesa Blvd.	San Diego	CA	92126-4846	(858) 578-8280	Traditional
Apple SoCal LLC	1216 Auto Park Way	Escondido	CA	92029-2225	(760) 743-6612	Traditional
Apple SoCal LLC	2508 Jamacha	El Cajon	CA	92019-4364	(619) 670-7203	Traditional
Apple SoCal LLC	32175 Hwy. 79	Temecula	CA	92592-6809	(951) 506-7852	Traditional
Apple SoCal LLC	2046 W Redlands Blvd	Redlands	CA	92373-6228	(909) 335-7372	Traditional
Apple SoCal LLC	2515 W. Florida Ave.	Hemet	CA	92545-4615	(951) 791-2506	Traditional
Apple SoCal LLC	24872 Madison Avenue	Murrieta	CA	92562-6046	(951) 894-1846	Traditional
Apple SoCal LLC	19201 Bear Valley Road	Apple Valley	CA	92308-2702	(760) 240-9195	Traditional
Apple SoCal LLC	9255 Winnetka Ave	Chatsworth	CA	91311-8166	(818) 885-6519	Traditional
Apple SoCal LLC	610 Palomar St	Chula Vista	CA	91911-7134	(619) 585-4753	Traditional
Apple SoCal LLC	1590 Azusa Ave	City of Industry	CA	91748-1603	(626) 965-6940	Traditional
Apple SoCal LLC	2114 E Lincoln Ave	Anaheim	CA	92806-4104	(714) 817-7806	Traditional
Apple SoCal LLC	1238 West Imperial Highway	La Habra	CA	90631-6934	(562) 690-0779	Traditional
Apple SoCal LLC	4070 E Highland Avenue	Highland	CA	92346-2637	(909) 425-9020	Traditional
Apple SoCal LLC	12044 Amargosa Road	Victorville	CA	92392-8122	(760) 947-6294	Traditional
Apple SoCal LLC	16867 Sierra Lakes Parkway	Fontana	CA	92336-1226	(909) 854-1003	Traditional
Apple NorCal LLC	2659 W. March Lane	Stockton	CA	95207-6522	(209) 952-9330	Traditional
Apple NorCal LLC	1000 Sharp Road	Yuba City	CA	95993-2617	(530) 822-9566	Traditional
Apple NorCal LLC	3281 Coach Lane	Cameron Park	CA	95682-8487	(530) 677-8677	Traditional
Apple NorCal LLC	2250 Santa Rosa Avenue	Santa Rosa	CA	95407-7623	(707) 576-0552	Traditional
Apple NorCal LLC	1041 Admiral Callaghan Lane	Vallejo	CA	94591-3681	(707) 558-0824	Traditional
Apple NorCal LLC	9105 E Stockton Blvd	Elk Grove	CA	95624-9456	(916) 685-0321	Traditional
Apple NorCal LLC	1790 E. Main Street	Woodland	CA	95776-6223	(530) 668-8282	Traditional
Apple NorCal LLC	2770 Taylor St	San Francisco	CA	94133-1204	(415) 749-9025	Traditional
Apple NorCal LLC	195 Soscol Ave.	Napa	CA	94559-4009	(707) 224-0502	Traditional
Apple NorCal LLC	5301 Old Redwood Hwy	Petaluma	CA	94954-1166	(707) 792-0500	Traditional
Apple NorCal LLC	8931 Brooks Road South	Windsor	CA	95492-7850	(707) 836-0642	Traditional
Apple NorCal LLC	2442 W Kettleman Lane	Lodi	CA	95242-4123	(209) 369-6657	Traditional
Apple NorCal LLC	1350 Travis Blvd #Z-5	Fairfield	CA	94533-3432	(707) 399-0796	Traditional
Apple NorCal LLC	6811 Lonetree Blvd.	Rocklin	CA	95765-5875	(916) 771-2583	Traditional
Apple NorCal LLC	3601 Truxel Rd.	Sacramento	CA	95833-3619	(916) 928-8488	Traditional
Apple NorCal LLC	2024 Arden Way	Sacramento	CA	95825-2202	(916) 564-5296	Traditional
Apple NorCal LLC	6900 Auburn Blvd	Citrus Heights	CA	95621-4205	(916) 721-3550	Traditional
APPLE CORE ENTERPRISES, INC.	82894 Highway 111	Indio	CA	92201-5638	(760) 342-4149	Traditional
Apple Mid Cal LLC	621 W. Central Ave	Lompoc	CA	93436-2837	(805) 735-2141	Traditional
Apple Mid Cal LLC	1105 S. Green Valley Road	Watsonville	CA	95076-4128	(831) 728-7272	Traditional
Apple Mid Cal LLC	1415 S. Bradley	Santa Maria	CA	93454-8010	(805) 922-6633	Traditional
Apple Mid Cal LLC	1301 N. Davis Road	Salinas	CA	93907-1988	(831) 757-6682	Traditional
AppleValley, Inc.	57796 29 Palms Hwy	Yucca Valley	CA	92284-3070	(760) 365-2900	Traditional
Apple Bmont, Inc.	1585 E 6th Street	Beaumont	CA	92223-2507	(951) 845-3638	Traditional
Apple Cal LLC	5690 Cottle Rd	San Jose	CA	95123-3696	(408) 809-4980	Traditional
Apple Cal LLC	851 Sanguinetti Road	Sonora	CA	95370-5243	(209) 533-9670	Traditional
Apple Cal LLC	1272 E. Yosemite Ave.	Manteca	CA	95336-5002	(209) 824-4499	Traditional
Apple Cal LLC	555 Saratoga Ave.	San Jose	CA	95129-1937	(408) 446-8370	Traditional

Apple Cal LLC	3060 N. Naglee Road	Tracy	CA	95304-7311	(209) 834-0360	Traditional
Apple Cal LLC	51 Curtner Ave	SAN JOSE	CA	95125-1058	(408) 295-7150	Traditional
Apple Cal LLC	820 Commerce Ave	Atwater	CA	95301-5217	(209) 358-2191	Traditional
Apple Mid Cal II LLC	8430 North Friant Road	Fresno	CA	93720-1597	(559) 261-2331	Traditional
Apple Mid Cal II LLC	892 W Henderson Ave	Porterville	CA	93257-1780	(559) 788-2031	Traditional
Apple Mid Cal II LLC	39139 Farwell Drive	Fremont	CA	94537-1004	(510) 742-6400	Traditional
Apple Mid Cal II LLC	3400 S. Mooney Blvd.	Visalia	CA	93277-7772	(559) 734-2332	Traditional
Apple Mid Cal II LLC	5325 Avenida De Los Robles	Visalia	CA	93291-5001	(559) 636-1605	Traditional
Apple Mid Cal II LLC	9000 Ming Avenue, Suite M	Bakersfield	CA	93311-1324	(661) 664-0974	Traditional
Apple Mid Cal II LLC	98 Shaw Avenue	Clovis	CA	93612-3802	(559) 322-9890	Traditional
Apple Mid Cal II LLC	2263 South Shore Center	Alameda	CA	94501-8071	(510) 522-7071	Traditional
Apple Mid Cal II LLC	1665 West Lacey Blvd	Hanford	CA	93230-5910	(559) 583-8084	Traditional
Apple Mid Cal II LLC	24041 Southland Drive	Hayward	CA	94545-1500	(510) 782-6400	Traditional
Apple Mid Cal II LLC	3604 West Shaw	Fresno	CA	93711-3231	(559) 271-9844	Traditional
Apple Mid Cal II LLC	1369 Fitzgerald Drive	Pinole	CA	94564-2251	(510) 243-0400	Traditional
Apple SoCal II LLC	674 West Arrow Highway	San Dimas	CA	91773-2958	(909) 394-7600	Traditional
Apple SoCal II LLC	21625 E. Valley Blvd.	Walnut	CA	91789-2019	(909) 594-1140	Traditional
Apple SoCal II LLC	21 E. Main Street	Alhambra	CA	91801-3514	(626) 576-4621	Traditional
Apple SoCal II LLC	1493 N. Montebello Blvd.	Montebello	CA	90640-2586	(323) 278-0250	Traditional
Apple SoCal II LLC	12129 Imperial Highway	Norwalk	CA	90650-3021	(562) 863-0798	Traditional
Apple SoCal II LLC	9241 Monte Vista Avenue	Montclair	CA	91763-1746	(909) 624-5555	Traditional
Apple SoCal II LLC	5700 Florence Ave	Bell Gardens	CA	90201-4609	(323) 326-2020	Traditional
Apple Nevada LLC	3987 Lake Tahoe Blvd.	South Lake Tahoe	CA	96150-8907	(530) 544-2113	Traditional
Apple Qunita, Inc.	45305 Seeley Drive	La Quinta	CA	92253-6804	(760) 345-9222	Traditional
Apple City, Inc.	32400 Date Palm Drive	Cathedral City	CA	92234-4313	(760) 324-6911	Traditional
Applexico, Inc.	2505 Scaroni Rd.	Calexico	CA	92231-9692	(760) 768-1649	Traditional
AppleCentro, Inc.	2421 N. Cottonwood	El Centro	CA	92243-1604	(760) 353-8311	Traditional
Apple Palm, Inc.	74999 Frank Sinatra Dr.	Palm Desert	CA	92211-2084	(760) 346-5722	Traditional
Apple Cal LLC	8200 Arroyo Circle	Gilroy	CA	95020-7332	(408) 848-5600	Traditional
Apple Cal LLC	2501 Fulkert Road	Turlock	CA	95380-9527	(209) 656-7441	Traditional
Apple Cal LLC	2449 Claribel Road	Riverbank	CA	95367-9456	(209) 863-9780	Traditional
Apple Cal LLC	3900 Sisk Road	Modesto	CA	95356-3215	(209) 545-1046	Traditional
Apple Cal LLC	1734 W. Olive Ave.	Merced	CA	95348-1201	(209) 724-9930	Traditional
APPLE AB ENTERPRISES, INC.	1201 Airport Park Blvd.	Ukiah	CA	95482-7400	(707) 462-7010	Traditional
APPLE AB ENTERPRISES, INC.	2160 Feather River Blvd	Oroville	CA	95965-5738	(530) 534-4500	Traditional
APPLE AB ENTERPRISES, INC.	2030 Business Lane	Chico	CA	95928-7603	(530) 343-6888	Traditional
APPLE AB ENTERPRISES, INC.	2846 Broadway	Eureka	CA	95501-3803	(707) 269-0533	Traditional
Big Bear 3877 Inc.	42137 Big Bear Boulevard	Big Bear Lake	CA	92315		Traditional
APPLE AB ENTERPRISES, INC.	220 Antelope Blvd.	Red Bluff	CA	96080-2902	(530) 527-6164	Traditional
APPLE AB ENTERPRISES, INC.	1801 Hilltop Drive	Redding	CA	96002-0213	(530) 221-1888	Traditional
Apple Colorado LLC	1501 Oxbow Drive	Montrose	CO	81401-4731	(970) 249-1214	Traditional
Apple Colorado LLC	4100 West 10th Street	Greeley	CO	80634-1428	(970) 346-9493	Traditional
Apple Colorado LLC	213 East 29th Street	Loveland	CO	80538-2721	(970) 593-0655	Traditional
Apple Colorado LLC	10501 E. Garden Dr.	Aurora	CO	80012-7000	(720) 748-2617	Traditional
Apple Colorado LLC	16485 E. 40th Circle	Aurora	CO	80011-0802	(303) 371-4114	Traditional
Apple Colorado LLC	390 Allen Street	Castle Rock	CO	80104-9402	(303) 814-0230	Traditional
Apple Colorado LLC	922 S. 4th Ave.	Brighton	CO	80601-6750	(720) 685-1095	Traditional
Apple Colorado LLC	5250 S. Wadsworth Blvd.	Lakewood	CO	80123-2226	(303) 933-2230	Traditional
Apple Colorado LLC	14091 E. Iliiff Avenue	Aurora	CO	80014-1404	(303) 745-9897	Traditional
Apple Colorado LLC	100 West 104th Avenue	Northglenn	CO	80234-4102	(303) 252-7422	Traditional
Apple Colorado LLC	9010 N. Wadsworth Parkway	Westminster	CO	80021-8615	(303) 431-9022	Traditional
Apple Colorado LLC	7625 Goddard Street	Colorado Springs	CO	80920-3219	(719) 535-2799	Traditional
Apple Colorado LLC	10625 West Colfax	Lakewood	CO	80226-0109	(303) 462-1782	Traditional
Apple Colorado LLC	297 East 120th Avenue	Thornton	CO	80233-5704	(303) 451-1414	Traditional
Apple Colorado LLC	3708 East Galley	Colorado Springs	CO	80909-4413	(719) 574-5111	Traditional
Apple Colorado LLC	711 Horizon Drive	Grand Junction	CO	81506-3906	(970) 256-0022	Traditional
Apple Colorado LLC	800 Camino Del Rio	Durango	CO	81301-6898	(970) 259-5850	Traditional
Apple Colorado LLC	4001 W. Northern Ave.	Pueblo	CO	81005-3506	(719) 564-6090	Traditional
Apple Colorado LLC	6428 S. Hwy. 85/87	Fountain	CO	80817-1929	(719) 391-9000	Traditional

Apple Colorado LLC	6405 W. 120th Avenue	Broomfield	CO	80020-2450	(303) 466-3848	Traditional
Apple Colorado LLC	3428 N. Elizabeth	Pueblo	CO	81008-1157	(719) 542-2598	Traditional
Apple Colorado LLC	5265 Wadsworth Bypass	Arvada	CO	80002-3729	(303) 421-1032	Traditional
TLC EAST, LLC	57 Federal Road	Danbury	CT	06810-6290	(203) 790-7090	Traditional
TLC Northeast LLC	93 Storrs Road	Willimantic	CT	06226-4004	(860) 423-6069	Traditional
TLC Northeast LLC	350 Long Hill Road	Groton	CT	06340-3829	(860) 865-6979	Traditional
TLC Northeast LLC	270 New Britain Ave.	Plainville	CT	06062-2056	(860) 747-2358	Traditional
TLC Northeast LLC	1690 E. Main Street	Torrington	CT	06790-3519	(860) 489-8690	Traditional
Apple Delaware LLC	909 N. DuPont Highway	Dover	DE	19901-2004	(302) 741-2292	Traditional
Apple Delaware LLC	900 Churchman's Road	Newark	DE	19713-2117	(302) 454-9277	Traditional
Apple Delaware LLC	2480 Pulaski Hwy.	Newark	DE	19702-3906	(302) 836-8700	Traditional
Apple Delaware LLC	4110 S. Dupont Hwy.	Camden	DE	19934-6029	(302) 697-3033	Traditional
Apple Delaware LLC	4301 Kirkwood Highway	Wilmington	DE	19808-5113	(302) 995-1328	Traditional
Apple Delaware LLC	630 Suburban Drive	Newark	DE	19711-3569	(302) 738-7230	Traditional
Apple Delaware LLC	320 Dove Run Centre Blvd.	Middletown	DE	19709-7912	(302) 449-0234	Traditional
Apple Delaware LLC	105 Wilton Blvd.	New Castle	DE	19720-3979	(302) 322-8202	Traditional
Apple Delaware LLC	1600 Rocky Run Pkwy.	Wilmington	DE	19803-5404	(302) 479-5207	Traditional
DELAWARE VALLEY ROSE, L.P.	22873 Sussex Highway	Seaford	DE	19973-5851	(302) 628-0756	Traditional
DELAWARE VALLEY ROSE, L.P.	698 B. North DuPont Highway	Milford	DE	19963-1002	(302) 424-0954	Traditional
DELAWARE VALLEY ROSE, L.P.	36501 Seaside Outlet Blvd	Rehoboth Beach	DE	19971-1210	(302) 226-5307	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	2823 S. Orange Ave	Orlando	FL	32806-5460	(407) 420-2940	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	2050 E. Highway 50	Clermont	FL	34711-6048	(352) 708-5717	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4411 W. Gandy Blvd.	Tampa	FL	33611-3301	(813) 252-7951	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	30180 US Hwy. 19 North	Clearwater	FL	33761-1044	(727) 786-8404	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	2599 Enterprise Road	Orange City	FL	32763-7960	(386) 774-5225	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	829 Providence Road	Brandon	FL	33511-8839	(813) 643-0000	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1901 W. Main Street	Inverness	FL	34452-4420	(352) 560-0300	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	20090 Cortez Blvd.	Brooksville	FL	34601-3834	(352) 796-4454	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4638 SR 64 East	Bradenton	FL	34208-9029	(941) 748-6800	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	15351 US Highway 441	Eustis	FL	32726-8309	(352) 357-2180	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4006 W. Hillsborough Ave.	Tampa	FL	33614-5603	(813) 872-9666	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	2060 E. Osceola Pkwy.	Kissimmee	FL	34744-8119	(407) 348-2810	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1390 Dunlawton Avenue	Port Orange	FL	32127-4748	(386) 761-2222	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1465 McMullen Booth Road	Clearwater	FL	33759-3225	(727) 723-0303	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	15090 N. Dale Mabry Highway	Carrollwood	FL	33618-1815	(813) 269-7887	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	28422 State Road 54	Wesley Chapel	FL	33543-3208	(813) 994-6444	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	298 Southhall Lane	Maitland	FL	32751-7251	(407) 475-0207	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	200 N. Suncoast Blvd.	Crystal River	FL	34429-5463	(352) 563-2800	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1204 Townsgate Ct.	Plant City	FL	33566-1005	(813) 719-1500	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	2615 SW 19th Ave. Rd.	Ocala	FL	34474-1393	(352) 622-4499	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	10243 Big Bend Road	Riverview	FL	33569-7416	(813) 236-9200	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	200 Ambersweet Way	Davenport	FL	33897-8417	(863) 424-7900	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	10601 County Line Road	Spring Hill	FL	34609-9708	(352) 666-0027	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	5110 East Bay Drive	Clearwater	FL	33764-5720	(727) 539-6388	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1545 Palm Bay Road	Melbourne	FL	32905-3844	(321) 951-4440	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4700 4th Street North	St Petersburg	FL	33703-3815	(727) 522-9400	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	3001 W Eaugallie Blvd	Melbourne	FL	32934-7227	(321) 242-8488	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4835 S. Florida Avenue	Lakeland	FL	33813-2128	(863) 701-7400	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	230 Arteva Drive	Lakeland	FL	33809-3509	(863) 853-8400	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	7995 113th Street	Seminole	FL	33772-4668	(727) 258-7079	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4759 Irls Bronson Memorial Pkwy.	Kissimmee	FL	34746-5332	(407) 397-2288	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	13351 SR 535	Orlando	FL	32821-6228	(321) 395-4074	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	14990 E Orange Lake Blvd	Kissimmee	FL	34747-8210	(407) 465-5506	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	3315 US Highway 17-92	Casselberry	FL	32707-2922	(407) 960-7928	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	6324 N. International Dr	Orlando	FL	32819-8214	(407) 730-3564	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	5779 East Fowler Avenue	Temple Terrace	FL	33617-2398	(813) 989-2000	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4301 Cortez Road	Bradenton	FL	34210-3140	(941) 792-1234	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	10911 Starkey Road	Largo	FL	33777-1181	(727) 393-3933	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	150 Williamson Blvd	Ormond Beach	FL	32174-5991	(386) 672-0733	Traditional

NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	8537 Little Road	New Port Richey	FL	34654-4924	(727) 817-1000	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4651 Commercial Way	Spring Hill	FL	34606-1923	(352) 597-6900	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	201 Cypress Garden Boulevard	Winter Haven	FL	33880-4311	(863) 294-7777	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	10606 Sheldon Road	Tampa	FL	33626-5113	(813) 926-6660	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1009 Bichara Blvd.	The Villages	FL	32159-7713	(352) 753-0000	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	5908 18th St. East	Ellenton	FL	34222-2907	(941) 722-7100	Traditional
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1905 S.R. 60 East	Valrico	FL	33594-3673	(813) 571-7444	Traditional
RMH FRANCHISE CORPORATION	165 E Nine Mile Road	Pensacola	FL	32534-3140	(850) 478-9007	Traditional
RMH FRANCHISE CORPORATION	215 Raspberry Road	Crestview	FL	32536-6426	(850) 689-0050	Traditional
Apple Florida LLC	5377 W. Atlantic Blvd	Margate	FL	33063-7607	(954) 969-0866	Traditional
Apple Florida LLC	20405 S. Dixie Hwy.	Miami	FL	33189-1229	(786) 293-9406	Traditional
Apple Florida LLC	4890 Okeechobee Road	Ft. Pierce	FL	34947-5418	(772) 460-1444	Traditional
Apple Florida LLC	5082 Airport Putting Rd., N.	Naples	FL	34105-2428	(239) 434-7744	Traditional
Apple Florida LLC	15058 Jog Road	Delray Beach	FL	33445-1254	(561) 865-8757	Traditional
Apple Florida LLC	4329 South Tamiami Trail	Venice	FL	34293-5117	(941) 497-7740	Traditional
Apple Florida LLC	5550 Fruitville Road	Sarasota	FL	34232-6405	(941) 379-2260	Traditional
Apple Florida LLC	5055 J. Turner Butler Blvd	Jacksonville	FL	32216-6078	(904) 296-6895	Traditional
Apple Florida LLC	10501 South U.S. Highway 1	Port Saint Lucie	FL	34952-5611	(772) 337-0408	Traditional
Apple Florida LLC	6706 Forrest Hill Blvd.	Green Acres	FL	33413-3306	(561) 641-6332	Traditional
Apple Florida LLC	8043 Dani Drive	Ft. Myers	FL	33912-7002	(239) 939-5569	Traditional
Apple Florida LLC	24467 Sandhill Blvd	Port Charlotte	FL	33983-5214	(941) 235-9184	Traditional
Apple Florida LLC	843 Lane Ave. South	Jacksonville	FL	32205-4704	(904) 378-5445	Traditional
Apple Florida LLC	5490 Clark Rd.	Sarasota	FL	34233-3200	(941) 925-2595	Traditional
Apple Florida LLC	2228 Del Prado Blvd South	Cape Coral	FL	33990-6631	(239) 458-5155	Traditional
Apple Florida LLC	15151 N. Cleveland Avenue	North Fort Myers	FL	33903-2776	(239) 995-7999	Traditional
Apple Florida LLC	17500 Tamiami Trail	North Port	FL	34287-7283	(941) 423-1504	Traditional
Apple Florida LLC	1975 North Military Trail	West Palm Beach	FL	33409-4717	(561) 683-0709	Traditional
Apple Florida LLC	10135 Pines Blvd.	Pembroke Pines	FL	33026-3978	(954) 438-3370	Traditional
Apple Florida LLC	3690 W. 16th Ave	Hialeah	FL	33012-7066	(305) 823-0573	Traditional
Apple Florida LLC	5335 20th Street	Vero Beach	FL	32966-2223	(772) 978-0551	Traditional
Apple Florida LLC	1210 Highway 70 East	Okeechobee	FL	34972-4501	(863) 357-0141	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	4040 Lagniappe Way	Tallahassee	FL	32317-1200	(850) 765-0228	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	678 West 23rd Street	Panama City	FL	32405-3921	(850) 872-9888	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	1005 N W 13th Street	Gainesville	FL	32601-4139	(352) 335-0150	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	1388 Capital Circle NW	Tallahassee	FL	32304-3563	(850) 574-1444	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	600 N. Tyndall Parkway	Callaway	FL	32404-6132	(850) 522-0903	Traditional
Apple St. Augustine LLC	225 State Road 312	St. Augustine	FL	32086-4246	(904) 825-4099	Traditional
Apple Florida LLC	14560 St. Augustine Road	Jacksonville	FL	32258-2460	(904) 262-7605	Traditional
Apple Florida LLC	6005 N. University Drive	Tamarac	FL	33321-4608	(954) 722-4244	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	1322 West Walnut Avenue	Dalton	GA	30720-3827	(706) 278-5776	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2219 Battlefield Parkway	Ft. Oglethorpe	GA	30742-4029	(706) 858-6654	Traditional
Apple Florida LLC	1901 Memorial Drive	Waycross	GA	31501-1095	(912) 285-9359	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	808 West 7th Street	Tifton	GA	31794-8025	(229) 382-2337	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	1301 St. Augustine Road	Valdosta	GA	31601-3599	(229) 241-9933	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	637 Westover Blvd.	Albany	GA	31707-2193	(229) 439-0040	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	421 Veteran's Pkwy N.	Moultrie	GA	31788-9120	(229) 873-9720	Traditional
Neighborhood Restaurant Partners Florida Two, LLC	3254 Inner Perimeter Rd.	Valdosta	GA	31605-6840	(229) 257-0003	Traditional
Apple Georgia LLC	4015 Gateway Blvd	Grovetown	GA	30813-3195	(706) 869-7795	Traditional
Apple Georgia LLC	6235 Zebulon Road	Macon	GA	31210-2066	(478) 474-7055	Traditional
Apple Georgia LLC	1492 E. Oglethorpe Hwy.	Flemington	GA	31313-1218	(912) 369-4909	Traditional
Apple Georgia LLC	3117 Washington Road	Augusta	GA	30907-3826	(706) 868-5445	Traditional
Apple Georgia LLC	3229 Gentian Boulevard	Columbus	GA	31907-5624	(706) 563-6116	Traditional
Apple Georgia LLC	106 Roberson Mill Road	Milledgeville	GA	31061-4901	(478) 453-8355	Traditional
Apple Georgia LLC	2125 Windsor Spring Road	Augusta	GA	30906-5901	(706) 796-0717	Traditional
Apple Georgia LLC	505 N. Belair Road	Evans	GA	30809-3005	(706) 650-2009	Traditional
Apple Georgia LLC	11120 Abercorn	Savannah	GA	31419-1822	(912) 920-7966	Traditional
Apple Georgia LLC	314 Russell Parkway	Warner Robins	GA	31088-6169	(478) 922-3838	Traditional
Apple Georgia LLC	3652 Eisenhower Pkwy	Macon	GA	31206-3677	(478) 781-5555	Traditional
Apple Georgia LLC	2004 Veterans Blvd	Dublin	GA	31021-3030	(478) 275-9480	Traditional

