

FRANCHISE DISCLOSURE DOCUMENT



Elysian Franchise Company, LLC
a Texas limited liability company
1627 North Alpine Road
Rockford, Illinois 61107
815-637-1008
www.beefaroo.com

The franchise offered is to own and operate a combination fast casual/quick service business serving Midwest fare such as juicy burgers, freshly cooked roast beef sandwiches, milkshakes, fries, and salads under one of the following four (4) models: a traditional restaurant model ("Traditional"); a drive-thru model ("Drive-Thru"); and end-cap model ("End-Cap"); or a conversion model ("Conversion").

The total investment necessary to begin operation of a Beef-a-Roo Traditional model franchise is \$754,200 to \$1,383,500. This includes \$49,500 that must be paid to the franchisor or affiliate.

The total investment necessary to begin operation of a Beef-a-Roo Drive-Thru model franchise is \$526,700 to \$973,000. This includes \$49,500 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a Beef-a-Roo End-Cap model franchise is \$466,700 to \$1,003,500. This includes \$49,500 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a Beef-a-Roo Conversion model franchise is \$479,200 to \$953,000. This includes \$49,500 that must be paid to the franchisor or affiliate.

The total investment necessary to begin operation of a Beef-a-Roo Traditional model multi-unit development business ranges from \$835,200 to 1,468,500, which includes \$129,500 that must be paid to the franchisor and/or its affiliate. The total investment necessary to begin operation of a Beef-a-Roo Drive-Thru model multi-unit development business ranges from \$607,700 to \$1,058,000, which includes \$129,500 that must be paid to the franchisor and/or its affiliates. The total investment necessary to begin operation of a Beef-a-Roo End-Cap model multi-unit development business ranges from \$547,700 to \$1,088,500, which includes \$129,500 that must be paid to the franchisor and/or its affiliates. The total investment necessary to begin operation of a Beef-a-Roo Conversion model multi-unit development business ranges from \$560,200 to \$1,038,000, which includes \$129,500 that must be paid to the franchisor and/or its affiliates. In all cases, the required minimum units to be developed is three.

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 the disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mitch Rosen at 1627 North Alpine Road, Rockford, Illinois, 61107, and 815-637-1008.

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

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

Issuance Date: May 20, 2024

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 F.
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 D 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 Beef-a-Roo business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Beef-a-Roo franchisee?	Item 20 or Exhibit F 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 A.

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 Addenda. See the Table of Contents for the location of the State Addenda.

Special Risks to Consider About *This Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with us by mediation, arbitration and litigation only in Michigan. Out-of-state mediation, arbitration and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate and litigate with us in Michigan than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for your financial obligations under the franchise agreement, even though your spouse has no ownership interest in the business. This guarantee will place both your and your spouse's personal and marital assets, perhaps including your house, at risk if your franchise fails.

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

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE
MICHIGAN FRANCHISE INVESTMENT LAW**

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 the Michigan Franchise Investment 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 30 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 5 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 6 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 a 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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to: Michigan Attorney General's Office, Consumer Protection Division, Attention: Franchise Section, G. Mennen Williams Building, 1st Floor, 525 West Ottawa Street, Lansing, Michigan 4893, Telephone Number: 517-373-7117.

ELYSIAN FRANCHISE COMPANY, LLC
Franchise Disclosure Document

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

To simplify the language in this disclosure document, the terms "Franchisor", "we", or "us" means Elysian Franchise Company, LLC, the Franchisor. The terms "we", "us", and "Franchisor" do not include you, the "Franchisee". We refer to the purchaser(s) of a Beef-A-Roo franchise as "you" or "Franchisee", whether an individual, a partnership, corporation, or limited liability company. If you are a corporation, partnership or other entity, our Franchise Agreement also will apply to your owners, officers and directors. If you are married and your spouse is not a partner in the franchise, certain provisions of our Franchise Agreement will also apply to that spouse.

We were formed as a limited liability company in the State of Texas on May 20, 2021. Our principal business address is 1627 North Alpine Road, Rockford, Illinois, 61107, and our telephone number is 815-637-1008. We do business under our operating name, "Beef-a-Roo" and its associated design (the "Marks"). Our affiliate, Beef-A-Roo, Inc. ("BARI"), has registered our primary service marks on Principal Register of the United States Patent and Trademark Office. We do not own or operate any businesses of the type you will be operating. We have not offered franchises in any other line of business. We only offer franchises which operate under the "Beef-a-Roo" Marks. We began offering franchises in January 2022.