Applebee's - List of Franchisees as of December 28, 2025

Apple Georgia LLC	2513 Airport Thruway	Columbus	GA	31904-9010	(706) 494-0977	Traditional
Apple Georgia LLC	160 Tanger Outlets Pkwy.	Pooler	GA	31322-5168	(912) 450-1388	Traditional
Apple Georgia LLC	587 Al Henderson Blvd.	Savannah	GA	31419-6095	(912) 920-9199	Traditional
Apple Georgia LLC	2574 Riverside Drive	Macon	GA	31204-1546	(478) 741-0050	Traditional
APPLE PACIFIC LLC	353 Chalan San Antonio	Tamuning	Guam	96931	671-648-2337	Traditional
Apple SXC, LLC	4555 Southern Hills Dr #106	Sioux City	IA	51106-4730	(712) 276-2226	Traditional
Heartland Apple Burlington, LLC	116 S Roosevelt	Burlington	IA	52601-1758	(319) 752-7744	Traditional
APPLE CORPS, L.P.	6301 University Avenue	Cedar Falls	IA	50613-5200	(319) 266-1814	Traditional
APPLE CORPS, L.P.	2414 Lincoln Way	Clinton	IA	52732-7208	(563) 242-0279	Traditional
APPLE CORPS, L.P.	3101 S. Center Street	Marshalltown	IA	50158-4715	(641) 753-7755	Traditional
APPLE CORPS, L.P.	1303 Vaughn Drive	Ottumwa	IA	52501-8898	(641) 683-1711	Traditional
APPLE CORPS, L.P.	3900 Merle Hay Road	Des Moines	IA	50310-1308	(515) 254-9330	Traditional
APPLE CORPS, L.P.	6190 Mills Civic Parkway	W. Des Moines	IA	50266-8283	(515) 225-8646	Traditional
APPLE CORPS, L.P.	3838 Elmore Avenue	Davenport	IA	52807-2582	(563) 355-9643	Traditional
APPLE CORPS, L.P.	6301 S E 14th Street	Des Moines	IA	50320-1709	(515) 287-3322	Traditional
APPLE CORPS, L.P.	2780 Crossroads Blvd.	Waterloo	IA	50702-4410	(319) 287-4700	Traditional
APPLE CORPS, L.P.	3005 W. Kimberly Road	Davenport	IA	52806-3423	(563) 445-8646	Traditional
APPLE CORPS, L.P.	306 Cleveland St.	Muscatine	IA	52761-5668	(563) 262-0215	Traditional
APPLE CORPS, L.P.	1395 Associates Drive	Dubuque	IA	52002-2262	(563) 583-3131	Traditional
APPLE CORPS, L.P.	2645 Edgewood Road	Cedar Rapids	IA	52404-3255	(319) 396-6767	Traditional
APPLE CORPS, L.P.	1600 Washington St	Pella	IA	50219-7547	(641) 620-8646	Traditional
APPLE CORPS, L.P.	200 12th Avenue Center	Coralville	IA	52241-2924	(319) 358-1986	Traditional
APPLE CORPS, L.P.	1001 E. First Street	Ankeny	IA	50021-2043	(515) 965-3444	Traditional
APPLE CORPS, L.P.	3006 Fourth Street SW	Mason City	IA	50401-1566	(641) 424-0026	Traditional
APPLE CORPS, L.P.	2500 4th Street SW	Waverly	IA	50677-4347	(319) 352-9240	Traditional
APPLE CORPS, L.P.	303 Collins Road N.E.	Cedar Rapids	IA	52402-3118	(319) 393-9595	Traditional
APPLE CORPS, L.P.	2810 5TH AVENUE SOUTH	Fort Dodge	IA	50501-5559	(515) 576-7881	Traditional
APPLE CORPS, L.P.	105 Chestnut	Ames	IA	50010-8056	(515) 233-6452	Traditional
APPLE CORPS, L.P.	3741 8th Street SW	Altoona	IA	50009-1016	(515) 957-0100	Traditional
Legacy Apple III, LLC	3000 Dial Drive	Council Bluffs	IA	51501-7678	(712) 366-1250	Traditional
Apple Idaho LLC	2235 Thain Grade	Lewiston	ID	83501-4118	(208) 746-8000	Traditional
Apple Idaho LLC	2810 W. Elder Street	Boise	ID	83705-4994	(208) 344-5630	Traditional
Apple Idaho LLC	635 N. Utah Avenue	Idaho Falls	ID	83402-3335	(208) 528-8985	Traditional
Apple Idaho LLC	7845 West Emerald	Boise	ID	83704-9022	(208) 378-1890	Traditional
Apple Idaho LLC	7025 N. Glenwood Street	Garden City	ID	83714-2094	(208) 853-2330	Traditional
Apple Idaho LLC	280 W. Hanley Ave.	Coeur d'Alene	ID	83815-7757	(208) 762-1000	Traditional
Apple Idaho LLC	1411 Bench Road	Pocatello	ID	83201-2444	(208) 637-0135	Traditional
Apple Idaho LLC	1527 Caldwell Blvd.	Nampa	ID	83651-1725	(208) 461-5330	Traditional
Apple Idaho LLC	1460 N. Eagle Road	Meridian	ID	83642-2395	(208) 855-0343	Traditional
Apple Idaho LLC	975 University Blvd	Rexburg	ID	83440-5057	(208) 359-9922	Traditional
Apple Idaho LLC	1587 Blue Lakes Blvd	Twin Falls	ID	83301-3377	(208) 735-0230	Traditional
Apple Idaho LLC	105 War Bonnet Drive	Moscow	ID	83843-4025	(208) 883-4821	Traditional
MID RIVER RESTAURANTS LLC	3600 S State Route 159	Glen Carbon	IL	62034-3017	(618) 205-8550	Traditional
MID RIVER RESTAURANTS LLC	2624 N. Illinois Street	Swansea	IL	62226-2354	(618) 235-4577	Traditional
MID RIVER RESTAURANTS LLC	117 Woods Lane	Salem	IL	62881-5556	(618) 548-9601	Traditional
MID RIVER RESTAURANTS LLC	923 N Illinois Rt. 3	Waterloo	IL	62298-1074	(618) 504-8400	Traditional
MID RIVER RESTAURANTS LLC	1921 Vaughn Road	Wood River	IL	62095-2511	(618) 258-1051	Traditional
MID RIVER RESTAURANTS LLC	319 Homer Adams Pkwy.	Alton	IL	62002-5929	(618) 462-6575	Traditional
MID RIVER RESTAURANTS LLC	4300 Green Mount Crossing Drive	Shiloh	IL	62269-7291	(618) 632-6210	Traditional
MID RIVER RESTAURANTS LLC	610 N. Bluff Road	Collinsville	IL	62234-6204	(618) 345-6840	Traditional
MID RIVER RESTAURANTS LLC	3551 Nameoki Rd.	Granite City	IL	62040-3722	(618) 798-9780	Traditional
THE BLOOMIN' APPLE FREEPORT, L.L.C.	1802 S. West Street	Freeport	IL	61032-6712	(815) 233-1815	Traditional
THE BLOOMIN' APPLE SUNRISE, L.L.C.	2554 Sunrise Drive	Springfield	IL	62703-5688	(217) 528-7021	Traditional
THE BLOOMIN'S APPLE BELVIDERE, L.L.C.	2126 Gateway Center	Belvidere	IL	61008-9310	(815) 544-0136	Traditional
Heartland Apple Pekin, L.L.C.	3540 Court Street	Pekin	IL	61554-6211	(309) 353-3988	Traditional
SLS Big Boy Restaurants LLC	13975 Progress Drive	Breese	IL	62230	(618) 526-2220	Traditional
APPLE CORPS, L.P.	3805 41st Avenue	Moline	IL	61265-6433	(309) 797-9232	Traditional
APPLE CENTRAL, LLC	3569 N. Vermilion St.	Danville	IL	61832-1123	(217) 446-4182	Traditional
RMH ILLINOIS, LLC	125 South Randall Road	Elgin	IL	60123-5551	(847) 697-4897	Traditional

RMH ILLINOIS, LLC	1507 36th Street	Peru	IL	61354-1272	(815) 220-1500	Traditional
RMH ILLINOIS, LLC	4937 Cal Sag Road	Crestwood	IL	60445-4418	(708) 389-9085	Traditional
RMH ILLINOIS, LLC	9380 Joliet Road	Hodgkins	IL	60525-4136	(708) 387-7350	Traditional
RMH ILLINOIS, LLC	1040 N. Kinzie Ave.	Bradley	IL	60915-1235	(815) 936-0571	Traditional
RMH ILLINOIS, LLC	6656 W. Grand Avenue	Chicago	IL	60707-2207	(773) 836-7696	Traditional
RMH ILLINOIS, LLC	2795 Plainfield Road	Joliet	IL	60431-1449	(815) 254-9070	Traditional
THE BLOOMIN' APPLE ROCKFORD II, L.L.C.	1675 East Riverside Road	Rockford	IL	61114-4712	(815) 654-8339	Traditional
HEARTLAND APPLE JACKSONVILLE, L.L.C.	1721 W. Morton Avenue	Jacksonville	IL	62650-2719	(217) 243-3654	Traditional
Heartland Apple Savoy, L.L.C.	1201 N. Dunlap Avenue	Savoy	IL	61874-9729	(217) 359-1894	Traditional
Heartland Apple Bloomington, LLC	502 N Veterans Parkway	Bloomington	IL	61701-3510	(309) 663-2134	Traditional
Heartland Apple Galesburg, L.L.C.	1966 North Henderson Street	Galesburg	IL	61401-1325	(309) 344-7325	Traditional
Heartland Apple Quincy, L.L.C.	3827 Broadway	Quincy	IL	62301-4748	(217) 228-8451	Traditional
Matteson Restaurant LLC	500 Holiday Plaza Drive	Matteson	IL	60443	(708) 898-0124	Non-Traditional
RMH FRANCHISE CORPORATION	5788 Coventry Lane	Ft. Wayne	IN	46804-7141	(260) 436-9445	Traditional
RMH FRANCHISE CORPORATION	4510 North Clinton Street	Ft. Wayne	IN	46825-5875	(260) 484-6060	Traditional
RMH FRANCHISE CORPORATION	6211 US Highway 6	Portage	IN	46368-5056	(219) 762-3243	Traditional
RMH FRANCHISE CORPORATION	1150 Ireland Road	South Bend	IN	46614-3447	(574) 291-8522	Traditional
RMH FRANCHISE CORPORATION	346 Hauenstein Road	Huntington	IN	46750-8898	(260) 358-1977	Traditional
RMH FRANCHISE CORPORATION	670 Morthland	Valparaiso	IN	46385-6207	(219) 477-3868	Traditional
RMH FRANCHISE CORPORATION	1807 Reith Blvd	Goshen	IN	46526-5831	(574) 875-4929	Traditional
RMH FRANCHISE CORPORATION	2225 N Oak Road	Plymouth	IN	46563-3432	(574) 935-3066	Traditional
RMH FRANCHISE CORPORATION	507 Ley Dr	Auburn	IN	46706-2073	(260) 927-9885	Traditional
RMH FRANCHISE CORPORATION	330 Ridge Road	Munster	IN	46321-1528	(219) 836-8222	Traditional
RMH FRANCHISE CORPORATION	6525 Lima Road	Ft. Wayne	IN	46818-1421	(260) 497-7404	Traditional
RMH FRANCHISE CORPORATION	6615 N Main Street	Granger	IN	46530-7494	(574) 273-0003	Traditional
RMH FRANCHISE CORPORATION	8425 Broadway	Merrillville	IN	46410-6220	(219) 736-1811	Traditional
RMH FRANCHISE CORPORATION	2621 E. Center Street	Warsaw	IN	46580-3905	(574) 268-1025	Traditional
RMH FRANCHISE CORPORATION	5414 Meijer Drive	Ft. Wayne	IN	46835-9487	(260) 492-9991	Traditional
RMH FRANCHISE CORPORATION	202 E. Jacob Ave.	Angola	IN	46703-1378	(260) 668-3830	Traditional
RMH FRANCHISE CORPORATION	4425 National Road East	Richmond	IN	47374-3729	(765) 935-3940	Traditional
RMH FRANCHISE CORPORATION	602 Fairview Blvd.	Kendallville	IN	46755-2924	(260) 349-1570	Traditional
Apple Indiana III LLC	1129 N Baldwin Ave.	Marion	IN	46952-2562	(765) 664-8613	Traditional
Apple Indiana III LLC	2800 East 3rd Street	Bloomington	IN	47401-5423	(812) 336-9147	Traditional
Apple Indiana III LLC	1251 U.S. 31 North #L-5	Greenwood	IN	46142-3974	(317) 888-0744	Traditional
Apple Indiana I LLC	11860 N US 31	Edinburgh	IN	46124-9500	(812) 526-2376	Traditional
Apple Indiana I LLC	10680 Enterprise Drive	Camby	IN	46113-8938	(317) 821-0890	Traditional
Apple Indiana I LLC	3326 E. Market Street	Logansport	IN	46947-2296	(574) 732-1599	Traditional
Apple Indiana I LLC	1436 West 86th Street	Indianapolis	IN	46260-1601	(317) 872-4470	Traditional
Apple Indiana I LLC	9883 East U.S. 36	Avon	IN	46123-4002	(317) 209-1692	Traditional
Apple Indiana I LLC	2415 Sagamore Parkway South	Lafayette	IN	47905-5182	(765) 448-1999	Traditional
Apple Indiana I LLC	101 Lee Blvd	Shelbyville	IN	46176-3404	(317) 398-1580	Traditional
Apple Indiana I LLC	1792 N. State St.	Greenfield	IN	46140-1084	(317) 462-3004	Traditional
Apple Indiana I LLC	2432 E. Wabash Street	Frankfort	IN	46041-9429	(765) 659-2909	Traditional
Apple Indiana I LLC	874 S. State Road 135	Greenwood	IN	46143-9412	(317) 885-6631	Traditional
Apple Indiana I LLC	3009 Northwestern Avenue	West Lafayette	IN	47906-5361	(765) 463-0308	Traditional
Apple Indiana I LLC	17801 Foundation Drive	Noblesville	IN	46060-2408	(317) 776-4630	Traditional
Apple Indiana I LLC	2 Whittington Drive	Brownsburg	IN	46112-9072	(317) 858-0291	Traditional
Apple Indiana I LLC	10655 Pendleton Pike	Indianapolis	IN	46236-2836	(317) 826-8209	Traditional
Apple Indiana II LLC	14711 Thatcher Ln	Carmel	IN	46032-1563	(317) 571-8780	Traditional
Apple Indiana II LLC	109 S. Memorial Drive	New Castle	IN	47362-4947	(765) 521-4275	Traditional
Apple Indiana II LLC	3720 South Reed Road	Kokomo	IN	46902-3829	(765) 455-2090	Traditional
Apple Indiana II LLC	1922 E 53rd Street	Anderson	IN	46013-2832	(765) 642-7763	Traditional
Apple Indiana II LLC	5664 Crawfordsville Road	Speedway	IN	46224-3713	(317) 247-8222	Traditional
Apple Indiana II LLC	700 N. Morton Street	Franklin	IN	46131-1377	(317) 736-1991	Traditional
Apple Indiana II LLC	1516 S. Washington Street	Crawfordsville	IN	47933-3813	(765) 361-8711	Traditional
Apple Indiana II LLC	7345 E. Washington Street	Indianapolis	IN	46219-6724	(317) 375-9007	Traditional
Apple Indiana II LLC	1900 East 25th Street	Columbus	IN	47201-4469	(812) 372-4381	Traditional
Apple Indiana II LLC	8310 East 96th Street	Fishers	IN	46037-9795	(317) 570-0803	Traditional
Apple Indiana II LLC	2659 E. Main Street	Plainfield	IN	46168-2710	(317) 838-0650	Traditional

Apple Indiana II LLC	1423 McGalliard Road	Muncie	IN	47304-2267	(765) 284-7008	Traditional
APPLE CENTRAL, LLC	5100 E. Morgan	Evansville	IN	47715-2308	(812) 471-0942	Traditional
APPLE CENTRAL, LLC	5727 Pearl Drive	Evansville	IN	47712-8115	(812) 426-2006	Traditional
APPLE CENTRAL, LLC	2506 S. 3rd. Street	Terre Haute	IN	47802-3516	(812) 232-2661	Traditional
APPLE CENTRAL, LLC	4223 Mannheim Road	Jasper	IN	47546-9620	(812) 481-2838	Traditional
APPLE CENTRAL, LLC	1820 W. Broadway	Princeton	IN	47670-1093	(812) 386-8426	Traditional
APPLE CENTRAL, LLC	1950 Fort Harrison Road	Terre Haute	IN	47804-1531	(812) 466-6535	Traditional
APPLE CENTRAL, LLC	609 Kimmell Rd.	Vincennes	IN	47591-6307	(812) 882-4333	Traditional
RMH FRANCHISE CORPORATION	5928 S.W. 17th Street	Topeka	KS	66604-4336	(785) 272-3664	Traditional
RMH FRANCHISE CORPORATION	2901 Eaglecrest Drive	Emporia	KS	66801-6184	(620) 343-0000	Traditional
RMH FRANCHISE CORPORATION	3rd and Poyntz	Manhattan	KS	66502-6079	(785) 537-0909	Traditional
Apple Derby, LLC	1245 N. Rock Road	Derby	KS	67037-3597	(316) 788-7775	Traditional
Apple Dodge, LLC	406 W. Wyatt Earp Blvd.	Dodge City	KS	67801-4348	(620) 225-5888	Traditional
Apple Park, LLC	996 E. Connelly Court	Park City	KS	67219-1300	(316) 744-8484	Traditional
Legacy Apple III, LLC	2611 N. Kansas Avenue	Liberal	KS	67901-2371	(620) 624-2422	Traditional
Legacy Apple III, LLC	2280 E. Kansas Ave.	McPherson	KS	67460-4010	(620) 245-0222	Traditional
Legacy Apple III, LLC	4760 South Broadway	Wichita	KS	67216-1738	(316) 522-5525	Traditional
Legacy Apple III, LLC	1609 E 17th Street	Hutchinson	KS	67501-1116	(620) 665-5171	Traditional
Legacy Apple III, LLC	4101 N. Vine	Hays	KS	67601-9482	(785) 628-6400	Traditional
Legacy Apple III, LLC	3030 E. Kansas Ave.	Garden City	KS	67846-6816	(620) 276-2244	Traditional
Legacy Apple III, LLC	2875 South 9th	Salina	KS	67401-7880	(785) 827-8385	Traditional
Legacy Apple III, LLC	436 S. Andover Road	Andover	KS	67002	(316) 400-6400	Traditional
Legacy Apple III, LLC	320 Ridge Road South	Wichita	KS	67209-2230	(316) 942-0070	Traditional
Legacy Apple III, LLC	3209 10th. Street	Great Bend	KS	67530-4265	(620) 792-8800	Traditional
Apple Newton, LLC	601 Manchester Lane	Newton	KS	67114-5000	(316) 284-9366	Traditional
APPLE CENTRAL, LLC	2340 S. Oak Street	Ottawa	KS	66067-8413	(785) 242-2297	Traditional
APPLE CENTRAL, LLC	1301 Kansas Drive	Paola	KS	66071-2107	(913) 294-2702	Traditional
APPLE CENTRAL, LLC	2802 N. Broadway Street	Pittsburg	KS	66762-2627	(620) 231-3331	Traditional
Legacy Apple II, LLC	3025 North Rock Rd	Wichita	KS	67226	(316) 223-7177	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	50 Corbin Center Drive	Corbin	KY	40701-1895	(606) 528-0465	Traditional
RMH FRANCHISE CORPORATION	1307 US 127 South	Frankfort	KY	40601-4424	(502) 875-6117	Traditional
RMH FRANCHISE CORPORATION	113 N. Plaza Drive	Nicholasville	KY	40356-2505	(859) 881-1464	Traditional
RMH FRANCHISE CORPORATION	175 Wal-Mart Way	Maysville	KY	41056-7518	(606) 759-0620	Traditional
RMH FRANCHISE CORPORATION	30 Crestview Hills Mall Road	Crestview Hills	KY	41017-2416	(859) 341-6708	Traditional
RMH FRANCHISE CORPORATION	690 N. Maysville Road	Mt. Sterling	KY	40353-9767	(859) 499-3367	Traditional
RMH FRANCHISE CORPORATION	300 Skywatch Dr.	Danville	KY	40422-2541	(859) 936-7400	Traditional
RMH FRANCHISE CORPORATION	1525 W Lexington Avenue	Winchester	KY	40391-3128	(859) 737-0111	Traditional
RMH FRANCHISE CORPORATION	2810 Alexandria Pike	Highland Heights	KY	41076-1527	(859) 781-2805	Traditional
RMH FRANCHISE CORPORATION	7383 Turfway Road	Florence	KY	41042-1356	(859) 371-4141	Traditional
RMH FRANCHISE CORPORATION	1500 Oxford Drive	Georgetown	KY	40324-9266	(502) 570-5856	Traditional
RMH FRANCHISE CORPORATION	1761 Sharkey Way	Lexington	KY	40511-2028	(859) 226-0697	Traditional
Apple GLS, LLC	100 Max Wagner Drive	Glasgow	KY	42141-1225	(270) 261-5380	Traditional
Legacy Apple III, LLC	172 Cassidy Blvd.	Pikeville	KY	41501-9121	(606) 433-1815	Traditional
Legacy Apple III, LLC	30 Morton Blvd.	Hazard	KY	41701-9447	(606) 435-2737	Traditional
Legacy Apple III, LLC	505 Armco Road	Ashland	KY	41101-7383	(606) 324-6646	Traditional
APPLE CENTRAL, LLC	5120 Frederica	Owensboro	KY	42301-7483	(270) 926-3472	Traditional
APPLE CENTRAL, LLC	1475 Chelsa Drive	Madisonville	KY	42431-1697	(270) 825-8866	Traditional
APPLE CENTRAL, LLC	1950 US Hwy. 41 North	Henderson	KY	42420-2662	(270) 826-9427	Traditional
APPLE ARKANSAS, INC.	9088 Mansfield Road	Shreveport	LA	71118-2606	(318) 688-7235	Traditional
APPLE ARKANSAS, INC.	4911 Pecanland Mall Drive	Monroe	LA	71203-7012	(318) 398-7319	Traditional
Southern River Restaurants, LLC	9702 Airline Highway	Baton Rouge	LA	70816-8106	(225) 924-3001	Traditional
Southern River Restaurants, LLC	1500 MacArthur Drive	Alexandria	LA	71301-4024	(318) 449-9991	Traditional
Southern River Restaurants, LLC	1220 S Clearview Pkwy	Harahan	LA	70123-2303	(504) 734-0042	Traditional
Southern River Restaurants, LLC	5630 Johnston Street	Lafayette	LA	70503-5301	(337) 988-0067	Traditional
Southern River Restaurants, LLC	850 I-10 Service Road	Slidell	LA	70458-2114	(985) 641-4800	Traditional
Southern River Restaurants, LLC	1039 W. Tunnel Blvd	Houma	LA	70360-4078	(985) 851-7100	Traditional
Southern River Restaurants, LLC	4005 General DeGaulle	New Orleans	LA	70114-8233	(504) 361-9700	Traditional
Southern River Restaurants, LLC	1000 West Esplanada Avenue	Kenner	LA	70065-6208	(504) 469-6500	Traditional
Southern River Restaurants, LLC	3142 Highway 190	Hammond	LA	70401-2851	(985) 419-2220	Traditional

Southern River Restaurants, LLC	3701 Veterans Memorial Blvd	Metairie	LA	70002-5840	(504) 455-0755	Traditional
Apple New England LLC	632 Park Ave.	Worcester	MA	01603-2043	(508) 363-3032	Traditional
Apple New England LLC	141 Mohawk Trail	Greenfield	MA	01301-3120	(413) 772-0079	Traditional
Apple New England LLC	990 Providence Hwy.	Walpole	MA	02081-4231	(508) 660-7628	Traditional
Apple New England LLC	1349 Boston Road	Springfield	MA	01119-1325	(413) 796-8183	Traditional
Apple New England LLC	311 Plymouth Avenue	Fall River	MA	02721-4215	(508) 675-1110	Traditional
Apple New England LLC	251 N Main St	Leominster	MA	01453-2207	(978) 466-9223	Traditional
Apple New England LLC	91 Medway Rd #1	Milford	MA	01757-2922	(508) 478-9523	Traditional
Apple New England LLC	441 E. Main Street	Westfield	MA	01085-3312	(413) 564-0343	Traditional
Apple New England LLC	680 Southbridge St.	Auburn	MA	01501-1801	(508) 721-7817	Traditional
Apple New England LLC	222 Washington Street	Hudson	MA	01749-2732	(978) 567-1997	Traditional
Apple New England LLC	120 Charlton Rd.	Sturbridge	MA	01566-1564	(508) 347-0174	Traditional
Apple New England LLC	56 Plaistow Road	Haverhill	MA	01830-1404	(978) 556-9437	Traditional
Apple New England LLC	85 Main St.	Tewksbury	MA	01876-0018	(978) 858-0418	Traditional
Apple New England LLC	100 Westgate Center Dr	Hadley	MA	01035-3533	(413) 253-5799	Traditional
Apple New England LLC	105 Highland Avenue	Seekonk	MA	02771-5818	(508) 336-6412	Traditional
Apple New England LLC	900 S. Washington Street	North Attleboro	MA	02760-3628	(508) 643-4660	Traditional
Apple New England LLC	214 Broadway	Saugus	MA	01906-1979	(781) 231-0137	Traditional
Apple New England LLC	70 Worcester Providence Turnpike	Millbury	MA	01527-2663	(508) 581-9270	Traditional
Apple New England LLC	800 Cape Highway	Raynham	MA	02767-1323	(508) 823-1126	Traditional
Apple New England LLC	500 State Road	North Dartmouth	MA	02747-1802	(508) 997-3957	Traditional
Apple New England LLC	555 Hubbard Ave	Pittsfield	MA	01201-2903	(413) 499-5157	Traditional
Apple New England LLC	200 Hancock Street	Quincy	MA	02171-2230	(617) 328-9443	Traditional
Apple New England LLC	597 Memorial Drive	Chicopee	MA	01020-5016	(413) 593-0134	Traditional
Apple New England LLC	11A Allstate Road	Dorchester	MA	02125-1663	(617) 442-7139	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	5613 Spectrum Drive	Frederick	MD	21703-8301	(301) 663-6057	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	45480 Miramar Way	California	MD	20619-3103	(301) 862-1573	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	3447 Donnell Drive	Forestville	MD	20747-3210	(301) 516-7800	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	12201 Winchester Rd. SW	LaVale	MD	21502-6545	(301) 729-4189	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1000 Largo Center Drive	Largo	MD	20774-3706	(301) 499-4113	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	21048 Frederick Road	Germantown	MD	20876-4132	(301) 972-1301	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	555 N. Solomons Island Road	Prince Frederick	MD	20678-3911	(410) 414-5828	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	10 Shining Willow Way	La Plata	MD	20646-4224	(301) 539-4945	Traditional
ROSE CASUAL DINING, L.P.	6798 Reisterstown Rd.	Baltimore	MD	21215-2306	(410) 358-4468	Traditional
ROSE CASUAL DINING, L.P.	8999 Ocean Gateway Dr.	Easton	MD	21601-7118	(410) 770-9883	Traditional
ROSE CASUAL DINING, L.P.	5231 Campbell Blvd.	Nottingham	MD	21236-5047	(443) 461-6200	Traditional
ROSE CASUAL DINING, L.P.	2703 North Salisbury Blvd	Salisbury	MD	21801-2144	(410) 546-0997	Traditional
ROSE CASUAL DINING, L.P.	8610 LaSalle Road	Towson	MD	21286-2000	(410) 296-7077	Traditional
ROSE CASUAL DINING, L.P.	2408 Brandermill Blvd.	Gambrills	MD	21054-1658	(410) 451-6080	Traditional
ROSE CASUAL DINING, L.P.	634 Baltimore Blvd	Westminster	MD	21157-6104	(410) 751-7127	Traditional
ROSE CASUAL DINING, L.P.	6505 Baltimore National Pike	Catonsville	MD	21228-3906	(410) 788-2627	Traditional
ROSE CASUAL DINING, L.P.	991 Beards Hill Road	Aberdeen	MD	21001-1734	(410) 273-7846	Traditional
Apple New England LLC	1072 Brighton Avenue	Portland	ME	04102-1030	(207) 791-2810	Traditional
Apple New England LLC	1 Amato Drive	Windham	ME	04062-5826	(207) 892-3574	Traditional
Apple New England LLC	194 New County Road	Thomaston	ME	04861-3120	(207) 594-7078	Traditional
Apple New England LLC	599 Center Street	Auburn	ME	04210-6323	(207) 784-3986	Traditional
Apple New England LLC	718 Hogan Road	Bangor	ME	04401-3604	(207) 990-5945	Traditional
Apple New England LLC	251 Kennedy Memorial Drive	Waterville	ME	04901-4558	(207) 872-6702	Traditional
Apple New England LLC	136 Western Ave	Augusta	ME	04330-7241	(207) 623-8255	Traditional
Apple New England LLC	1591 Main St	Oxford	ME	04270-3328	(207) 743-2176	Traditional
Apple New England LLC	200 Running Hill Rd	South Portland	ME	04106-3258	(207) 879-9155	Traditional

Apple New England LLC	1364 Main Street	Sanford	ME	04073-3660	(207) 324-5259	Traditional
Apple New England LLC	11 Gurnet Road	Brunswick	ME	04011-2730	(207) 721-9920	Traditional
Apple New England LLC	550 Alfred Street	Biddeford	ME	04005-9474	(207) 282-8603	Traditional
MILLER APPLE, L.P.	10040 Lapeer Road	Davison	MI	48423-8117	(810) 653-3900	Traditional
MILLER APPLE, L.P.	4469 W. Vienna Rd	Clio	MI	48420-9441	(810) 564-1980	Traditional
MILLER APPLE, L.P.	6911 Eastman Road	Midland	MI	48640-7889	(989) 631-5940	Traditional
MILLER APPLE, L.P.	3500 Wilder Road	Bay City	MI	48706-2112	(989) 671-0057	Traditional
MILLER APPLE, L.P.	8800 Main Street	Birch Run	MI	48415-9261	(989) 624-4307	Traditional
MILLER APPLE, L.P.	2902 US Hwy. 41	Marquette	MI	49855-2251	(906) 226-2043	Traditional
MILLER APPLE, L.P.	1930 US Highway 131 South	Petoskey	MI	49770-8344	(231) 347-0440	Traditional
MILLER APPLE, L.P.	5940 State Street	Saginaw	MI	48603-3421	(989) 799-8965	Traditional
MILLER APPLE, L.P.	4929 E. Pickard Road	Mt. Pleasant	MI	48858-2079	(989) 779-2766	Traditional
MILLER APPLE, L.P.	2260 Tittabawassee	Saginaw	MI	48604-9427	(989) 793-0119	Traditional
MILLER APPLE, L.P.	4135 E. Court Street	Burton	MI	48509-1717	(810) 744-1977	Traditional
MILLER APPLE, L.P.	2384 U.S. 31 South	Traverse City	MI	49684-4548	(231) 929-2929	Traditional
MILLER APPLE, L.P.	G-3129 Miller Road	Flint	MI	48507-1351	(810) 235-1911	Traditional
MILLER APPLE, L.P.	980 Razorback Drive	Houghton	MI	49931-2801	(906) 482-2800	Traditional
MILLER APPLE, L.P.	1400 East Hill Road	Grand Blanc	MI	48439-5126	(810) 603-2750	Traditional
MILLER APPLE, L.P.	18115 Silver Parkway	Fenton	MI	48430-3458	(810) 714-9230	Traditional
MILLER APPLE, L.P.	1468 M-32 West	Alpena	MI	49707-8108	(989) 354-3886	Traditional
TSFR APPLE VENTURE LLC	3700 Pine Grove Ave.	Port Huron	MI	48060-8624	(810) 984-5682	Traditional
TSFR APPLE VENTURE LLC	29177 Southfield Rd	Southfield	MI	48076-1900	(248) 849-9620	Traditional
TSFR APPLE VENTURE LLC	13855 Eureka Road	Southgate	MI	48195-1353	(734) 282-1220	Traditional
TSFR APPLE VENTURE LLC	36475 Warren Road	Westland	MI	48185-3839	(734) 467-7215	Traditional
TSFR APPLE VENTURE LLC	45211 Park Avenue	Utica	MI	48315-5906	(586) 997-0230	Traditional
TSFR APPLE VENTURE LLC	27851 23 Mile Road	Chesterfield	MI	48051-2331	(586) 949-7010	Traditional
TSFR APPLE VENTURE LLC	26582 Ford Road	Dearborn Heights	MI	48127-2885	(313) 561-1187	Traditional
TSFR APPLE VENTURE LLC	5775 Beckley Road	Battle Creek	MI	49015-4161	(269) 979-8619	Traditional
TSFR APPLE VENTURE LLC	2050 Pipestone Road	Benton Harbor	MI	49022-2317	(269) 925-8808	Traditional
TSFR APPLE VENTURE LLC	2450 Coolidge Road	East Lansing	MI	48823-1384	(517) 336-5926	Traditional
TSFR APPLE VENTURE LLC	787 E. Chicago	Coldwater	MI	49036-2027	(517) 278-1432	Traditional
TSFR APPLE VENTURE LLC	1330 W. Broadway	Three Rivers	MI	49093-8575	(269) 273-7505	Traditional
TSFR APPLE VENTURE LLC	1685 Market Place Drive SE	Caledonia	MI	49316-8512	(616) 698-9342	Traditional
TSFR APPLE VENTURE LLC	43500 Ford Road	Canton	MI	48187-3149	(734) 455-7510	Traditional
TSFR APPLE VENTURE LLC	21350 Ecorse Road	Taylor	MI	48180-1852	(313) 389-5400	Traditional
TSFR APPLE VENTURE LLC	37004 Van Dyke	Sterling Heights	MI	48312-1824	(586) 268-9801	Traditional
TSFR APPLE VENTURE LLC	1396 South Main Street	Adrian	MI	49221-4307	(517) 263-3344	Traditional
TSFR APPLE VENTURE LLC	9100 Highland Road	White Lake	MI	48386-2032	(248) 698-0901	Traditional
TSFR APPLE VENTURE LLC	3949 E. Grand River Ave.	Howell	MI	48843-7571	(517) 540-0611	Traditional
TSFR APPLE VENTURE LLC	1811 DeMillie Road	Lapeer	MI	48446-4199	(810) 245-6070	Traditional
TSFR APPLE VENTURE LLC	119 Whitetail Drive	Dundee	MI	48131-8607	(734) 529-5656	Traditional
TSFR APPLE VENTURE LLC	10526 Belleville Road	Belleville	MI	48111-1308	(734) 699-6660	Traditional
TSFR APPLE VENTURE LLC	6675 S Westnedge Avenue	Portage	MI	49002-3544	(269) 324-1496	Traditional
TSFR APPLE VENTURE LLC	3250 Grand Ridge Dr NE	Grand Rapids	MI	49525-7032	(616) 364-9492	Traditional
TSFR APPLE VENTURE LLC	718 Perry Street	Big Rapids	MI	49307-2200	(231) 796-7429	Traditional
TSFR APPLE VENTURE LLC	638 W. State Street	Hastings	MI	49058-1600	(269) 945-6090	Traditional
TSFR APPLE VENTURE LLC	1243 Hwy. M-89	Plainwell	MI	49080-1130	(269) 685-9238	Traditional
TSFR APPLE VENTURE LLC	1642 Packard Hwy.	Charlotte	MI	48813-9717	(517) 541-2814	Traditional
TSFR APPLE VENTURE LLC	3881 W. US Hwy. 10	Ludington	MI	49431-9601	(231) 845-0611	Traditional
TSFR APPLE VENTURE LLC	1205 W. Michigan Ave.	Marshall	MI	49068-1465	(269) 781-9699	Traditional
TSFR APPLE VENTURE LLC	3039 Commerce Lane	Ionla	MI	48846-9810	(616) 523-1102	Traditional
TSFR APPLE VENTURE LLC	31653 Gratiot Avenue	Roseville	MI	48066-4553	(586) 415-9630	Traditional
TSFR APPLE VENTURE LLC	8025 12 Mile Rd	Warren	MI	48093-2776	(586) 574-1833	Traditional
TSFR APPLE VENTURE LLC	2105 N. Squirrel Road	Auburn Hills	MI	48326-2351	(248) 373-4659	Traditional
TSFR APPLE VENTURE LLC	2100 N. Telegraph Road	Monroe	MI	48162-8901	(734) 243-6756	Traditional
TSFR APPLE VENTURE LLC	23200 Allen Road	Woodhaven	MI	48183-3304	(734) 692-0582	Traditional
TSFR APPLE VENTURE LLC	47900 Grand River Road	Novi	MI	48374-1220	(248) 449-1592	Traditional
TSFR APPLE VENTURE LLC	23099 Outer Drive	Allen Park	MI	48101-3149	(313) 274-4540	Traditional
TSFR APPLE VENTURE LLC	1706 W Michigan Ave	Jackson	MI	49202-4006	(517) 783-5700	Traditional

TSFR APPLE VENTURE LLC	5400 West Saginaw	Lansing	MI	48917-1917	(517) 321-6045	Traditional
TSFR APPLE VENTURE LLC	2284 Woodlake Drive	Okemos	MI	48864-5933	(517) 347-4892	Traditional
TSFR APPLE VENTURE LLC	1310 S Centerville Rd	Sturgis	MI	49091-2515	(269) 651-9880	Traditional
TSFR APPLE VENTURE LLC	6270 S Cedar St	Lansing	MI	48911-5715	(517) 882-8320	Traditional
TSFR APPLE VENTURE LLC	5990 Gull Road	Kalamazoo	MI	49048-4000	(269) 343-2192	Traditional
TSFR APPLE VENTURE LLC	615 S. Greenville West Drive	Greenville	MI	48838-3534	(616) 754-7669	Traditional
TSFR APPLE VENTURE LLC	2440 Ontario Drive	Saint Johns	MI	48879-8267	(989) 224-2706	Traditional
TSFR APPLE VENTURE LLC	13301 Middlebelt Rd	Livonia	MI	48150-2252	(734) 245-4680	Traditional
TSFR APPLE VENTURE LLC	2111 West Eight Mile Rd	Detroit	MI	48203-2587	(313) 586-5980	Traditional
TSFR APPLE VENTURE LLC	1005 W. Eisenhower Parkway	Ann Arbor	MI	48103-6931	(734) 741-4851	Traditional
TSFR APPLE VENTURE LLC	455 Haggerty Hwy.	Commerce Township	MI	48390-3936	(248) 926-8060	Traditional
TSFR APPLE VENTURE LLC	3819 Carpenter Road	Ypsilanti	MI	48197-9606	(734) 973-7440	Traditional
TSFR APPLE VENTURE LLC	5330 West Main Street	Kalamazoo	MI	49009-3304	(269) 382-4448	Traditional
TSFR APPLE VENTURE LLC	3851 Alpine Ave NW	Comstock Park	MI	49321-8367	(616) 784-6199	Traditional
TSFR APPLE VENTURE LLC	1825 East Sherman Blvd	Muskegon	MI	49444-1860	(231) 737-0345	Traditional
TSFR APPLE VENTURE LLC	4955 28th Street	Grand Rapids	MI	49546-6334	(616) 977-1900	Traditional
TSFR APPLE VENTURE LLC	680 N. Beacon Boulevard	Grand Haven	MI	49417-1151	(616) 844-6813	Traditional
TSFR APPLE VENTURE LLC	4488 Potomac Avenue	Grandville	MI	49418-3082	(616) 534-8173	Traditional
TSFR APPLE VENTURE LLC	3134 Beeline Road	Holland	MI	49423-8264	(616) 786-4446	Traditional
TSFR APPLE VENTURE LLC	4475 Lake Michigan Drive NW	Walker	MI	49534-3535	(616) 453-3623	Traditional
MILLER APPLE, L.P.	1379 W. Main Street	Gaylord	MI	49735-7401	(989) 732-2530	Traditional
MILLER APPLE, L.P.	2437 E M 21	Corunna	MI	48817-1161	(989) 720-2727	Traditional
MILLER APPLE, L.P.	4478 Business Spur	Sault Sainte Marie	MI	49783-9302	(906) 253-0532	Traditional
MILLER APPLE, L.P.	2992 Cook Road	West Branch	MI	48661-9338	(989) 343-0100	Traditional
TEAM Schostak Family Restaurants	333 E. Jefferson Ave	Detroit	MI	48226-4352	(313) 879-5141	Non-Traditional
Apple Msota, Inc.	605 Kennedy Park Road	Fergus Falls	MN	56537-2400	(218) 998-4745	Traditional
Apple Minnesota LLC	15240 Dellwood	Baxter	MN	56425-6837	(218) 833-1400	Traditional
Apple Minnesota LLC	2840 S. Hwy. 169	Grand Rapids	MN	55744-4280	(218) 326-8878	Traditional
Apple Minnesota LLC	1018 Meadowlands Dr	Saint Paul	MN	55127-2321	(651) 429-9789	Traditional
Apple Minnesota LLC	4190 West Division Street	Saint Cloud	MN	56301-3706	(320) 251-8686	Traditional
Apple Minnesota LLC	1893 W Highway 36	Roseville	MN	55113-2709	(651) 697-0648	Traditional
Apple Minnesota LLC	9601 Lyndale Avenue	Bloomington	MN	55420-4230	(952) 948-0010	Traditional
Apple Minnesota LLC	3500 Vicksburg LN STE 100	Plymouth	MN	55447-1371	(763) 553-1776	Traditional
Apple Minnesota LLC	1006 Hwy. 55	Buffalo	MN	55313-8923	(763) 682-2326	Traditional
Apple Minnesota LLC	3794 Marketplace Dr NW	Rochester	MN	55901-3193	(507) 280-6626	Traditional
Apple Minnesota LLC	2433 Hwy. 3 South	Northfield	MN	55057-4588	(507) 645-8955	Traditional
Apple Minnesota LLC	410 20th South Street	New Ulm	MN	56073-3960	(507) 218-8800	Traditional
Apple Minnesota LLC	5277 Central Ave. NE	Fridley	MN	55421-1881	(763) 571-8501	Traditional
Apple Minnesota LLC	8312 State Hwy 7	St. Louis Park	MN	55426-3907	(952) 933-6701	Traditional
Apple Minnesota LLC	4203 Winnetka Avenue North	New Hope	MN	55428-4924	(763) 533-1870	Traditional
Apple Minnesota LLC	8421 Joiner Way	Eden Prairie	MN	55344-3975	(952) 942-7993	Traditional
Apple Minnesota LLC	1335 Town Centre Drive	Eagan	MN	55123-2309	(651) 686-7022	Traditional
Apple Minnesota LLC	3470 129th Avenue N. W.	Coon Rapids	MN	55448-1022	(763) 576-9267	Traditional
Apple Minnesota LLC	690 W. Bridge Street	Owatonna	MN	55060-2764	(507) 451-0006	Traditional
Apple Minnesota LLC	2901 S. 1st. Street	Willmar	MN	56201-4264	(320) 214-8816	Traditional
Apple Minnesota LLC	156 Tyler Rd N	Red Wing	MN	55066-1840	(651) 388-3388	Traditional
Apple Minnesota LLC	1600 Miller Trunk Hwy	Duluth	MN	55811-1849	(218) 723-1253	Traditional
Apple Minnesota LLC	1909 Paul Bunyan Dr NW	Bemidji	MN	56601-6057	(218) 444-2038	Traditional
Apple Minnesota LLC	7250 Valley Creek Plaza	Woodbury	MN	55125-2265	(651) 731-8321	Traditional
Apple Minnesota LLC	1900 Adams Street	Mankato	MN	56001-6802	(507) 216-8200	Traditional
Apple Minnesota LLC	13625 60th Street North	Oak Park Heights	MN	55082-1009	(651) 439-8116	Traditional
Apple Minnesota LLC	14400 Weaver Lake Road	Maple Grove	MN	55311-2188	(763) 494-3289	Traditional
Apple Minnesota LLC	1305 Highway 15 South	Hutchinson	MN	55350-3800	(320) 421-0400	Traditional
Apple Minnesota LLC	14678 Cedar Avenue	Apple Valley	MN	55124-8554	(952) 997-3919	Traditional
Apple Minnesota LLC	1510 E. College Drive	Marshall	MN	56258-2602	(507) 532-0080	Traditional
Apple Minnesota LLC	2740 Bridge Ave.	Albert Lea	MN	56007-2066	(507) 373-0380	Traditional
Apple Minnesota LLC	8380 E Point Douglas Rd S	Cottage Grove	MN	55016-3324	(651) 458-5837	Traditional
Apple Minnesota LLC	125 Balsam Street North	Cambridge	MN	55008-5819	(763) 689-9600	Traditional

Apple Minnesota LLC	199 Northtown Drive NE	Blaine	MN	55434-1036	(763) 784-8086	Traditional
Apple Minnesota LLC	7901 1/2 Southtown Center	Bloomington	MN	55431-1245	(952) 881-8845	Traditional
Apple Minnesota LLC	320 Apache Mall	Rochester	MN	55902-2106	(507) 252-0155	Traditional
Apple Minnesota LLC	2000 Vermillion	Hastings	MN	55033-3984	(651) 438-8604	Traditional
Apple Minnesota LLC	18891 Freeport St NW	Elk River	MN	55330-1269	(763) 441-8301	Traditional
Apple Minnesota LLC	5855 Blaine Avenue	Inver Grove Heights	MN	55076-1401	(651) 451-9029	Traditional
Apple Minnesota LLC	1404 18th Avenue, NW	Austin	MN	55912-1858	(507) 433-4240	Traditional
Apple Minnesota LLC	1568 Vierling Drive	Shakopee	MN	55379-8110	(952) 233-3400	Traditional
Apple Minnesota LLC	335 12th Street SW	Forest Lake	MN	55025-1750	(651) 464-6778	Traditional
Apple Minnesota LLC	4345 Pheasant Ridge Rd #202	Blaine	MN	55449-4534	(763) 786-2677	Traditional
Apple Minnesota LLC	1753 Robert St. South	West Saint Paul	MN	55118-3934	(651) 457-0530	Traditional
Apple Minnesota LLC	9386 Deegan Avenue	Monticello	MN	55362-4521	(763) 401-8500	Traditional
RMH FRANCHISE CORPORATION	2919 S. Main Street	Maryville	MO	64468-3662	(660) 562-3161	Traditional
MID RIVER RESTAURANTS LLC	1377 Highway K	O'Fallon	MO	63366-5978	(636) 272-2700	Traditional
MID RIVER RESTAURANTS LLC	1987 Wentzville Pkwy.	Wentzville	MO	63385-3424	(636) 332-9249	Traditional
MID RIVER RESTAURANTS LLC	9090 St. Charles Rock Road	Saint John	MO	63114-4246	(314) 427-1867	Traditional
MID RIVER RESTAURANTS LLC	9031 Watson Road	Crestwood	MO	63126-2220	(314) 968-0800	Traditional
MID RIVER RESTAURANTS LLC	2309 N. US Highway 67	Florissant	MO	63033-2033	(314) 837-2020	Traditional
MID RIVER RESTAURANTS LLC	11950 Olive Blvd	Creve Coeur	MO	63141-6730	(314) 567-3252	Traditional
MID RIVER RESTAURANTS LLC	1960 Washington Crossing	Washington	MO	63090-5283	(636) 390-9714	Traditional
MID RIVER RESTAURANTS LLC	748 W. Karsch Blvd.	Farmington	MO	63640-3301	(573) 760-0900	Traditional
MID RIVER RESTAURANTS LLC	6170 Mid Rivers Mall Drive	Saint Peters	MO	63304-1101	(636) 447-8532	Traditional
MID RIVER RESTAURANTS LLC	507 Warren City Center	Warrenton	MO	63383-1374	(636) 456-3735	Traditional
MID RIVER RESTAURANTS LLC	314 South Service Road East	Sullivan	MO	63080-1368	(573) 370-7250	Traditional
MID RIVER RESTAURANTS LLC	11977 St. Charles Rock Road	Bridgeton	MO	63044-2642	(314) 344-2880	Traditional
MID RIVER RESTAURANTS LLC	11077 New Halls Ferry Road	Florissant	MO	63033-7616	(314) 838-6606	Traditional
MID RIVER RESTAURANTS LLC	1110 Big Bill Road	Arnold	MO	63010-2115	(636) 282-1550	Traditional
MID RIVER RESTAURANTS LLC	14830 Manchester Road	Ballwin	MO	63011-4619	(636) 207-0801	Traditional
MID RIVER RESTAURANTS LLC	511 S. Bishop	Rolla	MO	65401-4312	(573) 308-1600	Traditional
MID RIVER RESTAURANTS LLC	4550 Forest Park Boulevard	Saint Louis	MO	63108-2114	(314) 454-6636	Traditional
MID RIVER RESTAURANTS LLC	2921 S. Service Road	Saint Charles	MO	63303-3527	(636) 946-7705	Traditional
MID RIVER RESTAURANTS LLC	673 Gravois Bluffs Blvd.	Fenton	MO	63026-7715	(636) 305-1735	Traditional
APPLE CENTRAL KC, LLC	6069 Antioch	Gladstone	MO	64119-1832	(816) 455-0880	Traditional
APPLE CENTRAL KC, LLC	1100 North 7 Highway	Blue Springs	MO	64014-2276	(816) 228-4338	Traditional
APPLE CENTRAL, LLC	3320 West Broadway	Sedalia	MO	65301-2121	(660) 827-9910	Traditional
APPLE CENTRAL, LLC	255 E. Cooper	Warrensburg	MO	64093-1267	(660) 747-1683	Traditional
APPLE CENTRAL, LLC	2301 Vintage Court	Excelsior Springs	MO	64024-8011	(816) 637-2498	Traditional
APPLE CENTRAL, LLC	2010 I-70 Drive SW	Columbia	MO	65203-1034	(573) 445-5759	Traditional
APPLE CENTRAL, LLC	500 Business 36	Chillicothe	MO	64601-3365	(660) 707-1222	Traditional
APPLE CENTRAL, LLC	700 S. Kansas Ave.	Clinton	MO	64735-3073	(660) 885-7414	Traditional
APPLE CENTRAL, LLC	1251 S. Cherokee Drive	Marshall	MO	65340-3610	(660) 886-2749	Traditional
APPLE CENTRAL, LLC	1855 East Primrose Ave.	Springfield	MO	65804-4293	(417) 883-4700	Traditional
APPLE CENTRAL, LLC	2825 East 32nd Street	Joplin	MO	64804-3132	(417) 659-8686	Traditional
APPLE CENTRAL, LLC	2601 East Broadway	Columbia	MO	65201-6138	(573) 442-3640	Traditional
APPLE CENTRAL, LLC	2401 Rock Haven Road	Harrisonville	MO	64701-4012	(816) 887-2288	Traditional
APPLE CENTRAL, LLC	2319 Missouri Blvd.	Jefferson City	MO	65109-4728	(573) 636-6368	Traditional
APPLE CENTRAL, LLC	380 S Jefferson	Lebanon	MO	65536-3241	(417) 532-0808	Traditional
APPLE CENTRAL, LLC	1836 W 76 Country Blvd	Branson	MO	65616-2123	(417) 336-5053	Traditional
APPLE CENTRAL, LLC	2430 N Glenstone Ave.	Springfield	MO	65803-4736	(417) 863-2200	Traditional
APPLE CENTRAL, LLC	412 N Old Wildemess Rd.	Nixa	MO	65714-9102	(417) 724-2100	Traditional
APPLE CENTRAL, LLC	4040 Highway 54	Osage Beach	MO	65065-2145	(573) 348-9595	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2389 Lakeland Drive	Flowood	MS	39232-9514	(601) 939-4060	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	814 Highway 12 West	Starkville	MS	39759-3581	(662) 324-3459	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	124 Grandview Blvd.	Madison	MS	39110-7594	(601) 605-2652	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2332 Highway 45 North	Columbus	MS	39705-1745	(662) 327-3348	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	9319 Highway 49	Gulfport	MS	39503-4212	(228) 868-8867	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2019 Highway 15 North	Laurel	MS	39440-1838	(601) 649-1998	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	715 Memorial Blvd	Picayune	MS	39466-4631	(601) 273-4755	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	350 John R. Junkin Drive	Natchez	MS	39120-3824	(601) 653-0201	Traditional

QUALITY RESTAURANT CONCEPTS, L.L.C.	764 Lake Harbour Drive	Ridgeland	MS	39157-4313	(601) 707-1784	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	505 Apache Drive	McComb	MS	39648-6105	(601) 680-1520	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	1665 Sunset Drive	Grenada	MS	38901-4061	(662) 226-6222	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	106 US Highway 11 and 80	Meridian	MS	39301-4593	(601) 693-4420	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	951 Cedar Lake Rd.	Biloxi	MS	39532-2128	(228) 702-3700	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	126 Stribling Lane	Brandon	MS	39042-6600	(601) 664-3015	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	885 Barnes Crossing Road	Tupelo	MS	38801-7211	(662) 840-4009	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	111 Clinton Center Drive	Clinton	MS	39056-5623	(601) 924-8644	Traditional
RMH FRANCHISE CORPORATION	1601 Bienville Blvd	Ocean Springs	MS	39564-3002	(228) 872-8270	Traditional
Missoula Apple, Inc.	4041 Highway 93 South	Missoula	MT	59801-1064	(406) 251-4020	Traditional
Great Falls Apple, Inc.	223 River Drive South	Great Falls	MT	59405-1854	(406) 452-5051	Traditional
Bozeman Apple, Inc.	1108 North 7th Avenue	Bozeman	MT	59715-2508	(406) 587-3445	Traditional
Kalispell Apple, Inc.	2322 US Hwy 93 N	Kalispell	MT	59901-2547	(406) 755-5575	Traditional
Helena Apple, Inc.	1212 Custer	Helena	MT	59601-0514	(406) 449-7300	Traditional
Boot Hill Apple, Inc.	204 Main	Billings	MT	59105-3232	(406) 896-8450	Traditional
Boot Hill Apple, Inc.	740 24th Street West	Billings	MT	59102-7405	(406) 655-0255	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	611 South Hughes Blvd	Elizabeth City	NC	27909-4530	(252) 338-2221	Traditional
Apple Wilkesboro, LLC	1909-A Hwy. 421	Wilkesboro	NC	28697-2225	(336) 838-3533	Traditional
Apple Winston-Salem Griffith, LLC	1990 Griffith Road	Winston-Salem	NC	27103-6440	(336) 768-8847	Traditional
Apple Charlotte, LLC	8700 J. W. Clay	Charlotte	NC	28262-8471	(704) 548-9219	Traditional
Apple Fayetteville Ramsey, LLC	5225 Ramsey Street	Fayetteville	NC	28311-0659	(910) 488-7494	Traditional
Apple Fayetteville Good Middling, LLC	7810 Good Middling Drive	Fayetteville	NC	28304-5993	(910) 480-8300	Traditional
Apple Matthews, LLC	9616 East Independence Blvd.	Matthews	NC	28105-4628	(704) 845-1599	Traditional
Apple Statesville, LLC	1115 Glenway Drive	Statesville	NC	28625-9213	(704) 838-0052	Traditional
Apple Winston-Salem Patterson, LLC	4690 N. Patterson Avenue	Winston-Salem	NC	27105-1365	(336) 767-1442	Traditional
Apple Burlington, LLC	3103 Garden Road	Burlington	NC	27215-9786	(336) 584-3344	Traditional
Apple Clemmons, LLC	6310 Allegacy Way	Clemmons	NC	27012-9628	(336) 712-1063	Traditional
Apple Greensboro West Wendover, LLC	4406 West Wendover Avenue	Greensboro	NC	27407-2600	(336) 299-5565	Traditional
Apple Fayetteville Skibo, LLC	1961 Skibo Road	Fayetteville	NC	28314-1541	(910) 487-5588	Traditional
Apple Greensboro Battleground, LLC	3200 Battleground Avenue	Greensboro	NC	27401-2612	(336) 282-7100	Traditional
Apple Knightdale, LLC	6609 Knightdale Blvd.	Knightdale	NC	27545-9653	(919) 266-5939	Traditional
Apple Leland, LLC	1113 Newpointe Boulevard	Leland	NC	28451-4116	(910) 371-6315	Traditional
Apple New Bern, LLC	3450 Dr Martin Luther King Jr Blvd	New Bern	NC	28562-5229	(252) 637-8050	Traditional
Apple Morganton, LLC	665 West Fleming Drive	Morganton	NC	28655-4450	(828) 432-2940	Traditional
Apple Concord, LLC	1240 Concord Parkway N	Concord	NC	28025-4326	(704) 795-6005	Traditional
Legacy Apple IV, LLC	1635 Four Seasons Blvd.	Hendersonville	NC	28792-2857	(828) 692-3006	Traditional
Legacy Apple IV, LLC	3865 John Gordon Lane	High Point	NC	27265-8046	(336) 307-2210	Traditional
Legacy Apple IV, LLC	2036 Blowing Rock Road	Boone	NC	28607-6152	(828) 262-1136	Traditional
Legacy Apple IV, LLC	433 Earl Road	Shelby	NC	28150-6700	(704) 484-9222	Traditional
Legacy Apple IV, LLC	1325 Plaza Blvd.	Sanford	NC	27330-3705	(919) 775-3381	Traditional
Legacy Apple IV, LLC	517 NC 24-27 Bypass East	Albemarle	NC	28001-5257	(704) 986-0925	Traditional
Legacy Apple IV, LLC	279 Smokey Park Hwy	Asheville	NC	28806-1140	(828) 670-9101	Traditional
Legacy Apple IV, LLC	7831 Target Circle	Raleigh	NC	27616-3389	(919) 872-2401	Traditional
Legacy Apple IV, LLC	71 Plaza Pkwy	Lexington	NC	27292-5366	(336) 243-4483	Traditional
Legacy Apple IV, LLC	1480 N. Main Street	Fuquay-Varina	NC	27526-8901	(919) 552-1521	Traditional
Legacy Apple IV, LLC	210 Premier Blvd.	Roanoke Rapids	NC	27870-5076	(252) 308-1264	Traditional
Legacy Apple IV, LLC	137 Norman Station Blvd.	Mooresville	NC	28117-6396	(704) 799-3515	Traditional
Apple Wilson, LLC	2300 Forest Hills Road	Wilson	NC	27893-3416	(252) 399-0504	Traditional
Apple Pineville, LLC	10921 Carolina Place Parkway	Pineville	NC	28134-8369	(704) 544-0034	Traditional
Apple Rocky Mount, LLC	1120 North Wesleyan Blvd.	Rocky Mount	NC	27804-1829	(252) 972-4619	Traditional
Apple Jacksonville, LLC	476 Western Blvd.	Jacksonville	NC	28546-6824	(910) 347-6011	Traditional
Apple Goldsboro, LLC	901 North Spence Avenue	Goldsboro	NC	27534-4269	(919) 751-5800	Traditional
Apple Hickory, LLC	2180 Highway 70, S.E.	Hickory	NC	28602-5170	(828) 328-1000	Traditional
AppleWest, Inc.	289 15th Street West	Dickinson	ND	58601-3138	(701) 227-8573	Traditional
Apple Union, Inc.	6 26th Street West	Williston	ND	58801-3066	(701) 572-4769	Traditional
Capitol Apple, Inc.	3200 North 14th Street	Bismarck	ND	58501-5368	(701) 255-0200	Traditional
Apple Jtown, Inc.	611 25th Street S.W.	Jamestown	ND	58401-6601	(701) 952-7753	Traditional
APPLE CORE ENTERPRISES, INC.	2302 15th Street,S.W.	Minot	ND	58701-6934	(701) 839-2130	Traditional