The principal business addresses of our agents for service of process are shown on Exhibit A.

Our Parents, Predecessors and Affiliates

Our parent companies are Next Brands and Development LLC ("NBD"), whose principal address is 2550 Grand River Avenue, Redford, Michigan, 48240, and Rocinante Equity Inc., dba Elysian Capital ("RE"), whose principal address is 1601 Elm Street, Suite 4210, Dallas, Texas, 75201. Neither NBD nor RE operate any businesses of the type you will be operating. RE has not offered franchises in any other line of business; however, NBD has a subsidiary, Blenderz, LLC that offers franchises that operate under the "Blenderz" Marks. Blenderz, LLC is a Florida limited liability company formed on June 9, 2022 whose principal business address is 25550 Grand River Avenue, Redford, Michigan, 48240.

Our affiliate, Beef-A-Roo OpCo, LLC ("BAROC"), a Nevada limited liability company formed on September 24, 2019 and located at our headquarters, acquired the Beef-a-Roo brand in September 2019 by purchasing all of the equity of Beef-A-Roo, Inc., an Illinois corporation, from its shareholders, Roberta Esparza, Nicolas DeBruler, Melissa Pratt, and Christine Bergsten. BAROC began operating the existing Beef-a-Roo restaurants in September 2019 following the acquisition. BAROC does not offer franchises in this or any other line of business.

Our affiliate, SFV-LLGC, LLC, a Florida limited liability company, formed January 5, 2009, which operates as "C2C Management" and is located at our headquarters in Redford, Michigan. C2C Management provides construction management services to franchisees. C2C Management does not operate any businesses of the type you will be operating and does not offer franchises in this or any other line of business.

The Franchise Offered:

If you sign a franchise agreement with us, you will own and operate a combination fast casual/quick service business specializing in burgers, sandwiches, milkshakes, salads and sides under the trade name Beef-a-Roo under one of the following four (4) models: a traditional restaurant model ("Traditional"); a drive-thru model ("Drive-Thru"); and end-cap model ("End-Cap"); or a conversion model ("Conversion"). The extensive menu includes salads, crispy fries and onion rings, famous cheddar fries, and the signature roast beef sandwiches. Vegetarian options are available. You will provide products to customers under the "Beef-A-Roo" Marks, using our distinctive operating procedures and standards in a limited territory and from a single location (the "Franchised Business"). The distinguishing characteristics of a Beef-A-Roo Franchised Business include, but are not limited to, the Beef-A-Roo distinctive trade dress, proprietary recipes,

operations methods, inventory, procedures for management, training, advertising, and promotional programs, all of which may be changed, improved or further developed by us at any time (the "System").

If you sign a Multi-Unit Development Agreement (attached as Exhibit C to this disclosure document), you will develop multiple Beef-A-Roo outlets, typically of the same model type, but it may be any combination of models, according to an agreed-upon schedule. You must establish at least three franchise units under a Multi-Unit Development Agreement, and you must sign a separate franchise agreement for each franchise unit. You will sign the franchise agreement for your first unit at the same time you sign the Multi-Unit Development Agreement. For each future franchise unit, you will sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

Market and Competition:

The market for your Franchised Business is developed and highly competitive with constantly changing market conditions. It consists of members of the general public who seek midwestern comfort food or family fare in a quick-serve setting. You will compete against other quick service, fast casual restaurants and walk-up/drive-through establishments, including national, regional and local businesses, offering products and services similar to those offered by your Franchised Business for on or off-premises consumption. Some of these competitors are franchised. The demand for the products and services offered by your Franchised Business may be affected by changes in consumer tastes, demographics, and economic conditions.

Industry Specific Regulations:

At all times during the operation of your Franchised Business, you must have a ServSafe® Food Handler certification. The jurisdiction where your Franchised Business is located may require additional food safety certifications. You must comply with all laws and regulations for proper food storage, preparation, and service.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture and state and local health departments administer and enforce laws and regulations that govern food preparation and service and foodservice establishment sanitary conditions. State and local agencies inspect foodservice establishments to ensure that they comply with these laws and regulations. Some state and local authorities have adopted, or are considering adopting, laws or regulations that could affect: the content or make-up of food served at your Franchised Business, such as the level of trans fat contained in a food item; general requirements or restrictions on advertising containing false or misleading claims, or health and nutrient claims on menus or otherwise, such as "low calorie" or "fat free"; and the posting of calorie and other nutritional information on menus.