Applefar South, Inc.	2350 45th Street South	Fargo	ND	58104-8796	(701) 356-9495	Traditional
Apple Lake, Inc.	509 Hwy 2 East	Devils Lake	ND	58301-3955	(701) 544-1444	Traditional
Applebis, Inc.	434 South 3rd	Bismarck	ND	58504-5521	(701) 222-1018	Traditional
Grandapple, Inc.	2851 S. Columbia Road	Grand Forks	ND	58201-6007	(701) 795-5688	Traditional
Apple Dome, Inc.	2001 16th Street N.	Fargo	ND	58102-1833	(701) 293-0249	Traditional
Apple Acres, Inc.	2800 13th Avenue, S W	Fargo	ND	58103-3510	(701) 232-4100	Traditional
RMH FRANCHISE CORPORATION	102 Platte Oasis Parkway	North Platte	NE	69101-7654	(308) 532-5292	Traditional
RMH FRANCHISE CORPORATION	4619 S. Lincoln Ave.	York	NE	68467-9488	(402) 362-3700	Traditional
RMH FRANCHISE CORPORATION	5605 2nd Ave.	Kearney	NE	68847-2437	(308) 698-6000	Traditional
RMH FRANCHISE CORPORATION	625 Cabelas Dr.	Sidney	NE	69162-3047	(308) 254-4686	Traditional
RMH FRANCHISE CORPORATION	2302 Frontage Rd., Monument Mall	Scottsbluff	NE	69361-1777	(308) 635-7750	Traditional
RMH FRANCHISE CORPORATION	3730 Village Drive	Lincoln	NE	68516-4722	(402) 420-1182	Traditional
RMH FRANCHISE CORPORATION	721 Diers Ave.	Grand Island	NE	68803-4954	(308) 398-5100	Traditional
RMH FRANCHISE CORPORATION	6100 O Street, Suite C318	Lincoln	NE	68510-2202	(402) 467-6161	Traditional
RMH FRANCHISE CORPORATION	3951 North 27th Street	Lincoln	NE	68521-4101	(402) 477-1313	Traditional
RMH FRANCHISE CORPORATION	328 E. 23rd. Street	Columbus	NE	68601-2823	(402) 562-5123	Traditional
Apple Bellevue, LLC	10402 S. 15th Street	Bellevue	NE	68123-4418	(402) 293-8400	Traditional
Legacy Apple III, LLC	3420 E. Elk Lane	Fremont	NE	68025-7897	(402) 753-0010	Traditional
Legacy Apple III, LLC	1202 N. Washington	Papillion	NE	68046-3064	(402) 339-4359	Traditional
Apple Maple-OMA, LLC	13208 W Maple Road	Omaha	NE	68164-2416	(402) 492-8707	Traditional
Apple New England LLC	581 2nd St Shops	Manchester	NH	03102-5200	(603) 641-1000	Traditional
Apple New England LLC	75 Laconia Rd	Tilton	NH	03276-5226	(603) 286-8844	Traditional
Apple New England LLC	Main Street at Settlers Green	North Conway	NH	03860-5195	(603) 356-9600	Traditional
Apple New England LLC	1464 Woodbury Avenue	Portsmouth	NH	03801-3239	(603) 433-7400	Traditional
Apple New England LLC	232 Indian Brook Dr.	Dover	NH	03820-2554	(603) 742-5707	Traditional
Apple New England LLC	7 Fresh River Road	Epping	NH	03042-2222	(603) 679-2327	Traditional
Apple New England LLC	280 Plainfield Road	West Lebanon	NH	03784-2025	(603) 298-8608	Traditional
Apple New England LLC	582 Meadow Street	Littleton	NH	03561-3603	(603) 444-1796	Traditional
Apple New England LLC	379 Amherst St	Nashua	NH	03063-1285	(603) 886-9292	Traditional
Apple New England LLC	260 Loudon Rd	Concord	NH	03301-7810	(603) 224-6600	Traditional
Apple New England LLC	14 Manchester Rd	Derry	NH	03038-3007	(603) 432-5600	Traditional
Apple New England LLC	1273 Hooksett Road	Hooksett	NH	03106-1840	(603) 627-3000	Traditional
Apple New England LLC	40 Key Road	Keene	NH	03431-3925	(603) 355-6300	Traditional
APPLE FOOD SERVICE OF MANAHAWKIN, LLC,	205 Rt. 72 West	Manahawkin	NJ	08050-2802	(609) 978-0700	Traditional
APPLE FOOD SERVICE OF MIDDLETOWN, LLC	1183 Rt. 35	Middletown	NJ	07748-2605	(732) 957-9400	Traditional
APPLE FOOD SERVICE OF NEWARK, LLC	383 Springfield Avenue	Newark	NJ	07103-2209	(973) 242-3600	Traditional
Apple Food Service of North Bergen, LLC	2100 88th Street	North Bergen	NJ	07047-4709	(201) 758-1800	Traditional
APPLE FOOD SERVICE OF PARSIPPANY, INC.	1057 Route 46 East	Parsippany	NJ	07054-2177	(973) 263-5005	Traditional
APPLE FOOD SERVICE OF TOMS RIVER, L.L.C.	1201 Hooper Avenue	Toms River	NJ	08753-3597	(732) 505-9090	Traditional
APPLE FOOD SERVICE OF CLIFTON, L.L.C.	375 Route 3 East	Clifton	NJ	07014-1911	(973) 471-6161	Traditional
APPLE FOOD SERVICE OF BRIDGEWATER, L.L.C.	640 Promenade Blvd.	Bridgewater	NJ	08807-3460	(732) 627-0888	Traditional
APPLE FOOD SERVICE OF EDISON, L.L.C.	1045 Rt. 1 South	Edison	NJ	08837-2904	(732) 516-0040	Traditional
APPLE FOOD SERVICE OF JERSEY CITY, LLC	Hudson Mall, 701 Rt. 440 South	Jersey City	NJ	07304-1059	(201) 200-9940	Traditional
APPLE FOOD SERVICE OF HOWELL, LLC,	4721 US-9	Howell Township	NJ	07731-4020	(732) 961-9400	Traditional
APPLE FOOD SERVICE OF HILLSBOROUGH, LLC	315 Rt. 206	Hillsborough	NJ	08844-4625	(908) 874-4177	Traditional
APPLE FOOD SERVICE OF BUTLER, LLC,	1200 Rt. 23 North	Butler	NJ	07405-2036	(973) 283-8410	Traditional
APPLE FOOD SERVICE OF ROCKAWAY, LLC	435 Rt. 46E	Dover	NJ	07801-4327	(973) 328-0999	Traditional
Apple Food Service of Lacey, LLC	404 South Main Street	Forked River	NJ	08731-4641	(609) 971-7800	Traditional
Apple Food Service of Manchester, LLC,	1055 Route 70	Manchester	NJ	08759-6827	(732) 657-7676	Traditional
Apple Food Service of Elizabeth, LLC	651 Kapkowski Rd	Elizabeth	NJ	07201-4901	(908) 289-5974	Traditional
Apple New Jersey LLC	455 Cross Keys Road	Sicklerville	NJ	08081-9749	(856) 728-8874	Traditional
Apple New Jersey LLC	711 Evesham Rd., Suites 6-7	Somerdale	NJ	08083-1455	(856) 627-7193	Traditional
Apple New Jersey LLC	1830 S. Black Horse Pike	Monroe Township	NJ	08094-3883	(856) 318-1411	Traditional
Apple New Jersey LLC	3849 South Delsea Drive	Vineland	NJ	08360-7408	(856) 825-3435	Traditional
Apple New Jersey LLC	3800 Black Horse Pike	Turnersville	NJ	08012-1717	(856) 740-3610	Traditional
Apple New Jersey LLC	419 North Broadway	Pennsville	NJ	08070-1002	(856) 299-7100	Traditional
Apple New Jersey LLC	1102 Route 73 South	Mt Laurel	NJ	08054-5111	(856) 581-0116	Traditional
Apple New Jersey LLC	880 Haddonfield-Bertin Road	Voorhees Township	NJ	08043-4300	(856) 627-6667	Traditional
Apple New Jersey LLC	700 Consumers Sq	Mays Landing	NJ	08330-3138	(609) 383-9290	Traditional

Apple New Jersey LLC	51 Bethel Road	Somers Point	NJ	08244-1601	(609) 653-2270	Traditional
Apple New Jersey LLC	2018 Burlington / Mt. Holly Ro	Westampton	NJ	08060-4411	(609) 265-1616	Traditional
Apple New Jersey LLC	108 Haddonfield Rd.	Cherry Hill	NJ	08002-4402	(856) 663-5008	Traditional
Apple New Jersey LLC	1850 Deptford Center Rd.	Deptford	NJ	08096-5626	(856) 232-0093	Traditional
Apple New Jersey LLC	47 S. White Horse Pike	Hammonton	NJ	08037-1872	(609) 704-8001	Traditional
Apple New Jersey LLC	129 N. Michigan Ave.	Atlantic City	NJ	08401-4138	(609) 345-7323	Traditional
Apple New Jersey LLC	1639 Center Square Road	Swedesboro	NJ	08085-1705	(856) 467-4156	Traditional
Apple New Jersey LLC	610 West Nicholson Road	Audubon	NJ	08106-1930	(856) 547-9000	Traditional
ROSE CASUAL DINING, L.P.	333 State Highway #33	Hamilton	NJ	08619-8008	(609) 890-2828	Traditional
ROSE CASUAL DINING, L.P.	3330 Brunswick Pike	Lawrenceville	NJ	08648-2412	(609) 799-9559	Traditional
APPLE FOOD SERVICE OF PISCATAWAY, INC	1282 Centennial Avenue	Piscataway	NJ	08854-4324	(732) 562-0500	Traditional
APPLE FOOD SERVICE OF TINTON FALLS, INC.	14 Park Road	Tinton Falls	NJ	07724-9715	(732) 935-1158	Traditional
APPLE FOOD SERVICE OF LINDEN, LLC,	671 West Edgar Rd.	Linden	NJ	07036-6574	(908) 523-1200	Traditional
APPLE FOOD SERVICE OF OCEAN, LLC	2301 Rt. 66	Ocean Township	NJ	07712-3961	(732) 922-1300	Traditional
APPLE FOOD SERVICE OF MT. OLIVE, LLC	50 International Drive	Flanders	NJ	07836-4108	(973) 448-9996	Traditional
Apple Food Service of Garfield, LLC	186 Passaic St	Garfield	NJ	07026-1355	(973) 778-6100	Traditional
APPLE FOOD SERVICE OF NEWTON, LLC	6 North Park Drive	Newton	NJ	07860-1449	(973) 940-3003	Traditional
APPLE FOOD SERVICE OF BRICK, INC.	52 Brick Plaza	Brick	NJ	08723-4045	(732) 262-9876	Traditional
APPLE FOOD SERVICE OF TOTOWA, INC.	465 Route 46 West	Totowa	NJ	07512-1840	(973) 812-0011	Traditional
APPLE FOOD SERVICE OF WOODBRIDGE, INC.	251 Woodbridge Center Drive	Woodbridge	NJ	07095-4003	(732) 855-5300	Traditional
APPLE FOOD SERVICE OF MANALAPAN, L.L.C.	55 US Highway 9 South	Manalapan	NJ	07726-3025	(732) 683-0022	Traditional
APPLE FOOD SERVICE OF MILLTOWN, L. L. C.	324 Ryders Lane	Milltown	NJ	08850-1706	(732) 651-8151	Traditional
Apple Food Service of Clark, LLC	1255 Raritan Rd.	Clark	NJ	07066-1265	(732) 381-1429	Traditional
APPLE FOOD SERVICE OF HACKETTSTOWN, LLC	225 Mountain Avenue	Hackettstown	NJ	07840-2410	(908) 684-1003	Traditional
APPLE FOOD SERVICE OF PHILLIPSBURG, LLC	1323 US Highway 22	Phillipsburg	NJ	08865-4103	(908) 454-8000	Traditional
APPLE FOOD SERVICE OF KEARNY, LLC	175 Passaic Ave.	Kearny	NJ	07032-1107	(201) 246-0020	Traditional
APPLE FOOD SERVICE OF HACKENSACK, LLC	450 Hackensack Avenue	Hackensack	NJ	07601-6312	(201) 342-0065	Traditional
TMD FOOD SERVICE, INC.	17 East Ridgewood Avenue, Fashion Center Mall	Paramus	NJ	07652-2017	(201) 447-8813	Traditional
APPLE FOOD SERVICE OF UNION, LLC	1721 Morris Ave.	Union	NJ	07083-3580	(908) 964-1070	Traditional
Apple New Mexico LLC	1330 W. Joe Harvey Blvd.	Hobbs	NM	88240-0804	(575) 392-7457	Traditional
Apple New Mexico LLC	6200 Coors Blvd	Albuquerque	NM	87120-2785	(505) 508-1749	Traditional
Apple New Mexico LLC	4246 Cerrillos Road	Santa Fe	NM	87505-2000	(505) 473-7551	Traditional
Apple New Mexico LLC	1355 S. White Sands Blvd.	Alamogordo	NM	88310-7253	(575) 434-2616	Traditional
Apple New Mexico LLC	4100 Ridgerock Road SE	Rio Rancho	NM	87124-2177	(505) 994-3900	Traditional
Apple New Mexico LLC	1560 W. Maloney Ave.	Gallup	NM	87301-5396	(505) 726-0401	Traditional
Apple New Mexico LLC	516 E. Llano Estacado Blvd.	Clovis	NM	88101-3757	(575) 742-1144	Traditional
Apple New Mexico LLC	1540 Main St	Los Lunas	NM	87031-7083	(505) 865-4748	Traditional
Apple New Mexico LLC	2212 North Main	Roswell	NM	88201-6451	(575) 627-9606	Traditional
Apple New Mexico LLC	4601-D East Main Street	Farmington	NM	87402-8672	(505) 599-0998	Traditional
Apple New Mexico LLC	10600 Lomas Blvd N E	Albuquerque	NM	87112-5464	(505) 237-9083	Traditional
Apple New Mexico LLC	2600 Menaul Blvd. NE	Albuquerque	NM	87107-1843	(505) 883-2846	Traditional
Apple New Mexico LLC	135 E. Highway 550	Bernalillo	NM	87004-5964	(505) 867-2936	Traditional
Apple New Mexico LLC	2000 Yale	Albuquerque	NM	87106-4193	(505) 244-0123	Traditional
Apple New Mexico LLC	2711 Coors Boulevard	Albuquerque	NM	87120-1217	(505) 352-6544	Traditional
Apple New Mexico LLC	10895 Montgomery Blvd NE	Albuquerque	NM	87111-3957	(505) 323-7548	Traditional
Lone Star Apple, LLC	1601 Hickory Loop	Las Cruces	NM	88005-6587	(575) 525-1891	Traditional
Lone Star Apple, LLC	2501 East Lohman	Las Cruces	NM	88011-8233	(575) 522-3292	Traditional
Apple Nevada LLC	3300 S Carson Street	Carson City	NV	89701-5537	(775) 882-0222	Traditional
Apple Nevada LLC	2070 N Rainbow Blvd	Las Vegas	NV	89108-7049	(702) 648-1065	Traditional
Apple Nevada LLC	10305 S. Eastern Ave.	Henderson	NV	89052-3960	(702) 990-8646	Traditional
Apple Nevada LLC	500 North Nellis Blvd.	Las Vegas	NV	89110-5325	(702) 452-7155	Traditional
Apple Nevada LLC	4805 Kietzke Lane	Reno	NV	89509-6549	(775) 825-2800	Traditional
Apple Nevada LLC	5010 S. Fort Apache Road	Las Vegas	NV	89148-1714	(702) 221-1061	Traditional
Apple Nevada LLC	3501 South Rainbow	Las Vegas	NV	89103-1005	(702) 220-3070	Traditional
Apple Nevada LLC	820 E. Warm Springs Road	Las Vegas	NV	89119-4402	(702) 837-8733	Traditional
Apple Nevada LLC	693 North McCarran Blvd.	Sparks	NV	89431-4623	(775) 358-5811	Traditional
Apple Nevada LLC	3340 South Maryland	Las Vegas	NV	89109-2455	(702) 737-4990	Traditional
Apple Nevada LLC	1635 W. Craig Road	North Las Vegas	NV	89032-0219	(702) 657-6483	Traditional
Apple New England LLC	80 Centre Drive	Plattsburgh	NY	12901-6563	(518) 566-9607	Traditional

42nd Apple, LLC	234 W. 42nd St.	New York	NY	10036-7215	(212) 391-7414	Traditional
APPLE FOOD SERVICE OF LONG ISLAND, LLC	600-A N. Wellwood Ave.	Lindenhurst	NY	11757-2000	(631) 226-2200	Traditional
APPLE FOOD SERVICE OF LONG ISLAND, LLC	200 Airport Plaza	Farmingdale	NY	11735-3946	(631) 845-5201	Traditional
APPLE FOOD SERVICE OF LONG ISLAND, LLC	1126 Green Acres Mall	Valley Stream	NY	11581-1537	(516) 872-7200	Traditional
APPLE FOOD SERVICE OF LONG ISLAND, LLC	105 Veterans Hwy	Commack	NY	11725-3408	(631) 858-2500	Traditional
APPLE FOOD SERVICE OF WOODMERE, LLC	253-01 Rockaway Blvd.	Rosedale	NY	11422-3135	(516) 792-0100	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	300 Motor Pkwy	Brentwood	NY	11717-1215	(631) 231-4190	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	1935 N. Ocean Avenue	Farmingville	NY	11738-2907	(631) 758-0081	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	3145 Middle Country Road	Lake Grove	NY	11755-2111	(631) 467-2445	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	2660 Sunrise Highway	Bellmore	NY	11710-3622	(516) 783-9014	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	2550 Sunrise Highway	East Islip	NY	11730-1017	(631) 224-1912	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	1985 Jericho Turnpike	New Hyde Park	NY	11040-4714	(516) 326-8730	Traditional
DOHERTY APPLE NYC, LLC	2201 Nostrand Ave	Brooklyn	NY	11210-3027	(347) 505-3300	Traditional
DOHERTY APPLE NYC, LLC	4750-4758 Third Avenue	Bronx	NY	10458-5547	(347) 226-5120	Traditional
DOHERTY APPLE NYC, LLC	139 Flatbush Ave., Level 2	Brooklyn	NY	11217-1450	(718) 947-5040	Traditional
DOHERTY APPLE NYC, LLC	Cross County Shopping Center	Yonkers	NY	10704-1202	(914) 376-6222	Traditional
DOHERTY APPLE THROGS NECK LLC	815 Hutchinson River Parkway	Bronx	NY	10465-1887	(718) 828-5379	Traditional
DOHERTY APPLE FRESH MEADOWS LLC	61-48 188th Street	Fresh Meadows	NY	11365-2713	(718) 264-1222	Traditional
DOHERTY APPLE CORTLANDT LLC	3127 E. Main Street	Mohegan Lake	NY	10547-1521	(914) 526-9000	Traditional
DOHERTY APPLE NEW DORP LLC	2636 Hylan Blvd.	Staten Island	NY	10306	(718) 303-7102	Traditional
DOHERTY APPLE NEW ROCHELLE LLC	25 Lecount Place	New Rochelle	NY	10801-6408	(914) 654-0991	Traditional
DOHERTY APPLE GATEWAY CENTER LLC	448 Gateway Drive, Building M	Brooklyn	NY	11239-2817	(718) 827-2527	Traditional
DOHERTY APPLE WC, LLC	38-01 35th Avenue	Astoria	NY	11101-1561	(718) 943-7404	Traditional
APPLE FOOD SERVICE OF DEER PARK LLC	403 Commack Road	Deer Park	NY	11729	(631) 721-9719	Traditional
DOHERTY APPLE HAWTHORNE LLC	18 Saw Mill River Road	Hawthorne	NY	10532-1507	(914) 345-1555	Traditional
DOHERTY APPLE BRONX TERMINAL MARKET LLC	610 Exterior Street	Bronx	NY	10451-2044	(347) 226-5700	Traditional
DOHERTY APPLE OUTER BRIDGE LLC	2720 Veteran's Road West	Staten Island	NY	10309-2500	(718) 943-1200	Traditional
TLC CENTRAL, LLC	1794 Black River Blvd.	Rome	NY	13440-2454	(315) 336-9833	Traditional
TLC CENTRAL, LLC	4755 Commercial Drive	New Hartford	NY	13413-6211	(315) 768-3300	Traditional
TLC CENTRAL, LLC	5006 State Highway 23	Oneonta	NY	13820-3702	(607) 431-9200	Traditional
TLC CENTRAL, LLC	555 Troy Schenectady Road	Latham	NY	12110-2811	(518) 785-1998	Traditional
TLC CENTRAL, LLC	630 W. State Street	Herkimer	NY	13350-2702	(315) 866-5900	Traditional
TLC CENTRAL, LLC	3149 Silverback Ln	Painted Post	NY	14870-8914	(607) 937-3318	Traditional
TLC CENTRAL, LLC	856 S.R. 13	Cortland	NY	13045-3551	(607) 753-6031	Traditional
TLC CENTRAL, LLC	3701 Vestal Parkway East	Vestal	NY	13850-2397	(607) 729-4311	Traditional
TLC CENTRAL, LLC	842 Upper Front Street	Binghamton	NY	13905-1542	(607) 724-0458	Traditional
TLC CENTRAL, LLC	1006 State Route 36	Hornell	NY	14843-9300	(607) 324-3333	Traditional
TLC CENTRAL, LLC	255 Quaker Road	Queensbury	NY	12804-1729	(518) 793-5420	Traditional
TLC CENTRAL, LLC	3 Lowes Drive	Saratoga Springs	NY	12866-9441	(518) 583-2606	Traditional
TLC CENTRAL, LLC	1205 Route 300	Newburgh	NY	12550-5005	(845) 567-0910	Traditional
TLC CENTRAL, LLC	877 County Route 64	Elmira	NY	14903-9785	(607) 739-1959	Traditional
TLC CENTRAL, LLC	1171 Ulster Ave	Kingston	NY	12401-1513	(845) 336-4509	Traditional
TLC CENTRAL, LLC	2400 Cambridge Road	Schenectady	NY	12304-3437	(518) 346-4455	Traditional
TLC CENTRAL, LLC	300 Riverside Center	Utica	NY	13502-1433	(315) 735-0421	Traditional
TLC CENTRAL, LLC	115 Independent Way	Brewster	NY	10509-2367	(845) 279-4165	Traditional
TLC CENTRAL, LLC	223 N. Comrie Ave.	Johnstown	NY	12095-1501	(518) 762-1720	Traditional
TLC CENTRAL, LLC	12 Orange Plaza Lane	Middletown	NY	10940-2247	(845) 342-2201	Traditional
TLC CENTRAL, LLC	268 Saratoga Road	Glenville	NY	12302-5017	(518) 399-2429	Traditional
TLC CENTRAL, LLC	3450 North Road	Poughkeepsie	NY	12601-1117	(845) 486-0052	Traditional
TLC WEST, LLC	585 Moseley Road	Fairport	NY	14450-3339	(585) 425-4700	Traditional
TLC WEST, LLC	3067 W. State Street	Olean	NY	14760-1832	(716) 372-2828	Traditional
TLC WEST, LLC	5822 S Transit Road	Lockport	NY	14094-6318	(716) 439-1270	Traditional
TLC WEST, LLC	628 S Main Street	North Syracuse	NY	13212-3662	(315) 452-5670	Traditional
TLC WEST, LLC	1608 Military Road	Niagara Falls	NY	14304-1734	(716) 298-1085	Traditional
TLC WEST, LLC	1683 E Ridge Road	Rochester	NY	14622-2451	(585) 339-9750	Traditional
TLC WEST, LLC	340 East Fairmount Avenue	Lakewood	NY	14750-2134	(716) 763-3500	Traditional
TLC WEST, LLC	4405 Milestrip Road	Blasdell	NY	14219-2000	(716) 824-5550	Traditional
TLC WEST, LLC	2656 Delaware Avenue	Buffalo	NY	14216-1103	(716) 876-9153	Traditional
TLC WEST, LLC	8322 Lewiston Rd.	Batavia	NY	14020-1252	(585) 344-0600	Traditional