You must comply with all local, state and federal laws and regulations that apply to the operation of your Franchised Business, including, among others, business operations, insurance, discrimination, and employment laws. Your advertising of the Franchised Business is regulated by the Federal Trade Commission. There may be federal, state and local laws which affect your Franchised Business in addition to those listed here. You will be responsible for investigating and complying with any such laws. You should consider both their effect on your business and the cost of compliance. You should thoroughly investigate all of these laws and requirements before purchasing a Beef-a-Roo franchise.

ITEM 2: BUSINESS EXPERIENCE

Mitchell Rosen – Chief Executive Officer and Managing Member. Mitchell Rosen has been our Chief Executive Officer and Managing Member in Dallas, Texas, since our inception in 2021. He has also been Chief Executive Officer and Managing Member for SFV Services in Estero, Florida, since September 2006. He has also been Chief Executive Officer and Managing Member of NBD in Estero, Florida, since January 2021. He has also served as CEO of our affiliate brand, Blenderz since its inception in June 2022.

Austin Capoferi – President. Austin Capoferi has been our President in Redford, Michigan, since December 2021. He has also been President of NBD in Redford, Michigan, since December 2021. He was Director of Operations of Mac Foods Group in Davison, Michigan, from July 2019 to December 2021. He was Director of Operations of EYM Group in Miami, Florida, from February 2015 to May 2019. He has also served as President of our affiliate brand, Blenderz since its inception in June 2022.

Megan Rosen – Chief Development Officer. Megan Rosen has been our Chief Development Officer in Dallas, Texas, since our inception in May 2021. She has also been Director of Business Development for SFV Services in Redford, MI, since June 2011. She has also been Director of Business Development for C2C Management in Redford, MI, since January 2021.

Josh Rosen – Chief Operating Officer. Josh Rosen has been our Chief Operating Officer in Dallas, Texas, since our inception in May 2021. He has also been Chief Operating Officer for SFV Services in Estero, Florida, since January 2015. He has also been Chief Operating Officer of NBD in Estero, Florida, since January 2021.

Matthew Chasnich – Chief Financial Officer. Matt Chasnich has been our Chief Financial Officer in Dallas, Texas, since our inception in May 2021. He has also been Chief Financial Officer for SFV Services in Estero, Florida, since July 2013. He has also been Chief Financial Officer of NBD in Estero, Florida, since January 2021.

Tim Rohde – Vice President of Construction. Tim Rohde has been our Vice President of Construction in Dallas, Texas, since our inception in May 2021. He has also been President of SFV Services in Estero, Florida, since September 2011. He has also been Vice President of Construction NBD in Estero, Florida, since January 2021.

Kevin Williams – Director of Real Estate. Kevin Williams has been our Director of Real Estate in Dallas, Texas, since our inception in May 2021. He has also been President of US Realty Co in Dallas, Texas, since May 2020 and Chief Acquisitions Officer of US Assets, Inc., in Dallas, Texas, since April 2018.

ITEM 3: LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4: BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5: INITIAL FEES

Initial Franchise Fee

We will charge you an initial franchise fee ("Initial Franchise Fee") when you sign the Franchise Agreement. The Initial Franchise Fee is \$49,500. The Initial Franchise Fee is fully earned by us and due in lump sum when you sign the Franchise Agreement. The Initial Franchise Fee is not refundable under any circumstances.

Construction Management Services

You are required to utilize the services of our affiliate, C2C Management, for construction services surrounding the build out of your Franchised Business. You will pay \$10,000 to \$15,000 to C2C Management for these services.

Development Fee

If you and we agree that you will develop multiple franchises, then you will sign our Multi-Unit Development Agreement ("MUDA") in the form of Exhibit C to this disclosure document. The initial franchise fees under a MUDA are \$49,500 for the first unit and reduced franchise fees of \$42,000 for the second unit, and \$38,000 for the third and each additional unit. All franchise fees are due upon signing the MUDA, so if you commit to develop the minimum of three units, you will pay franchise fees of \$129,500 (\$49,500 + \$42,000 + \$38,000) when you sign the MUDA. You may commit to develop any combination of models, and the initial franchise fees will remain the same. These franchise fees are not refundable under any circumstances.

You will sign the franchise agreement for your first Beef-A-Roo outlet when you sign the Multi-Unit Development Agreement.

ITEM 6: OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	6% of your gross sales	Weekly via ACH on Tuesdays following the close of each calendar week (Monday through Sunday)	See Note 1.
Brand Fund Contribution	1% of your gross sales	Weekly via ACH on Tuesdays following the close of each calendar week (Monday through Sunday)	Payable directly to the Brand Fund. See Notes 1 and 2.
Required Minimum Expenditure for Local Marketing	1% of your gross sales or \$1,000 per month, whichever is greater	Monthly	Payable to us or third parties. All advertising must be pre-approved by us. See Notes 1 and 3.