TLC WEST, LLC	3360 W. Henrietta Road	Rochester	NY	14623-3534	(585) 427-0370	Traditional
TLC WEST, LLC	1050 Union Road	West Seneca	NY	14224-3402	(716) 677-2821	Traditional
TLC WEST, LLC	1283 Arsenal Street	Watertown	NY	13601-2252	(315) 782-7828	Traditional
TLC WEST, LLC	3975 Route 31	Liverpool	NY	13090-9653	(315) 652-6881	Traditional
TLC WEST, LLC	1955 Empire Blvd	Webster	NY	14580-1903	(585) 787-0570	Traditional
TLC WEST, LLC	221 Grant Avenue	Auburn	NY	13021-1447	(315) 258-8398	Traditional
TLC WEST, LLC	200 Paddy Creek Circle	Rochester	NY	14615-2647	(585) 581-0830	Traditional
TLC WEST, LLC	1785 Walden Avenue	Cheektowaga	NY	14225-4920	(716) 897-2605	Traditional
TLC WEST, LLC	4401 Genesee Valley Plaza	Geneseo	NY	14454-9435	(585) 243-2240	Traditional
TLC WEST, LLC	4967 Transit Road	Depew	NY	14043-4617	(716) 681-4888	Traditional
TLC WEST, LLC	3908 Vineyard Drive	Dunkirk	NY	14048-3522	(716) 366-6700	Traditional
TLC WEST, LLC	2120 Chili Ave.	Rochester	NY	14624-3452	(585) 426-7630	Traditional
TLC WEST, LLC	3189 Erie Blvd. East	Dewitt	NY	13214-1201	(315) 445-7000	Traditional
TLC WEST, LLC	4207 Recreation Drive	Canandaigua	NY	14424-2239	(585) 394-3430	Traditional
APPLE FOOD SERVICE OF SUFFOLK, LLC	355 Rt. 25A	Miller Place	NY	11764-2418	(631) 473-0008	Traditional
APPLE FOOD SERVICE OF SUFFOLK, LLC	1710 Hempstead Turnpike	Elmont	NY	11003-1856	(516) 775-1377	Traditional
APPLE FOOD SERVICE OF SUFFOLK, LLC	855 Montauk Hwy	Shirley	NY	11967-2153	(631) 399-7220	Traditional
APPLE FOOD SERVICE OF SUFFOLK, LLC	1300 Corporate Drive	Westbury	NY	11590-6625	(516) 832-7700	Traditional
APPLE FOOD SERVICE OF SUFFOLK, LLC	499 North Service Road	Patchogue	NY	11772-2287	(631) 207-5900	Traditional
APPLE FOOD SERVICE OF SUFFOLK, LLC	684 Sunrise Highway	Baldwin	NY	11510-3136	(516) 442-0580	Traditional
DOHERTY APPLE SHEEPSHEAD BAY LLC	2505 Emmons Ave.	Brooklyn	NY	11235-2710	(718) 769-4889	Traditional
DOHERTY APPLE RIVERDALE LLC	90 West 225th Street	Bronx	NY	10463	(718) 367-7770	Traditional
DOHERTY APPLE QUEENS CENTER LLC	9015 Queens Blvd.	Elmhurst	NY	11373-4900	(718) 271-7999	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	938 S. Broadway	Hicksville	NY	11801-5048	(516) 932-3780	Traditional
APPLE FOOD SERVICE OF LONG ISLAND, LLC	1832 Old Country Road	Riverhead	NY	11901-3144	(631) 369-3500	Traditional
APPLE FOOD SERVICE OF NEW YORK, LLC	3870 Veterans Memorial Highway	Bohemia	NY	11716-1010	(631) 981-5090	Traditional
DOHERTY APPLE BROADWAY LLC	205 W 50th Street	New York	NY	10011-3598	(212) 262-2400	Traditional
DOHERTY APPLE EXPRESSWAY LLC	1451 Richmond Avenue	Staten Island	NY	10314-1553	(718) 477-1300	Traditional
TLC CENTRAL, LLC	594 N. Troy Road	Rensselaer	NY	12144-9201	(518) 283-0700	Traditional
DOHERTY APPLE EXECUTIVE BLVD. LLC	2 Executive Blvd	Yonkers	NY	10701-6801	(914) 595-0601	Traditional
S.I. Mall Apple, LLC	2655 Richmond Avenue	Staten Island	NY	10314-5821	(718) 370-3761	Traditional
RMH FRANCHISE CORPORATION	3240 Towne Blvd.	Middletown	OH	45044-8943	(513) 727-0058	Traditional
RMH FRANCHISE CORPORATION	904 Great East Plaza	Niles	OH	44446-4818	(330) 544-0780	Traditional
RMH FRANCHISE CORPORATION	3894 Morse Road	Columbus	OH	43219-3014	(614) 337-8230	Traditional
RMH FRANCHISE CORPORATION	4702 Monroe Street	Toledo	OH	43623-4308	(419) 475-2245	Traditional
RMH FRANCHISE CORPORATION	2531 Tiffin Ave	Findlay	OH	45840-9512	(419) 425-9955	Traditional
RMH FRANCHISE CORPORATION	1590 Georgesville Square Drive	Columbus	OH	43228-3694	(614) 851-4100	Traditional
RMH FRANCHISE CORPORATION	5331 Pleasant Ave.	Fairfield	OH	45014-3534	(513) 939-1790	Traditional
RMH FRANCHISE CORPORATION	2755 Brice Road	Reynoldsburg	OH	43068-3400	(614) 755-9999	Traditional
RMH FRANCHISE CORPORATION	700 Washington Blvd., N.W.	Hamilton	OH	45013-1278	(513) 868-9400	Traditional
RMH FRANCHISE CORPORATION	1615 Rivervalley Circle North	Lancaster	OH	43130-8401	(740) 681-1594	Traditional
RMH FRANCHISE CORPORATION	6691 South Avenue	Boardman	OH	44512-3625	(330) 965-0460	Traditional
RMH FRANCHISE CORPORATION	1161 Polaris Parkway	Columbus	OH	43240-6000	(614) 840-9092	Traditional
RMH FRANCHISE CORPORATION	2200 N. State Rt. 53	Fremont	OH	43420-9024	(419) 355-0549	Traditional
RMH FRANCHISE CORPORATION	6084 Mulhauser	West Chester	OH	45069-4849	(513) 942-4074	Traditional
RMH FRANCHISE CORPORATION	2020 Stringtown Road	Grove City	OH	43123-2932	(614) 801-1100	Traditional
RMH FRANCHISE CORPORATION	221 N Vandemark Road	Sidney	OH	45365-7039	(937) 498-1833	Traditional
RMH FRANCHISE CORPORATION	967 Hebron Road	Heath	OH	43056-1184	(740) 522-1570	Traditional
RMH FRANCHISE CORPORATION	1800 West 1st Street	Springfield	OH	45504-1927	(937) 322-6700	Traditional
RMH FRANCHISE CORPORATION	531 Dussel Road	Maumee	OH	43537-4025	(419) 897-9779	Traditional
RMH FRANCHISE CORPORATION	1759 West Main Street	Troy	OH	45373-2301	(937) 335-1550	Traditional
RMH FRANCHISE CORPORATION	1514 Mt. Vernon Avenue	Marion	OH	43302-7133	(740) 389-2305	Traditional
RMH FRANCHISE CORPORATION	5561 Westchester Woods Blvd	Hilliard	OH	43026-7970	(614) 527-9670	Traditional
RMH FRANCHISE CORPORATION	881 W. Central Ave.	Springboro	OH	45066-1115	(937) 743-9420	Traditional
RMH FRANCHISE CORPORATION	8331 Old Troy Pike	Huber Heights	OH	45424-1027	(937) 233-9973	Traditional
RMH FRANCHISE CORPORATION	1099 Delaware Avenue	Marysville	OH	43040-9401	(937) 642-2352	Traditional
RMH FRANCHISE CORPORATION	1991 Harner Drive	Xenia	OH	45385-2776	(937) 372-2600	Traditional
RMH FRANCHISE CORPORATION	105 N. Springboro Pike	W. Carrollton	OH	45449-3639	(937) 436-3222	Traditional
RMH FRANCHISE CORPORATION	266 East Alexis Road	Toledo	OH	43612-3705	(419) 470-1140	Traditional

RMH FRANCHISE CORPORATION	3296 Elida Road	Lima	OH	45805-1220	(419) 331-8502	Traditional
RMH FRANCHISE CORPORATION	1003 N. Clinton Street	Defiance	OH	43512-1692	(419) 784-2279	Traditional
RMH FRANCHISE CORPORATION	820 N. Bridge Street	Chillicothe	OH	45601-1702	(740) 702-7753	Traditional
RMH FRANCHISE CORPORATION	3007 Curtice Road	Northwood	OH	43619-1507	(419) 691-9200	Traditional
RMH FRANCHISE CORPORATION	1795 Delco Park Dr.	Kettering	OH	45420-1398	(937) 643-0698	Traditional
RMH FRANCHISE CORPORATION	1925 Roschman Ave.	Lima	OH	45804-3496	(419) 222-2757	Traditional
Apple Ohio LLC	9225 Vista Way	Garfield Heights	OH	44125-5347	(216) 663-4830	Traditional
Apple Ohio LLC	4320 Leavitt Road	Lorain	OH	44053-2370	(440) 282-4442	Traditional
Apple Ohio LLC	5503 Milan Road	Sandusky	OH	44870-5858	(419) 627-2777	Traditional
Apple Ohio LLC	1200 State Rt. 303	Streetsboro	OH	44241-4591	(330) 422-1560	Traditional
Apple Ohio LLC	2600 W. State St.	Alliance	OH	44601-5699	(330) 829-1700	Traditional
Apple Ohio LLC	4191 Rockside Rd.	Independence	OH	44131-2511	(216) 328-0376	Traditional
Apple Ohio LLC	145 Stander Avenue	Mansfield	OH	44903-9405	(419) 756-9303	Traditional
Apple Ohio LLC	7159 Macedonia Commons Blvd	Macedonia	OH	44056-1854	(330) 467-3600	Traditional
Apple Ohio LLC	233 Graff Road SE	New Philadelphia	OH	44663-3885	(330) 308-5530	Traditional
Apple Ohio LLC	17771 Southpark Center	Strongsville	OH	44136-9331	(440) 572-5292	Traditional
Apple Ohio LLC	3938 Medina Rd.	Akron	OH	44333-2445	(330) 666-2261	Traditional
Apple Ohio LLC	1020 High Street	Wadsworth	OH	44281-9418	(330) 335-6767	Traditional
Apple Ohio LLC	2897 S. Arlington Road	Akron	OH	44312-4715	(330) 644-5303	Traditional
Apple Ohio LLC	1421 Town Center Blvd.	Brunswick	OH	44212-6353	(330) 220-6189	Traditional
Apple Ohio LLC	9174 Mentor Avenue	Mentor	OH	44060-6479	(440) 974-3777	Traditional
Apple Ohio LLC	1540 West River Road, North	Elyria	OH	44035-2714	(440) 324-1700	Traditional
Apple Ohio LLC	35055 Maple Grove Rd	Willoughby	OH	44094-9605	(440) 942-8740	Traditional
Apple Ohio LLC	4981 Dressler Road	North Canton	OH	44718-2590	(330) 492-3900	Traditional
Apple Ohio LLC	3989 Burbank Road	Wooster	OH	44691-8520	(330) 345-8900	Traditional
Apple Ohio LLC	1023 N. Lexington-Springmill Rd.	Mansfield	OH	44906-1120	(419) 747-5300	Traditional
Apple Ohio LLC	4115 Pearl Road	Medina	OH	44256-7649	(330) 723-2311	Traditional
Apple Ohio LLC	32 Massillon Marketplace Dr. SW	Massillon	OH	44647-7999	(330) 834-9776	Traditional
Apple Ohio LLC	5658 Mayfield Road	Lyndhurst	OH	44124-2916	(440) 646-1540	Traditional
Apple Ohio LLC	35916 Detroit Road	Avon	OH	44011-1653	(440) 937-3081	Traditional
Apple Ohio LLC	3528 Hudson Dr.	Stow	OH	44224-2907	(330) 926-1084	Traditional
Apple Ohio LLC	220 Tallmadge Road	Kent	OH	44240-7204	(330) 673-2406	Traditional
Apple Ohio LLC	3401 Steelyard Drive	Cleveland	OH	44109-2385	(216) 661-3756	Traditional
Apple Ohio LLC	20705 Center Ridge Road	Fairview Park	OH	44116-4316	(440) 333-5900	Traditional
Apple Ohio LLC	508 Howe Avenue	Cuyahoga Falls	OH	44221-4906	(330) 928-1500	Traditional
Apple Ohio LLC	6871 Pearl Road	Middleburg Heights	OH	44130-3616	(440) 845-8900	Traditional
Apple Ohio LLC	4800 Ridge Road - RPS	Brooklyn	OH	44144-3329	(216) 351-9001	Traditional
Apple Ohio LLC	3241 North Ridge Road East	Ashtabula	OH	44004-4307	(440) 998-1411	Traditional
Apple Ohio LLC	2250 Claremont Ave.	Ashland	OH	44805-4511	(419) 207-9088	Traditional
Apple Ohio LLC	4296 Kent Road	Stow	OH	44224-4325	(330) 688-6818	Traditional
Apple Ohio LLC	5010 Great Northern Plaza South	North Olmsted	OH	44070-4388	(440) 779-0200	Traditional
Apple Marietta, LLC	482 Pike Street	Marietta	OH	45750-3328	(740) 374-5390	Traditional
Legacy Apple III, LLC	547 E. State Street	Athens	OH	45701-2104	(740) 592-2606	Traditional
Legacy Apple III, LLC	389 John Scott Highway	Steubenville	OH	43952-3009	(740) 264-9448	Traditional
Legacy Apple III, LLC	4610 Gallia Street	New Boston	OH	45662-5564	(740) 456-5200	Traditional
Legacy Apple III, LLC	3181 Maple Ave.	Zanesville	OH	43701-1460	(740) 588-9244	Traditional
Apple St. Clairsville, LLC	50655 Valley Frontage Road	St. Clairsville	OH	43950-1721	(740) 695-8440	Traditional
RMH FRANCHISE CORPORATION	2680 W. Broadway	Ardmore	OK	73401-2531	(580) 490-3373	Traditional
RMH FRANCHISE CORPORATION	2002 N US HWY 81	Duncan	OK	73533-8930	(580) 475-0031	Traditional
RMH FRANCHISE CORPORATION	1001 Westside Drive	Durant	OK	74701-2941	(580) 931-9306	Traditional
RMH FRANCHISE CORPORATION	6211 N.W. Cache Road	Lawton	OK	73505-3312	(580) 536-8600	Traditional
RMH FRANCHISE CORPORATION	3501 North Main	Altus	OK	73521-9200	(580) 480-1500	Traditional
RMH FRANCHISE CORPORATION	1220 N. Mississippi	Ada	OK	74820-2216	(580) 272-6534	Traditional
APPLE AB ENTERPRISES, INC.	3807 SW 21st St.	Redmond	OR	97756-7771	(541) 923-4777	Traditional
Apple Oregon LLC	1915 NE Four Acre Place	Corvallis	OR	97330-4209	(541) 758-2204	Traditional
Apple Oregon LLC	6325 S.W. Meadows Road	Lake Oswego	OR	97034-3172	(503) 968-8040	Traditional
Apple Oregon LLC	747 Lancaster Drive, N.E.	Salem	OR	97301-2928	(503) 581-8040	Traditional
Apple Oregon LLC	10004 NE Halsey St.	Portland	OR	97220-4475	(503) 408-8088	Traditional
Apple Oregon LLC	1220 N.W. 185th Avenue	Beaverton	OR	97008-3888	(503) 690-8040	Traditional

Apple Oregon LLC	3026 Gateway Street	Springfield	OR	97477-1087	(541) 744-1364	Traditional
Apple Oregon LLC	489 N.W. Burnside Road	Gresham	OR	97030-3714	(503) 666-2603	Traditional
Apple Oregon LLC	2300 W 11th Avenue	Eugene	OR	97402-3312	(541) 338-7121	Traditional
Apple Oregon LLC	10172 SE 82nd Ave	Portland	OR	97086-2306	(503) 775-7770	Traditional
Apple Oregon LLC	2625 Liberty Street NE	Salem	OR	97303-6507	(503) 365-0372	Traditional
Apple Oregon LLC	2755 NW Edenbower Blvd.	Roseburg	OR	97470-6228	(541) 440-6712	Traditional
Apple Oregon LLC	5070 Commercial St. S.E.	Salem	OR	97306-3573	(503) 364-1775	Traditional
Apple Oregon LLC	1525 SE Geary St	Albany	OR	97322-6838	(541) 928-9595	Traditional
APPLE AB ENTERPRISES, INC.	2750 Campus Drive	Klamath Falls	OR	97601-1125	(541) 850-1080	Traditional
APPLE AB ENTERPRISES, INC.	250 NE Agness Ave.	Grants Pass	OR	97526-3904	(541) 956-8652	Traditional
SCOTT'S APPLE, INC.	7790 Peach Street	Erie	PA	16509-4727	(814) 866-8210	Traditional
Scott's Apple Meadville, Inc.	11227 Shaw Avenue	Meadville	PA	16335-3711	(814) 333-2848	Traditional
Scott's Apple West, Inc.	2911 West 12th Street	Erie	PA	16505-3921	(814) 838-1144	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	12825 Washington Township Blvd	Waynesboro	PA	17268-8503	(717) 749-3057	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1050 Wayne Avenue	Chambersburg	PA	17201-2924	(717) 263-4040	Traditional
RMH FRANCHISE CORPORATION	201 S. Hermitage Road	Hermitage	PA	16148-3310	(724) 342-3979	Traditional
DELAWARE VALLEY ROSE, L.P.	9142 Roosevelt Blvd.	Philadelphia	PA	19115-4714	(215) 677-5532	Traditional
DELAWARE VALLEY ROSE, L.P.	1063 East Street Road	Southampton	PA	18966-4232	(215) 357-9532	Traditional
DELAWARE VALLEY ROSE, L.P.	555 S. Trooper Road	Norristown	PA	19403-2308	(610) 631-8184	Traditional
DELAWARE VALLEY ROSE, L.P.	7150 Hamilton Blvd.	Trexlerstown	PA	18087-9725	(610) 366-8200	Traditional
DELAWARE VALLEY ROSE, L.P.	3702 Easton-Nazareth Hwy.	Easton	PA	18045-8340	(610) 923-7611	Traditional
DELAWARE VALLEY ROSE, L.P.	2333 Welsh Road	Lansdale	PA	19446-6818	(215) 631-9605	Traditional
DELAWARE VALLEY ROSE, L.P.	2710 Dekalb Pike	East Norriton	PA	19401-1821	(610) 239-8666	Traditional
DELAWARE VALLEY ROSE, L.P.	3219 Street Road	Bensalem	PA	19020-2032	(215) 633-7847	Traditional
DELAWARE VALLEY ROSE, L.P.	70 Buckwalter Road	Limerick	PA	19468-1846	(610) 792-8180	Traditional
DELAWARE VALLEY ROSE, L.P.	2109 Motel Drive	Bethlehem	PA	18018-1067	(610) 867-7332	Traditional
DELAWARE VALLEY ROSE, L.P.	145 N. West End Blvd.	Quakertown	PA	18951-2306	(215) 529-7343	Traditional
DELAWARE VALLEY ROSE, L.P.	833 N. State Street	Pottstown	PA	19464-1850	(610) 718-5686	Traditional
DELAWARE VALLEY ROSE, L.P.	1905 Ridgewood Road	Wyomissing	PA	19610-1231	(610) 372-6444	Traditional
DELAWARE VALLEY ROSE, L.P.	320 Macdade Blvd.	Folsom	PA	19033-2509	(610) 461-7573	Traditional
ROSE CASUAL DINING, L.P.	1107 West Chester Pike	West Chester	PA	19382-5004	(610) 696-0751	Traditional
ROSE CASUAL DINING, L.P.	5600 Perkiomen Ave.	Reading	PA	19606-3682	(610) 404-2700	Traditional
ROSE CASUAL DINING, L.P.	939 Columbia Blvd.	Bloomsburg	PA	17815-8844	(570) 387-3334	Traditional
ROSE CASUAL DINING, L.P.	74 Viewmont Mall	Scranton	PA	18508-1364	(570) 342-2781	Traditional
ROSE CASUAL DINING, L.P.	300 International Dr.	Lewisburg	PA	17837-7488	(570) 522-6513	Traditional
ROSE CASUAL DINING, L.P.	3730 Nazareth Pike	Bethlehem	PA	18020-1138	(610) 868-8569	Traditional
ROSE CASUAL DINING, L.P.	3050 N. 5th Street Highway	Reading	PA	19605-2473	(610) 929-8037	Traditional
ROSE CASUAL DINING, L.P.	2 West Road	Newtown	PA	18940-4301	(215) 497-3470	Traditional
ROSE CASUAL DINING, L.P.	2535-37 Castor Avenue	Philadelphia	PA	19134-5501	(215) 744-1531	Traditional
ROSE CASUAL DINING, L.P.	4301 Pennell Road	Aston	PA	19014-3033	(610) 485-3528	Traditional
ROSE CASUAL DINING, L.P.	2 Weis Lane	West Hazleton	PA	18201-1509	(570) 450-6674	Traditional
ROSE CASUAL DINING, L.P.	3479 E. Lincoln Hwy.	Thorndale	PA	19372-1014	(610) 383-0150	Traditional
SCOTT'S APPLE, INC.	2725 Market Street	Warren	PA	16365-5214	(814) 406-7373	Traditional
SCOTT'S APPLE, INC.	4002 Buffalo Road	Erie	PA	16510-2005	(814) 898-0150	Traditional
Apple Pennsylvania LLC	110 Countryside Plaza	Mt. Pleasant	PA	15666-1816	(724) 547-6102	Traditional
Apple Pennsylvania LLC	22296 State Highway 68	Clarion	PA	16214-4004	(814) 226-7590	Traditional
Apple Pennsylvania LLC	525 Grandview Crossing Drive	Gibsonia	PA	15044-7101	(724) 449-3222	Traditional
Apple Pennsylvania LLC	500 Butler Crossing	Butler	PA	16001-2437	(724) 256-8782	Traditional
Apple Pennsylvania LLC	425 Galleria Drive	Johnstown	PA	15904-8913	(814) 269-4500	Traditional
Apple Pennsylvania LLC	1004 Trinity Circle	Washington	PA	15301-2972	(724) 229-7020	Traditional
Apple Pennsylvania LLC	12 Colonnade Way	State College	PA	16803-2309	(814) 235-3890	Traditional
Apple Pennsylvania LLC	1601 South Braddock Avenue	Pittsburgh	PA	15218-1663	(412) 731-9782	Traditional
Apple Pennsylvania LLC	2045 Lebanon Church Road	Pittsburgh	PA	15122-2461	(412) 653-9437	Traditional
Apple Pennsylvania LLC	3944 Brodhead Road	Monaca	PA	15061-3029	(724) 728-0751	Traditional
Apple Pennsylvania LLC	1050 Village Center Drive	Tarentum	PA	15084-3847	(724) 274-5019	Traditional
Apple Pennsylvania LLC	102 Walmart Drive	Uniontown	PA	15401-8421	(724) 434-2501	Traditional
Apple Pennsylvania LLC	3300 Wilmington Road	New Castle	PA	16105-1039	(724) 598-6280	Traditional

Apple Pennsylvania LLC	5290 Route 30	Greensburg	PA	15601-6405	(724) 834-2825	Traditional
Apple Pennsylvania LLC	6570 Rt.60 Steubenville Pike	Pittsburgh	PA	15205-1156	(412) 494-9331	Traditional
Apple Pennsylvania LLC	4039 Washington Road	McMurray	PA	15317-2520	(724) 942-4870	Traditional
Apple Pennsylvania LLC	4920 William Penn Highway	Murrysville	PA	15668-2020	(724) 733-3976	Traditional
Apple Pennsylvania LLC	2101 Greentree Road	Pittsburgh	PA	15220-1400	(412) 276-9166	Traditional
Apple Pennsylvania LLC	3440 William Penn Highway	Pittsburgh	PA	15235-5413	(412) 823-3363	Traditional
Apple Pennsylvania LLC	1685 Route 228	Cranberry Twp	PA	16066-5323	(724) 742-8668	Traditional
Apple Pennsylvania LLC	4801 McKnight Road	Pittsburgh	PA	15237-3406	(412) 369-8418	Traditional
Apple Pennsylvania LLC	850 Chippewa Town Centre Drive	Beaver Falls	PA	15010-7101	(724) 847-2660	Traditional
Harrisburg Rose, L.P.	101 Northern Way	York	PA	17402-2400	(717) 755-8681	Traditional
Harrisburg Rose, L.P.	2321 Lincoln Highway East	Lancaster	PA	17601-1420	(717) 290-8330	Traditional
Harrisburg Rose, L.P.	260 Noble Blvd.	Carlisle	PA	17013-4012	(717) 245-2500	Traditional
Harrisburg Rose, L.P.	1181 Mae Street	Hummelstown	PA	17036-9186	(717) 566-8399	Traditional
APPLE AMERICAN GROUP LLC	977 Magill Drive	North Huntingdon	PA	15642-3993	(724) 863-2053	Traditional
APPLE AMERICAN GROUP LLC	222 Jamesway Rd.	Ebensburg	PA	15931-4207	(814) 472-4239	Traditional
TLC CENTRAL, LLC	1860 Elmira Street	Sayre	PA	18840-9248	(570) 888-3300	Traditional
DELAWARE VALLEY ROSE, L.P.	323 Old York Road	Jenkintown	PA	19046-4001	(215) 572-9941	Traditional
ROSE CASUAL DINING, L.P.	1305 West Chester Pike	Havertown	PA	19083-2813	(610) 449-2296	Traditional
ROSE CASUAL DINING, L.P.	901 N. Susquehanna Trail	Selinsgrove	PA	17870-7960	(570) 374-7339	Traditional
DELAWARE VALLEY ROSE, L.P.	815 E. Baltimore Pike	Kennett Square	PA	19348-1863	(610) 444-8092	Traditional
ROSE CASUAL DINING, L.P.	2501 Aramingo Ave.	Philadelphia	PA	19125-3728	(215) 634-8600	Traditional
ROSE CASUAL DINING, L.P.	253 Wilkes-Barre Township Blvd	Wilkes-Barre	PA	18701-6706	(570) 822-3100	Traditional
Harrisburg Rose, L.P.	320 E. Main Street	Ephrata	PA	17522-2535	(717) 738-5200	Traditional
Harrisburg Rose, L.P.	3501 Paxton St.	Harrisburg	PA	17111-1403	(717) 561-2248	Traditional
DELAWARE VALLEY ROSE, L.P.	7650 City Line	Philadelphia	PA	19151-2007	(215) 477-3397	Traditional
DELAWARE VALLEY ROSE, L.P.	1510 N Cedar Crest Blvd	Allentown	PA	18104-2303	(610) 530-2450	Traditional
Apple Pennsylvania LLC	317 West Plank Road	Altoona	PA	16602	(814) 941-7171	Traditional
APPLE CARIBE, INC.	Plaza Las Americas Shopping Center	San Juan	PR	00918	787-765-5000	Traditional
APPLE CARIBE, INC.	Western Plaza	Mayaguez	PR	00680	(787) 625-1606	Traditional
APPLE CARIBE, INC.	State Road #3	Carolina	PR	00985	(787) 625-1602	Traditional
APPLE CARIBE, INC.	Carr#2 Bo Carrazales	Hatillo	PR	659		Traditional
APPLE CARIBE, INC.	Carretera #29 Sector La Cambija Barrio Juan Sanchez	BAYAMON	PR	00961	+1 939-2252045	Traditional
APPLE CARIBE, INC.	Plaza Dorado Shopping Center	Dorado	PR	00646	787-625-1591	Traditional
APPLE CARIBE, INC.	Ave Los Romeroes Esquina Avenida Boulevard La Montana Lote 4-4 BO Caimito	Av. Montehiedra	PR	00926	787-625-1608	Traditional
Apple New England LLC	300 Quaker Ln	Wanwick	RI	02886-2154	(401) 823-8181	Traditional
Apple New England LLC	15 South County Commons Way	South Kingstown	RI	02879-2234	(401) 782-4578	Traditional
Apple New England LLC	349 West Main Road	Middletown	RI	02842-6309	(401) 849-5676	Traditional
Apple New England LLC	830 Centre of New England Blvd	Coventry	RI	02816-6070	(401) 826-0057	Traditional
Apple New England LLC	446 Putnam Pike	Smithfield	RI	02828-3054	(401) 949-1044	Traditional
Apple New England LLC	1855 Diamond Hill Rd	Woonsocket	RI	02895-2501	(401) 767-1010	Traditional
Legacy Apple V, LLC	88 Old Trolley Road	Summerville	SC	29485-4904	(843) 871-0682	Traditional
Legacy Apple V, LLC	704 W Wade Hampton Blvd.	Greer	SC	29651-1809	(864) 848-0073	Traditional
Legacy Apple V, LLC	10102 Two Notch Road	Columbia	SC	29223-4383	(803) 419-2235	Traditional
Legacy Apple V, LLC	3441 Clemson Blvd.	Anderson	SC	29621-1356	(864) 225-4752	Traditional
Legacy Apple V, LLC	696 Bypass 123	Seneca	SC	29678-2254	(864) 882-6006	Traditional
Legacy Apple V, LLC	5185 Fernandina Road	Columbia	SC	29212-2346	(803) 749-4767	Traditional
Legacy Apple V, LLC	5055 Calhoun Memorial Blvd.	Easley	SC	29640-3837	(864) 855-2586	Traditional
Legacy Apple V, LLC	2815 Augusta Road	W. Columbia	SC	29170-3322	(803) 926-1759	Traditional
Legacy Apple V, LLC	125 Rainbow Lake Road	Boiling Springs	SC	29316-6255	(864) 814-7076	Traditional
Legacy Apple V, LLC	1268 Highway 9 Bypass	Lancaster	SC	29720-1780	(803) 286-7778	Traditional
Legacy Apple V, LLC	2360 Chestnut Street	Orangeburg	SC	29115-3236	(803) 535-0051	Traditional
Legacy Apple V, LLC	3944 Grandview Drive	Simpsonville	SC	29680-3163	(864) 228-0461	Traditional
Legacy Apple V, LLC	1512 W. Floyd Baker Avenue	Gaffney	SC	29341-1204	(864) 489-6622	Traditional
Legacy Apple V, LLC	640 Rembert C Dennis Blvd.	Moncks Corner	SC	29461-3104	(843) 761-4545	Traditional
Legacy Apple V, LLC	203 S 5th Street	Hartsville	SC	29550-4211	(843) 339-2611	Traditional
Legacy Apple V, LLC	1617 Bypass 72 N.E.	Greenwood	SC	29649-1606	(864) 229-4434	Traditional
Legacy Apple V, LLC	605 Columbia Avenue	Lexington	SC	29072-2619	(803) 356-6889	Traditional
Legacy Apple V, LLC	2227 Dave Lyle Boulevard	Rock Hill	SC	29730-4973	(803) 970-6090	Traditional