Type of Fee	Amount	Due Date	Remarks
Advertising Cooperative	Your share of actual cost of advertising, but no more than 1% of your monthly gross sales	As determined by cooperative	No cooperatives have been established as of the date of this Disclosure Document. You are required to join an advertising cooperative if one is formed. Cooperatives will be comprised of all franchised Beef-a-Roo outlets in a designated geographic area. Any affiliate-owned outlets may participate in an advertising cooperative, but their participation is not required. Contributions to a cooperative are in addition to your required Brand Fund contribution, but cooperative contributions will be credited against your required local advertising expenditures.
Technology Fee	Currently \$0, subject to increase to no more than your pro rata share of our actual costs to provide you with required technology	Monthly, at the same time and in the same manner as the first Royalty Fee and Brand Fund Contribution due for the month	We reserve the right to charge a commercially reasonable fee for software and other technology products and services we provide. We may add, remove, or alter the software or technology products or services that we provide. The technology fee will not necessarily be a pass-through of our exact costs.
Initial Training	Our then-current per person training fee, plus expenses Current per person training fee = \$2,000	Before training	There is no charge for initial training for up to three people. If you wish to send additional people to our initial management training program, either before the Franchised Business opens or during the term of the Franchise Agreement, you must pay this per person fee to us. You must also pay the trainees' incidental costs to attend the initial management training program, such as airfare/transportation, lodging, and meals.

Type of Fee	Amount	Due Date	Remarks
Replacement / Additional Training fee	Our then-current per diem fee, plus expenses Current per person per diem fee = \$250 per day	Prior to attending training	Payable to us if you are required to attend additional training and/or to attend a national meeting, convention, or conference. You must also pay your attendees' incidental costs to attend additional training, meetings, conventions, or conferences, such as airfare/transportation, lodging, and meals. See Note 4.
Non-Attendance Fee	\$1,500	As incurred	Payable to us if you fail to attend any mandatory additional training and/or a national meeting, convention, or conference. You are required to obtain any missed mandatory training at your cost.
Interim Management Fee	Our then-current per diem rate, plus expenses Current per diem rate = \$500	As incurred	Payable to us if we provide on-site management of your Franchised Business. You must also pay our representative(s)' incidental costs including, but not limited to, travel, lodging, and meals.
Non-compliance fee	\$500	As incurred	We may charge you \$500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you \$250 per week until you correct such non-compliance.
Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.

Type of Fee	Amount	Due Date	Remarks
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	As incurred	We may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	As incurred	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of collection	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorneys' fees) in attempting to collect amounts you owe to us.
Remedial training Fee	Our then-current fee for each trainer, plus our expenses. Currently, \$600 per day.	As incurred	If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).
Evaluation Fee	Actual costs of inspection and testing	As incurred	Payable to us. See Note 5.
Customer complaint resolution	Our expenses	As incurred	We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	As incurred	Payable to us if an examination of your books and records reveals that you have understated any Gross Sales report by 3% or more. You must reimburse us for the cost of the audit and for our travel and related expenses, in addition to repaying the monies owed, plus interest.

Type of Fee	Amount	Due Date	Remarks
Special inspection fee	Currently \$600, plus our out-of-pocket costs	As incurred	Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or in connection with a default or non-compliance with any system specification.
Reimbursement of Cost and Expenses for Non-Compliance	Actual costs	As incurred	If you breach the Franchise Agreement, you must reimburse us for any costs we incur to cure your default. You must also reimburse us for all damages, costs, and expenses, including reasonable attorneys' fees and any committed payments on your behalf, that we incur in obtaining any remedy, injunctive, or other relief to enforce the provisions of the Franchise Agreement or resulting from a termination of the Franchise Agreement. See Note 6.
Successor Agreement Fee	50% of the then-current franchise fee, but not less than \$17,500	Before signing successor agreement	Payable if you enter into a successor franchise agreement at the end of your agreement term.
Transfer fee	\$12,500 plus any broker fees and other out-of-pocket fees we incur	Upon approval of the transfer	Payable if you sell your business.
Liquidated damages	The amount equal to the average weekly Royalty Fees and Brand Fund Contributions you paid or owed to us during the 52 weeks of operation preceding the date of your default multiplied by (a) 104 weeks, or (b) the number of weeks remaining in the Franchise Agreement, whichever is less.	As incurred	Payable to us if the Franchise Agreement is terminated due to your default.