Legacy Apple V, LLC	1647 Church Street	Conway	SC	29526-2959	(843) 248-0078	Traditional
Legacy Apple V, LLC	1360 Whiskey Road	Aiken	SC	29803-5392	(803) 642-8175	Traditional
Legacy Apple V, LLC	1950 E Main Street	Spartanburg	SC	29307-2305	(864) 542-1978	Traditional
Legacy Apple V, LLC	437 Killian Rd	Columbia	SC	29203-9608	(803) 735-8089	Traditional
Legacy Apple V, LLC	430 Congaree Road	Greenville	SC	29607-2729	(864) 288-6642	Traditional
Legacy Apple V, LLC	7602 Warren H Abernathy Hwy	Spartanburg	SC	29301-2577	(864) 574-8098	Traditional
Apple Sumter, LLC	2497 Broad Street	Sumter	SC	29150-1820	(803) 469-3576	Traditional
Apple Columbia Devine, LLC	4505 Devine Street	Columbia	SC	29205-3613	(803) 787-4687	Traditional
Apple SFX, LLC	4001 West 41st Street	Sioux Falls	SD	57106-0702	(605) 362-1926	Traditional
Apple H2O, LLC	2630 9th Avenue SE	Watertown	SD	57201-7193	(605) 882-8804	Traditional
Apple RAP, LLC	2160 Haines Ave.	Rapid City	SD	57701-7848	(605) 394-0338	Traditional
Apple SF2, LLC	3221 E. 10th Street	Sioux Falls	SD	57103-2104	(605) 977-4640	Traditional
Apple FSH, LLC	301 N. 27th St.	Spearfish	SD	57783-3213	(605) 642-9480	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2536 Decatur Pike	Athens	TN	37303-4929	(423) 745-8986	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2912 Knoxville Center Drive	Knoxville	TN	37924-2013	(865) 523-2600	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	261 North Peters Road	Knoxville	TN	37923-4910	(865) 531-5819	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	1213 Oak Ridge Turnpike	Oak Ridge	TN	37830-6444	(865) 483-1234	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	1661 East Stone Drive	Kingsport	TN	37660-4609	(423) 246-6373	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	168 Paul Huff Parkway NW	Cleveland	TN	37312-2900	(423) 479-4546	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	5606 Brainerd Road	Chattanooga	TN	37421-5310	(423) 553-9203	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2564 Alcoa Highway	Alcoa	TN	37701-3133	(865) 984-6444	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	425 Volunteer Parkway	Bristol	TN	37620-2206	(423) 968-1855	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	5316 Central Avenue	Knoxville	TN	37912-3517	(865) 689-3300	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	1010 Overmountain Drive	Elizabethton	TN	37643-2855	(423) 547-9300	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2328 W Andrew Johnson Highway	Morristown	TN	37814-3208	(423) 585-5333	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2100 North Roan Street	Johnson City	TN	37601-2504	(423) 283-0996	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	2771 E Andrew Johnson Hwy	Greeneville	TN	37745-0955	(423) 636-1483	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	207 Collier Drive	Sevierville	TN	37862-6911	(865) 908-9424	Traditional
QUALITY RESTAURANT CONCEPTS, L.L.C.	5595 Highway 153	Hixson	TN	37343	(423) 443-4629	Traditional
Apple TOM, LLC	718 Thompson Lane	Nashville	TN	37204-3600	(615) 298-3298	Traditional
Apple TLA, LLC	1957 N Jackson Street	Tulahoma	TN	37388-2203	(931) 393-2270	Traditional
Apple DXN, LLC	543-A Hwy. 46 South	Dickson	TN	37055-2563	(615) 446-6446	Traditional
Apple COL, LLC	705 S James Campbell Blvd	Columbia	TN	38401-3982	(931) 380-0503	Traditional
Apple MCM, LLC	1311 Smithville Hwy.	Mc Minnville	TN	37110-1422	(931) 473-1999	Traditional
Apple CLK, LLC	3066 Wilma Rudolph	Clarksville	TN	37043-2300	(931) 551-8020	Traditional
APPLE TEXAS RESTAURANTS, INC	3426 W. Illinois Ave.	Dallas	TX	75211-8722	(214) 339-8115	Traditional
Maya Maya, Inc.	9911 W Interstate 10	San Antonio	TX	78230-2237	(210) 437-1271	Traditional
Damaraya, LP	1500 SW Loop 410	San Antonio	TX	78227-1605	(210) 675-7775	Traditional
RMH FRANCHISE CORPORATION	1829 W. Expressway 83	Weslaco	TX	78596-4300	(956) 973-1529	Traditional
RMH FRANCHISE CORPORATION	2810 Soncy Road	Amarillo	TX	79121-1046	(806) 351-2810	Traditional
RMH FRANCHISE CORPORATION	2911 Kemp Blvd	Wichita Falls	TX	76308-1016	(940) 767-5287	Traditional
RMH FRANCHISE CORPORATION	514 E. Expressway 83	McAllen	TX	78503-1615	(956) 686-8484	Traditional
RMH FRANCHISE CORPORATION	7601 San Dario Avenue	Laredo	TX	78045-7414	(956) 725-9900	Traditional
RMH FRANCHISE CORPORATION	10719 International Boulevard	Laredo	TX	78045-6898	(956) 795-1976	Traditional
RMH FRANCHISE CORPORATION	1820 US Highway 181	Portland	TX	78374-4191	(361) 643-2489	Traditional
RMH FRANCHISE CORPORATION	306 E Mile 3 Rd	Palmhurst	TX	78573-0159	(956) 519-4572	Traditional
RMH FRANCHISE CORPORATION	1519 West Harrison	Harlingen	TX	78550-6067	(956) 425-5544	Traditional
RMH FRANCHISE CORPORATION	6691 S. Padre Island Dr.	Corpus Christi	TX	78412-4901	(361) 906-1999	Traditional
RMH FRANCHISE CORPORATION	1913 W. Trenton Road	Edinburg	TX	78539-4425	(956) 994-3378	Traditional
RMH FRANCHISE CORPORATION	4601 N 10th Street	McAllen	TX	78504-2911	(956) 618-0600	Traditional
RMH FRANCHISE CORPORATION	4025 South Loop 289	Lubbock	TX	79423-1131	(806) 785-4025	Traditional
HRGNB, INC	995 IH35 North	New Braunfels	TX	78130-3782	(830) 358-7018	Traditional
HRGDRU, INC	15802 IH-10 West	San Antonio	TX	78249-2392	(210) 255-1182	Traditional
HRGMLT, INC	1511 S.W. Military Drive	San Antonio	TX	78221-1426	(210) 263-9035	Traditional
Yamadaya, LP	2777 N. Hwy 123	Seguin	TX	78155	(830) 379-1241	Traditional
HRGKY, INC	5363 Kyle Center Drive	Kyle	TX	78640-6318	(512) 262-0200	Traditional
HRGBAN, INC	11605 W. 1604 North	San Antonio	TX	78254-4411	(210) 251-4984	Traditional
Lone Star Apple, LLC	3460 Joe Battle Blvd	El Paso	TX	79938-2638	(915) 849-8558	Traditional
Lone Star Apple, LLC	4700 Woodrow Bean	El Paso	TX	79924-4406	(915) 751-3324	Traditional

Lone Star Apple, LLC	7956 Gateway East	El Paso	TX	79915-1816	(915) 598-7006	Traditional
Lone Star Apple, LLC	1350 George Dieter	El Paso	TX	79936-7408	(915) 856-1047	Traditional
Lone Star Apple, LLC	13781 Horizon Blvd.	Horizon City	TX	79928	(915) 249-3832	Traditional
Lone Star Apple, LLC	5800 North Mesa	El Paso	TX	79912-4608	(915) 833-8899	Traditional
Lone Star Apple, LLC	1985 George Dieter	El Paso	TX	79936-3855	(915) 590-6411	Traditional
Lone Star Apple, LLC	1766 Airway Blvd	El Paso	TX	79925-1035	(915) 771-7630	Traditional
Lone Star Apple, LLC	440 E. Redd Rd.	El Paso	TX	79912-1217	(915) 585-2200	Traditional
HRGDEL, INC	2205 Veterans Blvd, Suite F16	Del Rio	TX	78840-3107	(830) 422-2167	Traditional
APPLE HOUSTON RESTAURANTS, INC	6315 S Interstate Highway 35	Austin	TX	78744-3413	(512) 912-0202	Traditional
APPLE HOUSTON RESTAURANTS, INC	2959 N. Loop 610 W.	Houston	TX	77008-1072	(713) 864-6486	Traditional
APPLE HOUSTON RESTAURANTS, INC	12740 Southwest Freeway	Stafford	TX	77477-3805	(281) 265-1415	Traditional
APPLE TEXAS RESTAURANTS, INC	4654 South Cooper Street	Arlington	TX	76017-5865	(817) 557-0085	Traditional
APPLE TEXAS RESTAURANTS, INC	2225 S. Loop 256	Palestine	TX	75801-4701	(903) 729-8888	Traditional
APPLE TEXAS RESTAURANTS, INC	125 North Plano Road	Richardson	TX	75081-3827	(972) 238-9591	Traditional
APPLE TEXAS RESTAURANTS, INC	1808 S.W. HK Dodgen Loop	Temple	TX	76504-7132	(254) 771-5991	Traditional
APPLE TEXAS RESTAURANTS, INC	6600 West Freeway	Fort Worth	TX	76116-2162	(817) 732-8862	Traditional
APPLE TEXAS RESTAURANTS, INC	687 E Interstate 30	Rockwall	TX	75087-5528	(972) 772-5227	Traditional
APPLE TEXAS RESTAURANTS, INC	6301 Lake Worth Blvd.	Lake Worth	TX	76135-3601	(817) 237-9344	Traditional
APPLE TEXAS RESTAURANTS, INC	1110 E. Tyler Street	Athens	TX	75751-2146	(903) 675-2230	Traditional
APPLE TEXAS RESTAURANTS, INC	19035 I-635	Mesquite	TX	75150-5633	(972) 682-6378	Traditional
APPLE TEXAS RESTAURANTS, INC	543 E FM 3040	Lewisville	TX	75067-8310	(972) 315-6002	Traditional
APPLE TEXAS RESTAURANTS, INC	2672 FM 423	Little Elm	TX	75068-7656	(972) 464-2616	Traditional
APPLE TEXAS RESTAURANTS, INC	1901 S IH 45	Corsicana	TX	75110-9045	(903) 872-7630	Traditional
APPLE TEXAS RESTAURANTS, INC	2700 East Central Texas Exp.	Killeen	TX	76543-5331	(254) 526-9711	Traditional
APPLE TEXAS RESTAURANTS, INC	7004 Wesley	Greenville	TX	75402-7133	(903) 455-9862	Traditional
APPLE TEXAS RESTAURANTS, INC	707 S Interstate 35 E	Denton	TX	76205-8101	(940) 591-9353	Traditional
APPLE TEXAS RESTAURANTS, INC	810 South Cockrell Hill Road	Duncanville	TX	75137-2622	(972) 283-8799	Traditional
APPLE TEXAS RESTAURANTS, INC	1115 N. Burleson Blvd.	Burleson	TX	76028-7009	(817) 426-5091	Traditional
APPLE TEXAS RESTAURANTS, INC	2415 W Interstate 20	Grand Prairie	TX	75052-3928	(972) 522-1960	Traditional
APPLE TEXAS RESTAURANTS, INC	3905 Lamar Avenue	Paris	TX	75462-5211	(903) 784-1005	Traditional
APPLE TEXAS RESTAURANTS, INC	216 W Katherine P Rains Rd	Cleburne	TX	76033-5018	(817) 645-3585	Traditional
APPLE TEXAS RESTAURANTS, INC	114 West US Highway 80	Forney	TX	75126-7170	(972) 552-5571	Traditional
APPLE TEXAS RESTAURANTS, INC	1901 North Beltline Road	Irving	TX	75061-1511	(972) 313-0081	Traditional
APPLE TEXAS RESTAURANTS, INC	945 N. Saginaw Blvd	Saginaw	TX	76179-1236	(817) 306-3680	Traditional
APPLE TEXAS RESTAURANTS, INC	4616 Lakeview Parkway	Rowlett	TX	75088-4027	(972) 412-2630	Traditional
APPLE TEXAS RESTAURANTS, INC	2525 E. Highway 190	Copperas Cove	TX	76522-2559	(254) 518-3001	Traditional
APPLE TEXAS RESTAURANTS, INC	2251 Grapevine Mills Circle	Grapevine	TX	76051-2053	(214) 253-0830	Traditional
APPLE TEXAS RESTAURANTS, INC	335 E. State Highway 243	Canton	TX	75103-2410	(903) 567-0100	Traditional
APPLE TEXAS RESTAURANTS, INC	1820 W University Drive	McKinney	TX	75069-3221	(972) 562-8016	Traditional
APPLE TEXAS RESTAURANTS, INC	601 N. Hwy. 77	Waxahachie	TX	75165-1100	(972) 937-9422	Traditional
Caddo Apple, Inc.	5110 Summerhill Road	Texarkana	TX	75503-1824	(903) 792-9476	Traditional
Caddo Apple, Inc.	2305 East End Blvd, South	Marshall	TX	75672-7449	(903) 938-8180	Traditional
Caddo Apple, Inc.	2300 Greenhill Road	Mt. Pleasant	TX	75455-6734	(903) 577-7234	Traditional
Kayamada, Inc.	203 N. Loop 1604	San Antonio	TX	78232	(210) 967-3017	Traditional
HRGAIR, INC	97 Loop 410 N.E.	San Antonio	TX	78216-5823	(210) 257-0348	Traditional
HRGUV, INC	3060 E. Main Street	Uvalde	TX	78801-6403	(830) 261-5158	Traditional
Ramamara, LP	3820 Broadway	San Antonio	TX	78209-6310	(210) 824-8113	Traditional
HRGWAL, INC	7880 IH35 North	San Antonio	TX	78218-2204	(210) 263-9068	Traditional
APPLE HOUSTON RESTAURANTS, INC	2952 I-45 N	Conroe	TX	77303-1613	(936) 756-3281	Traditional
APPLE HOUSTON RESTAURANTS, INC	101 West Loop 281	Longview	TX	75605-4651	(903) 663-1267	Traditional
APPLE HOUSTON RESTAURANTS, INC	5103 Fairmont Parkway	Pasadena	TX	77505-3727	(281) 991-7800	Traditional
APPLE HOUSTON RESTAURANTS, INC	2700 Parker Rd Ste A	Round Rock	TX	78681-7990	(512) 388-7353	Traditional
APPLE HOUSTON RESTAURANTS, INC	350 S Interstate Highway 35	Georgetown	TX	78626-5532	(512) 863-4762	Traditional
APPLE HOUSTON RESTAURANTS, INC	11013 Lakeline Mall Drive	Cedar Park	TX	78613-1512	(512) 257-9747	Traditional
APPLE TEXAS RESTAURANTS, INC	6464 E. Northwest Highway	Dallas	TX	75231-1580	(214) 361-7625	Traditional
APPLE HOUSTON RESTAURANTS, INC	5911 Sam Houston Parkway N.	Houston	TX	77049-2506	(281) 458-2469	Traditional
APPLE HOUSTON RESTAURANTS, INC	19625 Restaurant Row	Houston	TX	77084-4287	(281) 579-3580	Traditional
APPLE HOUSTON RESTAURANTS, INC	501 US Hwy. 290 West	Brenham	TX	77833-1679	(979) 830-0872	Traditional
APPLE HOUSTON RESTAURANTS, INC	14435 F.M. 2100	Crosby	TX	77532-6571	(281) 462-2800	Traditional

APPLE TEXAS RESTAURANTS, INC	3565 Frankford Road	Dallas	TX	75287-6171	(972) 662-4955	Traditional
APPLE HOUSTON RESTAURANTS, INC	5502 S Broadway Ave	Tyler	TX	75703-4355	(903) 509-4848	Traditional
RMH FRANCHISE CORPORATION	4385 Frontage Road	Brownsville	TX	78520	(956) 594-5980	Traditional
Lone Star Apple, LLC	12271 Eastlake Boulevard	El Paso	TX	79938	(915) 249-4254	Traditional
5710, Inc.	160 US Highway 77	Hillsboro	TX	76645	(254) 283-6556	Non-Traditional
Four Leaf Ventures, LLC	2400 Aviation Dr - Terminal D	Dallas	TX	75261-0124	(972) 973-1050	Non-Traditional
APPLE MOUNTAIN WEST JORDAN LLC	3736 W. 7800 South	W. Jordan	UT	84088-4452	(801) 280-6699	Traditional
APPLE MOUNTAIN CEDAR CITY LLC	1352 South Providence Center D	Cedar City	UT	84720-7986	(435) 865-7767	Traditional
APPLE MOUNTAIN LAYTON LLC	1622 N. 1000 West	Layton	UT	84041-5626	(801) 773-9100	Traditional
APPLE MOUNTAIN RIVERDALE LLC	1125 W Riverdale Road	Riverdale	UT	84405-3722	(801) 394-4875	Traditional
APPLE MOUNTAIN ST GEORGE LLC	156 S. River Road	St. George	UT	84790-2114	(435) 628-6600	Traditional
APPLE MOUNTAIN TAYLORSVILLE LLC	5678 S Redwood Road	Taylorsville	UT	84123-5393	(801) 963-5100	Traditional
APPLE MOUNTAIN WEST VALLEY LLC	2175 West City Center Court	West Valley City	UT	84119-3462	(801) 974-4412	Traditional
APPLE MOUNTAIN TOOELE LLC	1280 N. 30 W	Tooele	UT	84074-3472	(435) 882-0064	Traditional
APPLE MOUNTAIN OREM LLC	290 West 1300 South	Orem	UT	84058-7302	(801) 607-2344	Traditional
Apple Vir LLC	4510 Challenger Avenue	Roanoke	VA	24012-7028	(540) 977-0251	Traditional
Apple Vir LLC	400 Old Franklin Turnpike	Rocky Mount	VA	24151-5857	(540) 489-7772	Traditional
Apple Vir LLC	281 W Commonwealth	Martinsville	VA	24112-1820	(276) 638-2377	Traditional
Apple Vir LLC	3624 Candler's Mountain Road	Lynchburg	VA	24502-2226	(434) 528-2626	Traditional
Apple Vir LLC	1806 W. Main Street	Salem	VA	24153-3112	(540) 389-2784	Traditional
Apple Vir LLC	410 Old Mount Cross Road	Danville	VA	24540-5920	(434) 791-4805	Traditional
Apple Vir LLC	1440 East Main Street	Wytheville	VA	24382-3476	(276) 223-4404	Traditional
Apple Vir LLC	691 Hawthorne Drive NE	Norton	VA	24273-4053	(276) 679-5790	Traditional
Apple Vir LLC	1126 E. Stuart Dr.	Galax	VA	24333-2630	(276) 236-2905	Traditional
Apple Vir LLC	3607 Old Halifax Road	South Boston	VA	24592-4917	(434) 572-8356	Traditional
Apple Vir LLC	870 N. Lee Highway	Lexington	VA	24450-3725	(540) 463-2306	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	6310 Richmond Highway	Alexandria	VA	22306-6408	(703) 768-1636	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	2611 Hundred Road West	Chester	VA	23831-2308	(804) 768-4259	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	449 South Park Circle	Colonial Heights	VA	23834-2987	(804) 526-6038	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	9601 W Broad St	Glen Allen	VA	23060-4116	(804) 747-0583	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1426 Kempsville Road	Virginia Beach	VA	23464-7302	(757) 467-8755	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	11900 Iron Bridge Plaza	Chester	VA	23831-1441	(804) 778-4722	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1396 Armory Drive	Franklin	VA	23851-2400	(757) 516-6053	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	103 Lakeview Parkway	Suffolk	VA	23435-2660	(757) 686-1159	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	725 E. Little Creek Rd	Norfolk	VA	23518-3757	(757) 319-4925	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	12970 Fair Lakes Shopping Ctr	Fairfax	VA	22033-5176	(703) 802-9855	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1000 Stafford Market Place	Stafford	VA	22556-4523	(540) 658-0717	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	150 Crock Well's Mill Drive	Winchester	VA	22603-3943	(540) 723-6357	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	900 Moorefield Park Drive	Richmond	VA	23236-3661	(804) 330-3954	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	10823 Hull Street Rd	Midlothian	VA	23112-3315	(804) 276-3855	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1520 Sam's Circle	Chesapeake	VA	23320-4693	(757) 549-1020	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	4040 Virginia Beach Blvd	Virginia Beach	VA	23452-1742	(757) 498-3014	Traditional

POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	139 Lee Jackson Highway	Staunton	VA	24401-5503	(540) 886-3867	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1206 N Main St	Suffolk	VA	23434-4321	(757) 934-8676	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1860 E. Market Street	Harrisonburg	VA	22801-5102	(540) 438-8121	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	7396 Bell Creek Road	Mechanicsville	VA	23111-3545	(804) 559-9223	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	6806 Walton Lane	Gloucester	VA	23061-6113	(804) 694-3160	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	900 Lew DeWitt Blvd.	Waynesboro	VA	22980-7477	(540) 949-7300	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1808 S. Main St.	Farmville	VA	23901-2562	(434) 315-5581	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	2005 Abbey Road	Charlottesville	VA	22911-3540	(434) 293-3208	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	100 Wells Street	La Crosse	VA	23950-1766	(434) 447-4813	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	2851 Plank Road	Fredericksburg	VA	22401-4947	(540) 785-9944	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	45 Riverton Commons Plaza	Front Royal	VA	22630-6768	(540) 635-4302	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	2159 Coliseum Drive	Hampton	VA	23666-5902	(757) 838-8460	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	4132 Portsmouth Blvd	Chesapeake	VA	23321-2134	(757) 465-7024	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	5750 Virginia Beach Blvd	Norfolk	VA	23502-2422	(757) 461-6766	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	1650 Tappahannock Blvd.	Tappahannock	VA	22560-9346	(804) 443-0361	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	101 S. Carter St.	Ashland	VA	23005-2234	(804) 798-2334	Traditional
Legacy Apple III, LLC	516 Commerce Drive	Bluefield	VA	24605-9697	(276) 240-4361	Traditional
Harvest DNC/MFS Food Group	1 Richard E Byrd Terminal Drive	Richmond	VA	23250-2402	(804) 222-1227	Non-Traditional
Apple New England LLC	155 Dorset St	South Burlington	VT	05403-6243	(802) 862-2818	Traditional
Apple New England LLC	225 Woodstock Avenue	Rutland	VT	05701-3317	(802) 747-7700	Traditional
Apple New England LLC	213 Paine Turnpike N.	Berlin	VT	05602-9159	(802) 229-2223	Traditional
APPLE AMERICAN GROUP II, LLC	1604 Plaza Way	Walla Walla	WA	99362-4325	(509) 526-0075	Traditional
Apple Washington II LLC	400 Triangle Center	Longview	WA	98632-3958	(360) 414-8989	Traditional
Apple Washington II LLC	13006 NE HWY 99	Vancouver	WA	98686-2736	(360) 574-8004	Traditional
Apple Washington II LLC	12217 East Mission Ave	Spokane	WA	99206-4849	(509) 928-2494	Traditional
Apple Washington II LLC	43 Columbia Point Drive	Richland	WA	99352-4375	(509) 942-1513	Traditional
Apple Washington II LLC	5305 Road 68	Pasco	WA	99301-9189	(509) 543-7855	Traditional
Apple Washington II LLC	12717 SE 2nd Circle	Vancouver	WA	98684-6018	(360) 944-8088	Traditional
Apple Washington II LLC	9634 N. Newport Hwy.	Spokane	WA	99208-1311	(509) 464-1388	Traditional
Apple Washington II LLC	1505 E. Washington Ave.	Union Gap	WA	98903-1634	(509) 469-2114	Traditional
Apple Washington II LLC	606 N Columbia Center Blvd	Kennewick	WA	99336-7712	(509) 783-0300	Traditional
Apple Washington II LLC	5111 NE 112th Ave	Vancouver	WA	98682-6123	(360) 253-2296	Traditional
Apple Washington LLC	375 S Grady Way	Renton	WA	98056-3229	(425) 687-1200	Traditional
Apple Washington LLC	1919 South 72nd Street	Tacoma	WA	98408-1240	(253) 471-1900	Traditional
Apple Washington LLC	130 River Road	Sequim	WA	98382-9748	(360) 683-9090	Traditional
Apple Washington LLC	16518 Meridian E	Puyallup	WA	98375-6207	(253) 770-7300	Traditional
Apple Washington LLC	5710 134th Place SE	Everett	WA	98208-9420	(425) 337-6242	Traditional
Apple Washington LLC	25442 104Th Ave Se	Kent	WA	98030-6435	(253) 520-3888	Traditional
Apple Washington LLC	806 S E Everett Mall Way	Everett	WA	98208-3735	(425) 514-8300	Traditional
Apple Washington LLC	1069 E. Sunset Dr.	Bellingham	WA	98226-3510	(360) 671-6000	Traditional
Apple Washington LLC	13856 Bel Red Road	Bellevue	WA	98005-4520	(425) 603-9696	Traditional
Apple Washington LLC	3510 South Meridian	Puyallup	WA	98373-3772	(253) 840-4000	Traditional
Apple Washington LLC	31810 State Route 20	Oak Harbor	WA	98277-5208	(360) 679-6100	Traditional

Apple Washington LLC	1670 NW Louisiana Ave.	Chehalis	WA	98532-1711	(360) 748-1800	Traditional
Apple Washington LLC	525 Sleater Kinney Road SE	Lacey	WA	98503-1028	(360) 491-9400	Traditional
Apple Washington LLC	3520 Factoria Blvd. SE	Bellevue	WA	98006-6126	(425) 603-0099	Traditional
Apple Washington LLC	4827 Point Fosdick Drive NW	Gig Harbor	WA	98335-1710	(253) 858-1872	Traditional
Apple Washington LLC	3819 Bridgeport Way W	University Place	WA	98466-4415	(253) 566-5968	Traditional
Apple Washington LLC	1801 S. 320th Ave	Federal Way	WA	98003-5413	(253) 839-2828	Traditional
Apple Washington LLC	17790 Southcenter Parkway	Tukwila	WA	98188-3722	(206) 575-4700	Traditional
Apple Washington LLC	3138 NW Randall Way	Silverdale	WA	98383-7676	(360) 308-8000	Traditional
Apple Washington LLC	188 Cascade Mall Drive	Burlington	WA	98233-3250	(360) 757-1414	Traditional
Apple Washington LLC	10407 Gravelly Lake Dr.	Lakewood	WA	98499-5008	(253) 983-8884	Traditional
Apple Washington LLC	9430 192nd Street East	Bonney Lake	WA	98391-8564	(253) 299-6464	Traditional
Apple Washington LLC	1300A N Miller St	Wenatchee	WA	98801-3798	(509) 667-0707	Traditional
Apple Washington LLC	3702 88th Street NE	Marysville	WA	98270-7214	(360) 651-6600	Traditional
Apple Washington LLC	22916 Bothell-Everett Hwy.	Bothell	WA	98021-9347	(425) 488-7755	Traditional
Apple Washington LLC	4626 196th Street, S.W.	Lynnwood	WA	98036-5515	(425) 672-2626	Traditional
Apple Washington LLC	17024 S.E. 272nd Street	Covington	WA	98042-7355	(253) 856-1900	Traditional
Apple Washington LLC	2500 Capitol Mall Dr SW	Olympia	WA	98502-5023	(360) 352-8500	Traditional
Apple Washington LLC	1441 D Street NE	Auburn	WA	98002-4017	(253) 804-6800	Traditional
THE BLOOMIN' APPLE BELOIT, L.L.C.	2680 Cranston Road	Beloit	WI	53511-6908	(608) 365-9156	Traditional
THE BLOOMIN' APPLE JANESVILLE, L.L.C.	3024 Milton Avenue	Janesville	WI	53545-0239	(608) 756-3559	Traditional
Apple Minnesota LLC	3605 Tower Ave.	Superior	WI	54880-5336	(715) 395-8460	Traditional
Apple Minnesota LLC	2303 State Hwy 25 N	Menomonie	WI	54751-9038	(715) 233-3036	Traditional
Apple Minnesota LLC	2201 Coulee Rd.	Hudson	WI	54016-9179	(715) 377-0741	Traditional
Apple Minnesota LLC	2901 Decker Dr.	Rice Lake	WI	54868-7522	(715) 861-1501	Traditional
Beaver Dam 3829 Inc.	1738 N Spring St	Beaver Dam	WI	53916	(608) 807-5666	Traditional
Brookfield 3839 Inc.	1005 S Moorland Rd	Brookfield	WI	53005	(262) 350-7777	Traditional
SBG Apple North V, LLC	9364 Highway 16	Onalaska	WI	54650-8502	(608) 781-8570	Traditional
SBG Apple North III, LLC	2221 W Stewart Avenue	Wausau	WI	54401-5259	(715) 848-1110	Traditional
SBG Apple North VIII, LLC	4710 East Towne Boulevard	Madison	WI	53704-7412	(608) 244-1368	Traditional
SBG Apple North IV, LLC	4745 Golf Road	Eau Claire	WI	54701-9026	(715) 831-1255	Traditional
SBG Apple North XIV, LLC	2114 N. Central Ave.	Marshfield	WI	54449-8334	(715) 486-1700	Traditional
SBG Apple North XIII, LLC	W180 N9469 Premier Lane	Menomonee Falls	WI	53051-1388	(262) 250-0896	Traditional
SBG Apple North IV, LLC	4435 Calumet Avenue	Manitowoc	WI	54220-8603	(920) 684-1702	Traditional
SBG Apple North IV, LLC	2420 E. Mason Street	Green Bay	WI	54302-3759	(920) 471-4191	Traditional
SBG Apple North IV, LLC	900 Hansen Road	Green Bay	WI	54304-5326	(920) 496-9095	Traditional
SBG Apple North VII, LLC	3100 Golf Road	Delafield	WI	53018-2108	(262) 646-2174	Traditional
SBG Apple North IV, LLC	1834 Miller Park Way	Milwaukee	WI	53219-3611	(414) 645-0946	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	129 Jefferson Crossing Way	Charles Town	WV	25414-5708	(304) 728-8866	Traditional
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	755 Foxcroft Drive	Martinsburg	WV	25401-1839	(304) 263-4970	Traditional
Apple Pennsylvania LLC	25 Southland Drive	Fairmont	WV	26554-2083	(304) 366-4411	Traditional
Apple Pennsylvania LLC	1065 Van Voorhis Road	Morgantown	WV	26505-3403	(304) 599-3733	Traditional
Legacy Apple III, LLC	1135 Third Avenue	Huntington	WV	25701-1507	(304) 525-4321	Traditional
Legacy Apple III, LLC	123 Meadowfield Lane	Princeton	WV	24740-8356	(304) 425-3546	Traditional
Legacy Apple III, LLC	197 Piercy Dr.	Lewisburg	WV	24901-2208	(304) 645-5646	Traditional
Legacy Apple III, LLC	302 Merchants Walk	Summersville	WV	26651-1903	(304) 872-8800	Traditional
Legacy Apple III, LLC	60 Liberty Sq	Hurricane	WV	25526-8827	(304) 757-4310	Traditional
Legacy Apple III, LLC	202 Kanawha Mall	Charleston	WV	25387-2321	(304) 925-6334	Traditional
Apple Vienna, LLC	802 Grand Central Avenue	Vienna	WV	26105-2150	(304) 295-0165	Traditional
Apple Charleston Farms, LLC	3 Dudley Farms Lane	Charleston	WV	25309-8249	(304) 744-2199	Traditional
Apple Clarksburg, LLC	531 Emily Drive	Clarksburg	WV	26301-5509	(304) 623-2092	Traditional
Apple Elkins, LLC	789 Beverly Pike	Elkins	WV	26241-9462	(304) 637-0680	Traditional
Apple Colorado LLC	1401 Dell Range Blvd.	Cheyenne	WY	82009-4865	(307) 638-3434	Traditional
APPLE MOUNTAIN ROCK SPRINGS LLC	2491 Foothill Blvd.	Rock Springs	WY	82901-5611	(307) 362-0200	Traditional

EXHIBIT I-2

LIST OF FRANCHISEES WHO HAVE CEASED TO DO BUSINESS

APPLEBEE'S - LIST OF FRANCHISEES WHO HAVE CEASED TO DO BUSINESS AS OF DECEMBER 28, 2025

Restaurant Account	Address Line 1	City	State/Province/Region	Zip Code	Restaurant Phone Number
Apple of North Alabama, Inc.	89 Chesser Plantation Lane	Chelsea	AL	35043-8125	(205) 678-8800
SBG Apple Central XIV, LLC	17348 Interstate 30	Benton	AR	72015-2242	(501) 575-2393
Apple Mid Cal II LLC	4808 Dublin Blvd.	Dublin	CA	94568-7566	(925) 875-0600
Apple NorCal LLC	501 Rohnert Park Exressway	Rohnert Park	CA	94928-7939	(707) 206-0660
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	1700 W. Int'l Speedway Blvd	Daytona Beach	FL	32114-1300	(386) 253-3656
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	2503 S. Kirkman Rd.	Orlando	FL	32811-2346	(407) 704-6750
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	11030 S International Drive	Orlando	FL	32821-7322	(407) 985-2365
Neighborhood Restaurant Partners Florida Two, LLC	10071 Hutchison Blvd	Panama City Beach	FL	32407-3827	(850) 234-3600
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	3255 University Parkway	Sarasota	FL	34243-4205	(941) 355-1400
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	2901 66th Street North	St. Petersburg	FL	33710-3128	(727) 343-1070
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	6290 W. Irlo Bronson Memorial Hwy	Celebration	FL	34747-4549	(407) 507-3142
Neighborhood Restaurant Partners Florida Two, LLC	7441 W Newberry Rd.	Gainesville	FL	32605-4322	(352) 332-8877
NEIGHBORHOOD RESTAURANT PARTNERS FLORIDA, LLC	4000 Park Blvd.	Pinellas Park	FL	33781-3633	(727) 544-1100
RMH ILLINOIS, LLC	1700 N. Richmond Road	McHenry	IL	60050-4479	(815) 344-6305
APPLE CENTRAL KC, LLC	11000 Metcalf Ave	Overland Park	KS	66210-1834	(913) 661-0441
APPLE CENTRAL KC, LLC	3404 Rainbow Blvd.	Kansas City	KS	66103-2081	(913) 236-4224
APPLE CENTRAL KC, LLC	2912 S. Fourth Street	Leavenworth	KS	66048-5002	(913) 758-1010
APPLE CENTRAL KC, LLC	1700 Village West Parkway	Kansas City	KS	66109-1880	(913) 788-9421
APPLE CENTRAL KC, LLC	16110 W. 135th Street	Olathe	KS	66062-1517	(913) 764-5533
APPLE CENTRAL KC, LLC	1501 N.E. Douglas Street	Lees Summit	MO	64086-4611	(816) 246-6188
APPLE CENTRAL KC, LLC	9330 East 350 Highway	Raytown	MO	64133-6505	(816) 356-1055
TLC WEST, LLC	1641 Niagara Falls Blvd	Amherst	NY	14228-2704	(716) 831-8062
TLC CENTRAL, LLC	2300 N. Tripphammer Road	Ithaca	NY	14850-1088	(607) 257-6200
DOHERTY APPLE BED STUY LLC	1360 Fulton Street	Brooklyn	NY	11216-2636	(718) 943-8000
SBG Apple Central II, LLC	1020 E. State Hwy 152	Mustang	OK	73064-5118	(405) 914-6378
APPLE AB ENTERPRISES, INC.	1388 Biddle Road	Medford	OR	97504-5224	(541) 770-1188
ROSE CASUAL DINING, L.P.	701 Cathedral Road	Philadelphia	PA	19128-2101	(215) 482-2809
APPLE CARIBE, INC.	Plaza 169	Guaynabo	PR	00969	787-523-2337
Apple BRK, LLC	3001 LeFevre Drive	Brookings	SD	57006-4712	(605) 827-0150
APPLE TEXAS RESTAURANTS, INC	649 Uptown Blvd.	Cedar Hill	TX	75104-3508	(972) 293-6388
APPLE TEXAS RESTAURANTS, INC	341 Tanger Dr.	Terrell	TX	75160-4851	(972) 551-1400
APPLE TEXAS RESTAURANTS, INC	2021 N. Highway 287	Mansfield	TX	76063-8842	(682) 518-7456
POTOMAC FAMILY DINING GROUP OPERATING COMPANY LLC	105 West Lee Highway	Warrenton	VA	20186-2107	(540) 341-2044
SBG Apple North XII, LLC	6950 75th Street	Kenosha	WI	53142-3540	(262) 942-7190
SBG Apple North VI, LLC	340 Hwy. 13	Wisconsin Dells	WI	53965-7902	(608) 254-6900
SBG Apple North IV, LLC	2510 W. Washington	West Bend	WI	53095-2106	(262) 306-1068
SBG Apple North IX, LLC	4311 8th Street South	Wisconsin Rapids	WI	54494-7833	(715) 421-3290
SBG Apple North X, LLC	115 E. Industrial Drive	Beaver Dam	WI	53916-3103	(920) 356-9175
SBG Apple North II, LLC	2865 S. 108th Street	West Allis	WI	53214-3543	(414) 327-7832
SBG Apple North XI, LLC	7135 S. 13th Street	Oak Creek	WI	53154-1814	(414) 570-0519
AB Laramie WY LLC	3209 Grand Avenue	Laramie	WY	82070-5146	(307) 745-3880

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

EXHIBIT J

STATE SPECIFIC ADDENDA

STATE SPECIFIC ADDENDA

Addenda to the Franchise Disclosure Document

- a. California
- b. Hawaii
- c. Illinois
- d. Maryland
- e. Michigan
- f. Minnesota
- g. New York
- h. North Dakota
- i. Oregon
- j. Rhode Island
- k. Virginia
- l. Washington

Amendments to Applebee's Neighborhood Grill & Bar Development Agreement

- a. California
- b. Hawaii
- c. Illinois
- d. Maryland
- e. Minnesota
- f. New York
- g. North Dakota
- h. Rhode Island
- i. Washington

Amendments to Applebee's Neighborhood Grill & Bar Franchise Agreement

- a. California
- b. Hawaii
- c. Illinois
- d. Maryland
- e. Minnesota
- f. New York
- g. North Dakota
- h. Rhode Island
- i. Washington

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR CALIFORNIA

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

2. Item 3, the Franchisor and persons listed in Item 2 are not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

3. Item 6, the section entitled “Management Hiring,” is amended by adding the following language: The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

4. Item 17, the Summary under Provision f. of Table 1 (Development Agreement), is amended by adding the following language: California Business and Professions Code Sections 20000 through 20043 provide rights concerning termination or non-renewal of a franchise. If the Development Agreement contains a provision that is inconsistent with the law, the law will control.

5. Item 17, the Summary under Provision f. of Table 1 (Development Agreement), is amended by adding the following language: The Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

6. Item 17, the Summary under Provision m. of Table 1 (Development Agreement), is amended by adding the following language: California Business and Professions Code Sections 20000 through 20043 prohibit certain waivers. If the Development Agreement contains a provision that is inconsistent with the law, the law will control.

7. Item 17, the Summary under Provision r. of Table 1 (Development Agreement), is amended by adding the following language: The Agreement contains covenants not to compete which extend past termination. These provisions may not be enforceable under California law.

8. Item 17, the Summary under Provision s. of Table 1 (Development Agreement), is amended by adding the following language: The California Corporations Code, Section 31125 requires the Franchisor to give you a disclosure document, approved by the Department of Business Oversight prior to a solicitation of a proposed material modification of an existing franchise.

9. Item 17, the Summary under Provision w. of Table 1 (Development Agreement), is amended by adding the following language: The Agreement requires application of the laws of the Kansas. These provisions may not be enforceable under California law.

10. Item 17, the Summary under Provision f. of Table 2 (Franchise Agreement), is amended by adding the following language: California Business and Professions Code Sections 20000 through 20043 provide rights concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

11. Item 17, the Summary under Provision f. of Table 2 (Franchise Agreement), is amended by adding the following language: The Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

12. Item 17, the Summary under Provision m. of Table 2 (Franchise Agreement), is amended by adding the following language: California Business and Professions Code Sections 20000 through

20043 prohibit certain waivers. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

13. Item 17, the Summary under Provision r. of Table 2 (Franchise Agreement), is amended by adding the following language: The Agreement contains covenants not to compete which extend past termination. These provisions may not be enforceable under California law.

14. Item 17, the Summary under Provision s. of Table 2 (Franchise Agreement), is amended by adding the following language: The California Corporations Code, Section 31125 requires the Franchisor to give you a disclosure document, approved by the Department of Business Oversight prior to a solicitation of a proposed material modification of an existing franchise.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR HAWAII

THIS FRANCHISE DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS FRANCHISE DISCLOSURE DOCUMENT AND ALL CONTRACTS AND AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE WITHOUT FIRST PROVIDING THIS FRANCHISE DISCLOSURE DOCUMENT TO THE PROSPECTIVE FRANCHISEE AT THE EARLIER OF (1) THE FIRST PERSONAL MEETING; OR (2) TEN (10) BUSINESS DAYS BEFORE THE SIGNING OF ANY FRANCHISE OR RELATED AGREEMENT; OR (3) TEN (10) BUSINESS DAYS BEFORE ANY PAYMENT. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST FIVE (5) BUSINESS DAYS PRIOR TO THE SIGNING OF THE FRANCHISE AGREEMENT.

IF THIS FRANCHISE DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE HAWAII COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, BUSINESS REGISTRATION DIVISION, 335 MERCHANT STREET, ROOM 203, P.O. BOX 40, HONOLULU, HAWAII 96810.

The Business Registration Division of the Department of Commerce and Consumer Affairs of the State of Hawaii requires that the following language be added to Hawaii state cover pages:

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in Hawaii authorized to receive service of process:

Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813

The Business Registration Division of the Department of Commerce and Consumer Affairs of the State of Hawaii requires that the following language be added to the end of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement 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.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR ILLINOIS

1. Cover page, Paragraphs 1 and 2 under “Risk Factors” are deleted.
2. Item 17, the Summary under Provision f. of Table 1 (Development Agreement), is amended by adding the following language: The conditions under which a development agreement can be terminated and rights upon non-renewal may be affected by the Illinois Franchise Disclosure Act of 1987, Sections 19 and 20.
3. Item 17, the Summary under Provision v. of Table 1 (Development Agreement), is deleted, and the following is in its place: Under the Illinois Franchise Disclosure Act, Section 15.3 is deleted and is of no force or effect, subject to state law.
4. Item 17, the Summary under Provision w. of Table 1 (Development Agreement), is amended by adding the following language: However, the application of Kansas law is superseded in all instances by the authority of Illinois law, subject to state law.
5. Item 17, the Summary under Provision f. of Table 2 (Franchise Agreement), is amended by adding the following language: The conditions under which a franchise agreement can be terminated and rights upon non-renewal may be affected by the Illinois Franchise Disclosure Act of 1987, Sections 19 and 20.
6. Item 17, the Summary under Provision v. of Table 2 (Franchise Agreement), is deleted, and the following is in its place: Under the Illinois Franchise Disclosure Act, Section 21.3 is deleted and is of no force or effect, subject to state law.
7. Item 17, the Summary under Provision w. of Table 2 (Franchise Agreement), is amended by adding the following language: However, the application of Kansas law is superseded in all instances by the authority of Illinois law, subject to state law.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR MARYLAND

1. The following paragraph shall be added to the end of Item 5:

“The Maryland Securities Commissioner has required a financial assurance. Dine Brands has posted a surety bond in the amount of \$100,000 for franchise sales in Maryland. The original bond is on file with the Securities Division.”

2. The following paragraph shall be added to the end of the Disclosure document:

“No statement, questionnaire or acknowledgement 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.”

3. Item 17. Renewal, Termination, Transfer and Dispute Resolution shall be amended by the addition of the following language:

Any general release executed by Franchisee in connection with renewal and/or assignment/transfer shall not apply to liabilities under the Maryland Franchise Registration and Disclosure Law (“Maryland Franchise Law”).

No representations contained in the Franchise Agreement executed by Franchisee are intended to, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law.

The provision in the Franchise Agreement which provides for termination upon bankruptcy of the franchisee (Subsection 19.1(b)) may not be enforceable under federal bankruptcy law (4 U.S.C. Section 101 et seq.).

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTling ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM, EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISION OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN THIRTY DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISE BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN FIVE YEARS, AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST SIX MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST

REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(i) THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN-CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

* * * *

THE FACT THAT THERE IS A NOTICE OF THIS DISCLOSURE DOCUMENT ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE ATTORNEY GENERAL.

* * * *

The name and address of the Franchisor's agent in this State authorized to receive service of process is:

Michigan Attorney General's Office
Corporate Oversight Division, Franchise Section
525 West Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48913

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

DEPARTMENT OF THE ATTORNEY GENERAL
CORPORATE OVERSIGHT DIVISION
525 WEST OTTAWA STREET
G. MENNEN WILLIAMS BUILDING, 1ST FLOOR
LANSING, MICHIGAN 48913
(517) 335-7567

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR MINNESOTA

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR OTHER AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

1. Item 13 is amended by adding the following language: The Minnesota Department of Commerce requires that the Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the Franchisor's trademark infringes upon the trademark rights of the third party. Franchisor will protect your right to use the trademarks, service marks, trade names, logotypes of other commercial symbols ("Marks") or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use the Marks. Franchisor does not indemnify against the consequences of a franchisee's use of the Franchisor's trademark except in accordance with the requirements of the franchise, and, as a condition to indemnification, franchisee must provide notice to Franchisor of any such claim within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

2. Item 17 is amended by adding the following language:

a. Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit 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 Franchise Agreement can abrogate or reduce any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or the franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. If the Franchise Agreement and/or the Franchise Disclosure Document contains a provision that is inconsistent with the Minnesota Statutes or the Minnesota Rule, the provisions of the Franchise Agreement and/or the Franchise Disclosure Document shall be superseded by the Minn. Rule's requirements and shall have no force or effect.

b. With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days' written notice of termination (with 60 days to cure) and notice of Franchisor's intention not to renew 180 days before expiration of the franchise and that the franchisee be given sufficient opportunity to operate the franchise in order to enable the franchisee the opportunity to recover the fair market value of the franchise as a going concern. Franchisor's consent to the transfer will not be unreasonably withheld.

c. Minnesota law provides franchisees with certain termination rights. With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4,

and 5 which require, except in certain specified cases, that a franchisee be given 90 days' written notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement. Franchisor's consent to the transfer of the franchise will not be unreasonably withheld.

3. The name and address of the Franchisor's agent in this State authorized to receive service of process is:

Minnesota Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101-2198

4. The following paragraph shall be added to the end of the Franchise Disclosure Document:

"No statement, questionnaire, or acknowledgement 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."

5. The following paragraphs shall be added to the end of the Franchise Disclosure Document:

"THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE."

**ADDENDUM TO THE FRANCHISE OFFERING PROSPECTUS REQUIRED BY
THE STATE OF NEW YORK**

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL ON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

In accordance with Section 684.3(a)(ii) of the New York General Business Law, Article 33, please be advised as follows:

1. The principal business address of Applebee's Franchisor LLC is:

10 W. Walnut St., 5th Floor
Pasadena, California 91103

2. The agent in the State of New York authorized to receive legal process on behalf of Applebee's Franchisor LLC is:

Secretary of State of the State of New York
One Commerce Plaza, 99 Washington Avenue, 6th Floor
Albany, New York 12231

3. A Franchisee's duty to assent to a release, assignment, novation, waiver or estoppel under either the Development Agreement or the Franchise Agreement may be affected by New York law. N.Y. Gen. Bus. Law §687.5.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR NORTH DAKOTA

The following provisions supersede any inconsistent provisions in the Disclosure Document and apply to all franchises offered and sold in the State of North Dakota:

1. Section 51-19-09 of the North Dakota Franchise Investment Law prohibits a franchisee to assent to a general release. To the extent any such general release is purported to be required, it is hereby rendered void with respect to all franchisees governed under the laws of North Dakota.
2. Covenants not to compete upon termination or expiration of the Franchise Agreement and/or the Development Agreement are subject to Section 9-08-06 of the North Dakota Century Code and are generally considered unenforceable in the State of North Dakota.
3. To the extent that Item 17 would otherwise violate North Dakota law, such sections are amended by providing that all litigation by or between you and us, involving a franchised business operating in the State of North Dakota, shall be commenced and maintained, at our election, in the state courts of North Dakota or the United States District Court for North Dakota, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.
4. North Dakota law applies to this transaction and supersedes any conflicting provisions of the Franchise Agreement or Texas law.
5. Section 51-19-09 of the North Dakota Franchise Investment Law prohibits a franchisee to consent to a waiver of trial by jury. To the extent any such consent is purported to be required, it is hereby rendered void with respect to all franchisees governed under the laws of North Dakota.

The agent in the State of North Dakota authorized to receive legal process on behalf of Applebee's Franchisor LLC is:

North Dakota Securities Commissioner
600 East Boulevard, 5th Floor
Bismarck, North Dakota 58505

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR
OREGON**

THIS INFORMATION IS PROVIDED FOR YOUR OWN PROTECTION. IT IS IN YOUR BEST INTEREST TO STUDY IT CAREFULLY BEFORE MAKING ANY COMMITMENT. THE INFORMATION CONTAINED HEREIN HAS NOT BEEN REVIEWED OR APPROVED UNDER OREGON FRANCHISE LAW.

The agent for service of process for the Franchisor in this State is:

Director of Oregon Department of
Consumer & Business Services
350 Winter Street NE
Salem, Oregon 97301-3878

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR RHODE ISLAND

THIS FRANCHISE DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS FRANCHISE DISCLOSURE DOCUMENT AND ALL CONTRACTS AND AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE WITHOUT FIRST PROVIDING THIS FRANCHISE DISCLOSURE DOCUMENT TO THE PROSPECTIVE FRANCHISEE AT THE EARLIER OF (1) THE FIRST PERSONAL MEETING, OR (2) TEN BUSINESS DAYS BEFORE THE SIGNING OF ANY FRANCHISE OR RELATED AGREEMENT, OR (3) TEN BUSINESS DAYS BEFORE ANY PAYMENT. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST FIVE BUSINESS DAYS PRIOR TO THE SIGNING OF THE FRANCHISE AGREEMENT.

ALTHOUGH THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE RHODE ISLAND FRANCHISE AND DISTRIBUTORSHIP INVESTMENT REGULATIONS ACT, REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DEPARTMENT OF BUSINESS REGULATIONS OR A FINDING BY THE DEPARTMENT OF BUSINESS REGULATION THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.

IF THIS FRANCHISE DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION, SECURITIES DIVISION, 1511 PONTIAC AVENUE, JOHN O. PASTORE COMPLEX – BUILDING 69-1, CRANSTON, RHODE ISLAND 02910.

The name and address of the Franchisor's agent in this State authorized to receive service of process is:

Director of Department of Business Regulation
Securities Division
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, Rhode Island 02910

1. Item 17, the paragraph following Table 1 (Development Agreement), is amended by adding the following language: §19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a [development] agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

2. Item 17, the paragraph following Table 2 (Franchise Agreement), is amended by adding the following language: §19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
FOR VIRGINIA**

THIS FRANCHISE DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS FRANCHISE DISCLOSURE DOCUMENT AND ALL CONTRACTS AND AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ALTHOUGH THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE VIRGINIA RETAIL FRANCHISING ACT AS AMENDED, REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIVISION OF SECURITIES AND RETAIL FRANCHISING OF THE VIRGINIA STATE CORPORATION COMMISSION OR A FINDING BY THE DIVISION OF SECURITIES AND RETAIL FRANCHISING THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.

IF THIS FRANCHISE DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE VIRGINIA DIVISION OF SECURITIES AND RETAIL FRANCHISING, 1300 EAST MAIN STREET, RICHMOND, VIRGINIA 23219.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination state in the Development Agreement and/or Franchise Agreement do not constitute “reasonable cause”, as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

The name and address of the Franchisor's agent in Virginia authorized to receive service of process is:

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, Virginia 23219

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in

effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.
15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
16. **Questionnaires and Acknowledgments.** 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.
17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).
18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____ 20_____.

Signature of Franchisor Representative

Signature of Franchisee Representative

Title of Franchisor Representative

Title of Franchisee Representative

**STATE SPECIFIC AMENDMENTS
TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENTS**

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF CALIFORNIA**

In recognition of the requirements of the California Franchise Investment Law, CAL. BUS. & PROF. CODE Section 3100 *et seq.*, and the California Franchise Relations Act, CAL. BUS. & PROF. Code Section 20000 *et seq.*, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR DEVELOPMENT AGREEMENT (the "Development Agreement") agree as follows:

1. Subsection 9.2(c) of Section 9 of the Development Agreement, "Termination," shall be supplemented by the following paragraph, which shall be considered an integral part of the Development Agreement:

This Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

2. Section 9 of the Development Agreement, "Termination," shall be supplemented by the following paragraph, which shall be considered an integral part of the Development Agreement:

California Business and Professions Code Sections 20000 through 20043 provide certain rights concerning termination. To the extent that the law is applicable to this Agreement, the law will control if this Agreement contains a provision concerning termination that is inconsistent with the law.

3. Section 11 of the Development Agreement, "Restrictions," shall be supplemented by the following paragraph, which shall be considered an integral part of the Development Agreement:

This Agreement contains a covenant not to compete which extends beyond termination. This provision may not be enforceable under California law.

4. Subsection 15.2 of Section 15 of the Development Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented by the addition of the following paragraph, which shall be considered an integral part of the Development Agreement:

This Agreement requires application of the laws of Kansas under certain circumstances. This provision may not be enforceable under California law.

5. The second sentence of Appendix D of the Development Agreement, "Review and Consent with Respect to Transfers," shall be amended as follows:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Developer and Principal Shareholders, including the proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor, excluding only such claims as the Developer may have that have arisen under the California Franchise Investment Law or the California Franchise Relations Act.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Development Agreement on the day and year first above written in the Development Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____

Name: _____

Title: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF HAWAII**

In recognition of the requirements of the Hawaii Franchise Investment Law, Section 482E-6, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR DEVELOPMENT AGREEMENT (the "Development Agreement") agree as follows:

1. The second sentence of Appendix D of the Development Agreement, "Review and Consent with Respect to Transfers," shall be deleted in its entirety and shall be of no further force and effect, and the following shall be substituted in lieu thereof:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this agreement and may also require Developer and Principal Shareholders, including the proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor, excluding only such claims as Developer and Principal Shareholders, including the proposed transferor(s), may have that have arisen under the Hawaii Franchise Investment Law, Chapter 482E, if applicable to this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Development Agreement (Attachment DA-1) on the _____ day of _____, 20____.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

DEVELOPER:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____
Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

In recognition of the requirement of the Illinois Franchise Disclosure Act of 1987 (the "Act"), the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR DEVELOPMENT AGREEMENT (the "Development Agreement") agree as follows:

1. Section 9 of the Development Agreement, "Termination," shall be supplemented by the following subsection, which shall be inserted following Subsection 9.4 and shall be considered an integral part of the Development Agreement:

9.5 Notwithstanding anything to the contrary contained in this Agreement, if any provisions of this Section 9, governing termination, are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987 (the "Act"), if applicable, the provisions of the Act shall apply rather than the contrary provisions of this Section 9. As provided in Subsection 15.1 hereof, however, each provision of this Agreement shall be considered severable, and if, for any reason, any provision of this Section 9 is determined to be invalid and contrary to, or in conflict with, Section 19 of the Act, such shall not impair the operation of, or have any other effect upon, such other provisions of this Section 9 as may remain otherwise enforceable, and the latter shall continue to be given full force and effect and bind the parties hereto.

2. Notwithstanding anything to the contrary contained in Section 15 of the Development Agreement, "Construction, Severability, Governing Law and Jurisdiction," the Development Agreement shall not require a franchisee to litigate any cause of action, with the exception of arbitration proceedings arising under the Development Agreement or the Illinois Franchise Disclosure Act outside of the state of Illinois, nor shall the Development Agreement provide for a choice of law provision for any state other than Illinois.

3. Subsection 15.3 of Section 15 of the Development Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be deleted in its entirety and shall be of no force or effect.

4. Section 16 of the Development Agreement, "Miscellaneous", shall be supplemented by the following subsection, which shall be inserted following Subsection 16.6 and shall be considered an integral part of the Development Agreement:

16.7 Notwithstanding anything to the contrary contained in this Agreement, this Agreement is subject to Section 41 of the Illinois Franchise Disclosure Act (the "Act") which states that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of the State of Illinois is void. Section 41 of the Act shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Development Agreement (Attachment DA-1) on the day and year first above written in the Development Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

DEVELOPER:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF MARYLAND**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§ 14-201 - 14-233 (1994), the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR DEVELOPMENT AGREEMENT (the "Development Agreement") agree as follows:

1. Developer is required in this Agreement to execute a release of claims and/or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act. Such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law, and such acknowledgments shall be void with respect to claims under the Law.

2. This Agreement requires litigation to be conducted in a forum other than the State of Maryland. The requirement shall not be interpreted to limit any rights Developer may have under Sec. 14-216 (c)(25) of the Maryland Franchise Registration and Disclosure Law to bring suit in the state of Maryland.

3. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. No statement, questionnaire or acknowledgement 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.

5. The Maryland Securities Commissioner has required a financial assurance. Dine Brands Global Inc. has posted a surety bond in the amount of \$100,000 for franchise sales in Maryland. The original bond is on file with the Securities Division.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Development Agreement on the day and year first above written in the Development Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

DEVELOPER:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA**

In recognition of the Minnesota Franchise Act, Minn. Stat. Section 80C.01 *et seq.*, and of the Rules and Regulations promulgated pursuant thereto by the Commissioner of Securities, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR DEVELOPMENT AGREEMENT (the "Development Agreement") agree as follows:

1. Section 9 of the Development Agreement, "Termination," shall be supplemented by the addition of the following paragraph, which shall be considered an integral part of the Development Agreement:

9.5 With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days' written notice of termination (with sixty [60] days to cure) and one hundred eighty (180) days' notice for non-renewal of the franchise agreement.

2. Section 15 of the Development Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented by the addition of the following sentence:

MINN. STAT. SECTION 80C.21 AND MINN. RULE 2860.4400J PROHIBIT FRANCHISOR FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA, REQUIRING WAIVER OF A JURY TRIAL OR REQUIRING DEVELOPER TO CONSENT TO LIQUIDATED DAMAGES, TERMINATION PENALTIES OR JUDGMENT NOTES. IN ADDITION, NOTHING IN THIS AGREEMENT CAN ABROGATE OR REDUCE ANY OF DEVELOPER'S RIGHTS AS PROVIDED FOR IN MINN. STAT., CHAPTER 80C, OR ANY OF DEVELOPER'S RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

If the Development Agreement contains a provision that is inconsistent with the Minnesota Statutes or the Minnesota Rule, the provisions of the Development Agreement shall be superseded by the Minn. Rule's requirements and shall have no force or effect.

3. The second sentence of Appendix D to the Development Agreement, "Review and Consent with Respect to Transfers," shall be deleted in its entirety and shall have no force or effect, and the following sentence shall be substituted in lieu thereof:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Developer and Principal Shareholders, including the proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor, excluding only such claims as the Developer may have that have arisen under the Minnesota Franchise Act or the rules and regulations promulgated thereunder by the Commissioner of Commerce, if applicable to this Agreement.

4. Appendix D to the Development Agreement "Review and Consent with Respect to Transfers" shall be supplemented by the following sentence:

Franchisor's consent to the transfer of the franchise will not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Development Agreement (Attachment DA-1) on the _____ day of _____, 20____.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By:

Name: _____

Title: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF NEW YORK**

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached Applebee's Neighborhood Grill & Bar Development Agreement (the "Development Agreement") agree as follows:

1. Subsection 11.3 of Section 11 of the Development Agreement, "Restrictions," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

11.3 Developer and Principal Shareholders agree that the provisions of this Section 11 are and have been a primary inducement to Franchisor to enter into this Agreement and that in the event of a breach thereof Franchisor would be irreparably injured and would be without an adequate remedy at law. Therefore, in the event of a breach of any of such provisions Franchisor shall be entitled, in addition to any other remedies which it may have hereunder or at law or in equity (including the right to terminate this Agreement), to apply for a preliminary and/or permanent injunction and a decree for specific performance of the terms hereof without the necessity of showing actual or threatened damage, and without being required to furnish a bond or other security.

2. Subsection 15.1 of Section 15 of the Development Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented with the following sentence:

The Franchisee's restitutionary rights, if any, are subject to determination under applicable law.

3. Subsection 15.2 of Section 15 of the Development Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented with the following sentence:

THE FOREGOING CHOICE OF LAW SHOULD NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON DEVELOPER BY ART. 33 OF THE NEW YORK GENERAL BUSINESS LAW, IF APPLICABLE.

4. The second sentence of Appendix D to the Development Agreement, "Review and Consent with Respect to Transfers," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Developer and Principal Shareholders, including the proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor; provided however, that all rights enjoyed by the Developer and Principal Shareholders and any causes of action arising in their favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of Section 687.4 and 687.5 of the New York General Business Law be satisfied.

IN WITNESS WHEREOF, the undersigned have entered into this Amendment to the Development Agreement (Attachment DA-1) as of the date first above written in the Development Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____

Name: _____

Title: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA**

In recognition of the requirements of the laws of North Dakota and the policies of the office of the State of North Dakota Commissioner of Securities, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR DEVELOPMENT AGREEMENT (the "Development Agreement") agree as follows:

- a. If Developer is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Law, or a rule or order under the Law, such release shall exclude claims arising under the North Dakota Franchise Investment Law, and such acknowledgments shall be void with respect to claims under the Law.
- b. Covenants not to compete during the term of and upon termination or expiration of the Agreement are enforceable only under certain conditions according to North Dakota Law. If the Agreement contains a covenant not to compete which is inconsistent with North Dakota Law, the covenant may be unenforceable.
- c. If the Agreement requires litigation to be conducted in a forum other than the State of North Dakota, the requirement is void with respect to claims under the North Dakota Franchise Investment Law.
- d. If the Agreement requires that it be governed by a state's law, other than the State of North Dakota, to the extent that such law conflicts with North Dakota Law, North Dakota shall control.
- e. The Commissioner has held that requiring Developers to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
- f. If the Agreement requires payment of a termination penalty, the requirement may be unenforceable under the North Dakota Franchise Investment Law.
- g. Any provision in the Agreement that requires Developer to consent to a waiver of trial by jury shall not apply to any claims brought under the North Dakota Franchise Investment Law.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Development Agreement (Attachment DA-1) on the _____ day of _____, 20____.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____

Name: _____

Title: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND**

In recognition of the requirements of the Rhode Island Franchise Investment Act (the "Act"), the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR DEVELOPMENT AGREEMENT (the "Development Agreement") agree as follows:

1. Section 15 of the Development Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall amended by adding the following language which shall be considered an integral part of the Agreement:

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a [development] agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Development Agreement (Attachment DA-1) on the day and year first above written in the Development Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

DEVELOPER:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise

agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.
15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
16. **Questionnaires and Acknowledgments.** 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.
17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).
18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____ 20____.

Signature of Franchisor Representative

Signature of Franchisee Representative

Title of Franchisor Representative

Title of Franchisee Representative

**STATE SPECIFIC AMENDMENTS
TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENTS**

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF CALIFORNIA**

In recognition of the requirements of the California Franchise Investment Law, CAL. BUS. & PROF. CODE Section 31000 *et seq.*, and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 *et seq.*, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR FRANCHISE AGREEMENT (the "Franchise Agreement") agree as follows:

1. Section 1 of the Franchise Agreement, "Franchise Grant and Term," shall be supplemented by the following paragraph, which shall be considered an integral part of the Franchise Agreement:

California Business and Professions Code Sections 20000 through 20043 provide rights to the Franchisee concerning nonrenewal of a franchise. If this Agreement contains a provision concerning nonrenewal that is inconsistent with the law, the law will control.

2. Section 13 of the Franchise Agreement, "Confidentiality; Restrictions," shall be supplemented by the following paragraph, which shall be considered an integral part of the Franchise Agreement:

This Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

3. Subsection 19.1(b) of Section 19 of the Franchise Agreement, "Expiration and Termination; Option to Purchase Restaurant; Attorneys' Fees," shall be supplemented by the following paragraph, which shall be considered an integral part of the Franchise Agreement:

This Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

4. Subsection 19.1 of Section 19 of the Franchise Agreement, "Expiration and Termination; Option to Purchase Restaurant; Attorneys' Fees," shall be supplemented by the following paragraph, which shall be considered an integral part of the Franchise Agreement:

California Business and Professions Code Sections 20000 through 20043 provide rights to the Franchisee concerning termination of the franchise. If this Agreement contains a provision concerning termination that is inconsistent with the law, the law will control.

5. Subsection 21.2 of Section 21 of the Franchise Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented by the addition of the following paragraph, which shall be considered an integral part of the Franchise Agreement:

This Agreement requires application of the laws of Kansas under certain circumstances. This provision may not be enforceable under California law.

6. The second sentence of Appendix B of the Franchise Agreement, "Review and Consent with Respect to Transfers," shall be amended as follows:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Franchisee and Principal Shareholders, including the

proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor, excluding only such claims as Franchisee may have that have arisen under the California Franchise Investment Law or the California Franchise Relations Act.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Franchise Agreement (Attachment FA-1) on the day and year first above written in the Franchise Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF HAWAII**

In recognition of the requirements of the Hawaii Franchise Investment Law, Section 482E-6, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR FRANCHISE AGREEMENT (the "Franchise Agreement") agree as follows:

1. Subsection 1.7 shall be added to Section 1 of the Franchise Agreement, "Franchise Grant and Term," as follows:

1.7 In the event Franchisor refuses to renew this Agreement for an additional term as referenced above in Subsection 1.3, Franchisor may be required, pursuant to Section 482E-6 of the Hawaii Franchise Investment Law, to purchase from Franchisee at fair market value Franchisee's inventory, supplies, equipment and furnishings purchased by Franchisee from Franchisor or a supplier designated by Franchisor, excluding personalized materials that have no value to Franchisor. If such refusal to renew is for the purpose of converting Franchisee's business to one owned and operated by Franchisor, Franchisor may additionally be obligated to compensate Franchisee for loss of goodwill. In the event the parties cannot agree on fair market value, the purchase price hereunder shall be determined in the manner set forth in Subsection 19.4(d).

2. The following paragraph shall be added as Subsection 19.4(g) of Section 19 of the Franchise Agreement, "Expiration and Termination; Option to Purchase Restaurant; Attorneys' Fees":

(g) In the event of termination of this Agreement, Franchisor may be required, pursuant to Section 482E-6 of the Hawaii Franchise Investment Law, to purchase from Franchisee at fair market value Franchisee's inventory, equipment, supplies and furnishings that Franchisee purchased from Franchisor or a supplier designated by Franchisor, excluding personalized materials that have no value to Franchisor. If the parties cannot agree on fair market value, the purchase price hereunder shall be determined in the manner described in Subsection 19.4(d).

3. The second sentence of Appendix B of the Franchise Agreement, "Review and Consent with Respect to Transfers," shall be deleted in its entirety and shall have no further force or effect, and the following shall be substituted in lieu thereof:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Franchisee and Principal Shareholders, including the proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor, excluding only such claims as Franchisee and Principal Shareholders, including the proposed transferor(s), may have that have arisen under the Hawaii Franchise Investment Law, Chapter 482E.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Franchise Agreement (Attachment FA-1) on the _____ day of _____, 20____.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987 (the "Act"), the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR FRANCHISE AGREEMENT (the "Franchise Agreement") agree as follows:

1. The following language shall be added to Subsection 1.3 of Section 1 of the Franchise Agreement, "Franchise Grant and Term":

Notwithstanding anything to the contrary contained in this Agreement, if any of the provisions of this Subsection 1.3, concerning non-renewal, are inconsistent with Section 20 of the Illinois Franchise Disclosure Act of 1987 (the "Act"), the provisions of the Act shall apply rather than the contrary provisions of this Subsection 1.3. As provided under Subsection 21.1 hereof, however, each provision of this Agreement shall be considered severable, and if, for any reason, any provision of this Subsection 1.3 is determined to be invalid and contrary to, or in conflict with, Section 20 of the Act, such shall not impair the operation of, or have any other effect upon, such other provisions of this Subsection 1.3 as may remain otherwise enforceable, and the latter shall continue to be given full force and effect and bind the parties hereto.

2. Section 19 of the Franchise Agreement, "Expiration and Termination; Option to Purchase Restaurant; Attorneys' Fees," shall be supplemented by the following subsection, which shall be inserted following Subsection 19.4 and shall be considered an integral part of the Franchise Agreement:

19.5 Notwithstanding anything to the contrary contained in this Agreement, if any provisions of this Section 19, governing termination, are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987, the provisions of the Act shall apply rather than the contrary provisions of this Section 19. As provided under Subsection 21.1 hereof, however, each provision of this Agreement shall be considered severable, and if, for any reason, any provision of this Section 19 is determined to be invalid and contrary to, or in conflict with, Section 19 of the Act, such shall not impair the operation of, or have any other effect upon such other provisions of this Section 19 as may remain otherwise enforceable, and the latter shall continue to be given full force and effect and bind the parties hereto.

3. Notwithstanding anything to the contrary contained in Section 21 of the Franchise Agreement, "Construction, Severability, Governing Law and Jurisdiction," the Franchise Agreement shall not require a franchisee to litigate any cause of action, with the exception of arbitration proceedings arising under the Franchise Agreement or the Illinois Franchise Disclosure Act outside of the state of Illinois, nor shall the Franchise Agreement provide for a choice of law provision for any state other than Illinois.

4. Subsection 21.3 of Section 21 of the Franchise Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be deleted in its entirety and shall be of no force or effect.

5. Section 25 of the Franchise Agreement, "Miscellaneous," shall be supplemented by the following subsection, which shall be inserted following Subsection 25.7 and shall be considered an integral part of the Franchise Agreement:

25.8 Notwithstanding anything to the contrary contained in this Agreement, this Agreement is subject to Section 41 of the Illinois Franchise Disclosure Act (the "Act") which states that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other

law of the State of Illinois is void. Section 41 of the Act shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

5. Subsection 25.5 of Section 25 of the Franchise Agreement, "Miscellaneous," shall be deleted in its entirety and the following language substituted in lieu thereof:

25.5 This Agreement and the documents referred to herein constitute the entire agreement between the parties, superseding and canceling any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof, except as contained in Franchisor's Franchise Disclosure Document, heretofore made available to Franchisee.

6. Subsections 26(a) and 26(b) of Section 26 of the Franchise Agreement, "Acknowledgments," shall be deleted in their entirety and shall be of no force or effect.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Amendment to the Franchise Agreement (Attachment FA-1) on the day and year first above written in the Franchise Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER:

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND**

In recognition of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§ 14-201 - 14-233 (1994), and of the Rules and Regulations promulgated pursuant thereto, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR FRANCHISE AGREEMENT (the "Franchise Agreement") agree as follows:

1. Franchisee is required in this Agreement to execute a release of claims and/or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act. Such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law, and such acknowledgments shall be void with respect to claims under the Law.

2. This Agreement requires litigation to be conducted in a forum other than the State of Maryland. The requirement shall not be interpreted to limit any rights Franchisee may have under Sec. 14-216 (c)(25) of the Maryland Franchise Registration and Disclosure Law to bring suit in the state of Maryland.

3. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. This Agreement is hereby amended to reflect that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. This Agreement requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law. Such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law resulting from the offer or sale of the franchise.

6. No statement, questionnaire or acknowledgement 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.

7. Subsection 25.5 of Section 25 of the Franchise Agreement, "Miscellaneous," shall be deleted in its entirety and shall be of no force or effect.

8. Subsections 26(a), 26(b), and 26(c) of Section 26 of the Franchise Agreement, "Acknowledgements," shall be deleted in their entirety and shall be of no force or effect.

9. The Maryland Securities Commissioner has required a financial assurance. Dine Brands Global Inc. has posted a surety bond in the amount of \$100,000 for franchise sales in Maryland. The original bond is on file with the Securities Division.

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Franchise Agreement (Attachment FA-1) on the _____ day of _____, 20____.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA**

In recognition of the Minnesota Franchise Act, Minn. Stat. Section 80C.01 *et seq.*, and of the Rules and Regulations promulgated pursuant thereto by the Commissioner of Securities, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR FRANCHISE AGREEMENT (the "Franchise Agreement") agree as follows:

1. Subsection 1.3 of Section 1 of the Franchise Agreement, "Franchise Grant and Term," shall be supplemented by the addition of the following paragraph, which shall be considered an integral part of the Franchise Agreement:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days' written notice of termination (with sixty [60] days to cure) and notice of Franchisor's intention not to renew one hundred eighty (180) days prior to expiration of the franchise and that the franchisee be given sufficient opportunity to operate the franchise in order to enable the franchisee the opportunity to recover the fair market value of the franchise as a going concern. Franchisor's consent to the transfer will not be unreasonably withheld.

2. Section 18 of the Franchise Agreement, "Trade Names, Service Marks and Trademarks," shall be supplemented by the addition of the following Subsection 18.9, which shall be considered an integral part of the Franchise Agreement:

18.9 The Minnesota Department of Commerce requires that the Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the Franchisor's trademark infringes upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee's use of the Franchisor's trademark except in accordance with the requirements of the franchise, and, as a condition to indemnification, franchisee must provide notice to Franchisor of any such claim within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

3. Subsection 19.1 of Section 19 of the Franchise Agreement, "Expiration and Termination; Option to Purchase Restaurant; Attorneys' Fees," shall be supplemented by the addition of the following paragraph, which shall be considered an integral part of the Franchise Agreement:

Minnesota law provides franchisees with certain termination rights. With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days' written notice of termination (with sixty [60] days to cure) and one hundred eighty (180) days' notice for non-renewal of the Franchise Agreement. Franchisor's consent to the transfer of the franchise will not be unreasonably withheld.

4. Subsection 21 of the Franchise Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented by the addition of the following sentence:

MINNESOTA STAT. SECTION 80C.21 AND MINN. RULE 2860.4400(J) PROHIBIT FRANCHISOR FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA, REQUIRING WAIVER OF A JURY TRIAL OR REQUIRING FRANCHISEE TO CONSENT TO LIQUIDATED DAMAGES, TERMINATION PENALTIES OR JUDGMENT NOTES. IN ADDITION, NOTHING IN THIS AGREEMENT SHALL ABROGATE OR REDUCE ANY RIGHTS OF FRANCHISEE'S RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR FRANCHISEE'S RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

If the Franchise Agreement contains a provision that is inconsistent with the Minnesota Statutes or the Minnesota Rule, the provisions of the Franchise Agreement shall be superseded by the Minn. Rule's requirements and shall have no force or effect.

5. The second sentence of Appendix B to the Franchise Agreement, "Review and Consent with Respect to Transfers," shall be deleted in its entirety and shall have no force or effect, and the following sentence shall be substituted in lieu thereof:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Franchisee and Principal Shareholders, including the proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor, excluding only such claims as the Franchisee may have that have arisen under the Minnesota Franchise Act or the rules and regulations promulgated thereunder by the Commissioner of Commerce.

6. Appendix B to the Franchise Agreement, "Review and Consent with Respect to Transfers," shall be supplemented by the following sentence:

Franchisor's consent to the transfer of the franchise will not be unreasonably withheld.

7. No statement, questionnaire, or acknowledgement 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.

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Franchise Agreement (Attachment FA-1) on the _____ day of _____, 20____.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

PRINCIPAL SHAREHOLDER(S):

Name: _____

Name: _____

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NEW YORK**

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached Applebee's Neighborhood Grill & Bar Franchise Agreement (the "Franchise Agreement") agree as follows:

1. Subsection 5.7 of Section 5 of the Franchise Agreement, "Restaurant System and Procedures," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

5.7 Franchisor shall have the right, at any time and from time to time, in the exercise of its reasonable business judgment consistent with the overall best interests of the System generally to revise, amend, delete from and add to the System and the material contained in the Manual. Franchisee agrees to comply with all such revisions, amendments, deletions and additions.

2. Subsection 13.2 of Section 13 of the Franchise Agreement, "Confidentiality; Restrictions," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

13.2 Franchisee and Principal Shareholders agree that the provisions of this Section 13 are and have been a primary inducement to Franchisor to enter into this Agreement, and that in the event of a breach thereof Franchisor would be irreparably injured and would be without adequate remedy at law. Therefore, in the event of a breach or a threatened or attempted breach of any of such provisions Franchisor shall be entitled, in addition to any other remedies which it may have hereunder or at law or in equity (including the right to terminate this Agreement), to apply for a preliminary and/or permanent injunction in a decree for a specific performance of the terms hereof without the necessity of showing actual or threatened damage, and without being required to furnish a bond or security.

3. Subsection 15.2 of Section 15 of the Franchise Agreement, "Relationship of Parties and Indemnification," shall be deemed to exclude any claims arising as the result of Franchisor's acts or omissions to act in connection with the operation or condition of the Restaurant.

4. Subsection 21.1 of Section 21 of the Franchise Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented with the following sentence:

The Franchisee's restitutionary rights, if any, are subject to determination under applicable law.

5. Subsection 21.2 of Section 21 of the Franchise Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be supplemented with the following sentence:

THE FOREGOING CHOICE OF LAW SHOULD NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON FRANCHISEE BY ART. 33 OF THE NEW YORK GENERAL BUSINESS LAW.

6. The second sentence of Appendix B to the Franchise Agreement, "Review and Consent with Respect to Transfers," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Franchisor's consent also may be conditioned upon execution by Proposed New Owner of an agreement whereby Proposed New Owner assumes full, unconditional, joint and several liability for, and agrees to perform from the date of such Transfer, all obligations, covenants and agreements contained herein to the same extent as if it had been an original party to this Agreement and may also require Franchisee and Principal Shareholders, including the proposed transferor(s), to execute a general release which releases Franchisor from any claims they may have had or then have against Franchisor; provided however, that all rights enjoyed by the Franchisee and Principal Shareholders and any causes of action arising in their favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of Sections 687.4 and 687.5 of the New York General Business Law be satisfied.

IN WITNESS WHEREOF, the undersigned have entered into this Amendment to the Franchise Agreement (Attachment FA-1) as of the date first above written in the Franchise Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name:

Name:

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA**

In recognition of the requirements of the laws of North Dakota and the policies of the office of the State of North Dakota Commissioner of Securities, the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR FRANCHISE AGREEMENT (the "Franchise Agreement") agree as follows:

- a. If Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Law, or a rule or order under the Law, such release shall exclude claims arising under the North Dakota Franchise Investment Law, and such acknowledgments shall be void with respect to claims under the Law.
- b. Covenants not to compete during the term of and upon termination or expiration of the Agreement are enforceable only under certain conditions according to North Dakota Law. If the Agreement contains a covenant not to compete which is inconsistent with North Dakota Law, the covenant may be unenforceable.
- c. If the Agreement requires litigation to be conducted in a forum other than the State of North Dakota, the requirement is void with respect to claims under the North Dakota Franchise Investment Law.
- d. If the Agreement requires that it be governed by a state's law, other than the State of North Dakota, to the extent that such law conflicts with North Dakota Law, North Dakota shall control.
- e. The Commissioner has held that requiring Franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
- f. If the Agreement requires payment of a termination penalty, the requirement may be unenforceable under the North Dakota Franchise Investment Law.
- g. Any provision in the Agreement that requires Franchisee to consent to a waiver of trial by jury shall not apply to any claims brought under the North Dakota Franchise Investment Law.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Amendment to the Franchise Agreement (Attachment FA-1) on the _____ day of _____, 20____.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____

Name: _____

Title: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

PRINCIPAL SHAREHOLDER(S):

Name:

Name:

**AMENDMENT TO APPLEBEE'S NEIGHBORHOOD GRILL & BAR
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND**

In recognition of the requirements of the Rhode Island Franchise Investment Act (the "Act"), the parties to the attached APPLEBEE'S NEIGHBORHOOD GRILL & BAR FRANCHISE AGREEMENT (the "Franchise Agreement") agree as follows:

1. Section 21 of the Franchise Agreement, "Construction, Severability, Governing Law and Jurisdiction," shall be amended by adding the following language which shall be considered an integral part of the Agreement:

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Amendment to the Franchise Agreement (Attachment FA-1) on the day and year first above written in the Franchise Agreement.

FRANCHISOR:

APPLEBEE'S FRANCHISOR LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL SHAREHOLDER(S):

Name:

Name:

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages

are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.
15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
16. **Questionnaires and Acknowledgments.** 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.
17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).
18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____, 20____.

Signature of Franchisor Representative

Signature of Franchisee Representative

Title of Franchisor Representative

Title of Franchisee Representative

State Effective Dates

The following states have franchise laws that 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:

STATES	EFFECTIVE DATE
California	March 27, 2026
Hawaii	PENDING
Illinois	March 27, 2026
Indiana	March 27, 2026
Maryland	PENDING
Michigan	March 27, 2026
Minnesota	PENDING
New York	March 27, 2026
North Dakota	PENDING
Rhode Island	PENDING
South Dakota	PENDING
Virginia	PENDING
Washington	March 30, 2026
Wisconsin	PENDING

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.

**RECEIPT
TO BE RETURNED**

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

If Applebee's Franchisor LLC offers you a franchise, Applebee's Franchisor LLC 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.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Iowa requires that Applebee's Franchisor LLC give you this Disclosure Document at the earliest of the first personal meeting or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Applebee's Franchisor 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, DC 20580 and the state agency listed on Exhibit B.

The franchisor is Applebee's Franchisor LLC, located at 10 W. Walnut Street, 5th Floor, Pasadena, California 91103. Its telephone number is (818) 240-6055.

The name, principal business address and telephone number of the franchise seller(s) offering this franchise is as follows:

☐	Jacob Barden	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Jim Darby	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Von Dawson	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Chantrea Scott	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Manny Packing	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	William Urrego	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Gary Moore	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐		

(Please check the name(s) and complete as applicable)

Issuance Date: March 27, 2026, as amended April 7, 2026. *See state cover page for effective*

dates in registration states. This Disclosure Document is for use in all states.

Applebee's Franchisor LLC authorizes the respective agencies identified on Exhibit C to receive service of process for Applebee's Franchisor LLC in the particular state.

I received a disclosure document dated March 27, 2026, as amended April 7, 2026 that included the following Exhibits:

- A. Financial Statements
- B. State Administrators
- C. Agents for Service of Process
- D. Applicant's Fee Letter Agreement
- E. Development Agreement
- F. Franchise Agreement
- G. Guarantee of Obligations
- H. Manuals' Tables of Contents
- I-1. List of Franchisees and Franchise Outlets
- I-2. List of Franchisees Who Have Ceased to do Business
- J. State Specific Addenda

Date: _____

Prospective Franchisee:

By: _____

Name: _____

Individually and on behalf of the following entity:

Company Name: _____

Title: _____

(SIGN AND RETURN)

**RECEIPT
TO BE RETAINED**

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

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☐	Jim Darby	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Von Dawson	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Chantrea Scott	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐	Manny Packing	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
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☐	Gary Moore	10 W. Walnut St., 5th Floor, Pasadena, CA (818) 240-6055
☐		

(Please check the name(s) and complete as applicable)

Issuance Date: March 27, 2026, as amended April 7, 2026. *See state cover page for effective*

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- I-1. List of Franchisees and Franchise Outlets
- I-2. List of Franchisees Who Have Ceased to do Business
- J. State Specific Addenda

Date: _____

Prospective Franchisee:

By: _____

Name: _____

Individually and on behalf of the following entity:

Company Name: _____

Title: _____

(RETAIN FOR YOUR RECORDS)