Type of Fee	Amount	Due Date	Remarks
Insurance Reimbursement	Reimbursement of our costs, plus a 10% administrative fee	As incurred	Payable to us as reimbursement for our costs in procuring your insurance, including all attorneys' and other fees we incur due to your failure to meet the insurance obligations required by the Franchise Agreement.
Indemnification	Our costs and losses from any legal action related to the operation of your franchise	As incurred	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence). See Note 7.
Reimbursement of legal fees and expenses	Our costs and expenses, including but not limited to attorneys' fees, incurred for your failure to pay amounts when due or failure to comply in any way with the Franchise Agreement.	As Incurred	Payable to us.
Taxes	Amount of taxes	As incurred	You must reimburse us for any taxes that we must pay to any taxing authority on account of either the operation of your Franchised Business or payments that you make to us, including, but not limited to any sales, excise, use, privilege, or income taxes imposed by any authority.

Notes

All fees and expenses described in this Item 6 are nonrefundable and are uniformly imposed. Except as otherwise indicated in the preceding chart, we impose all fees and expenses listed, and you must pay them to us.

¹ "Gross Sales" includes all sales of every kind and nature at or from your Franchised Business location or made according to the rights granted to you by the Franchise Agreement. Gross Sales includes the full amount payable by your customers, without deduction for delivery costs, third party delivery fees, or other write-offs. Gross Sales does not include (a) any sales tax or similar taxes collected from customers and turned over to a governmental authority, (b) properly documented refunds to customers, (c) properly documented promotional discounts (i.e., coupons), and (d) properly documented employee discounts (limited to 3% of Gross Sales). Gross Sales does not include gift card purchases, at the time of purchase, but Gross Sales does include the redemption amount of purchases made by gift card. If you do not report revenues for any week, then we will collect 120% of the last royalty fee collected and settle the balance the next period in which you report revenue. You are required to set up an authorization at your bank to

allow us to electronically transfer funds from your bank account to our bank account. Interest and late fees will apply to any late payments or electronic funds transfer requests denied due to insufficient funds.

² Brand Fund contributions are due at the same time and in the same manner as royalty fees. You are required to set up authorization at your bank to allow us to electronically transfer funds from your bank account to the Brand Fund's bank account. Interest and late fees will apply to any late payments or electronic funds transfer requests denied due to insufficient funds. If you do not report any sales in a week then we will collect to the Brand Fund 120% of the last Brand Fund contribution collected and settle the balance the next week in which you report sales.

³ Upon our request, you must furnish us with a quarterly report and documentation of local advertising expenditures during the previous calendar quarter. You may not use social media platforms, such as Facebook, Twitter, Instagram, LinkedIn, TikTok, YouTube, blogs, and other networking and sharing websites, unless you receive written pre-approval from us. Any advertising on social media must be in strict accordance with our requirements.

⁴ We may offer mandatory and/or optional additional training programs periodically. If we require it, you must participate in additional training for up to five days per year, and/or attend a national meeting, convention, or conference for up to three days per year at a location we designate.

⁵ If you wish to purchase, lease, or use any unapproved equipment, supplies, services, or other items or purchase from an unapproved supplier, you must submit a written request for our approval. As a condition to our approval, we may require inspection of the proposed supplier's facilities and/or evaluation and testing of the proposed item or service.

⁶ If you breach the Franchise Agreement, you must reimburse us for any costs we incur to cure your default. You must also reimburse us for all damages, costs, and expenses, including reasonable attorneys' fees and any committed payments on your behalf, that we incur in obtaining any remedy, injunctive, or other relief to enforce the provisions of the Franchise Agreement or resulting from a termination of the Franchise Agreement.

⁷ You must indemnify and hold us, our parent, and affiliates, and all of our respective officers, directors, agents, and employees harmless from and against any and all claims, losses, costs, expenses, liability, and damages arising directly or indirectly from, as a result of, or in connection with your business operations under the Franchise Agreement, as well as the costs, including attorneys' fees, of defending against them.

ITEM 7: ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT - FRANCHISE AGREEMENT

TRADITIONAL/RESTAURANT MODEL

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fee	\$49,500	\$49,500	Check or wire transfer	Upon signing the franchise agreement	Us
Rent (one month) (see Note 2)	\$15,000	\$25,000	Check	Upon signing lease	Landlord

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Lease Security Deposit (see Note 2)	\$15,000	\$25,000	Check	Upon signing lease	Landlord
Utilities	\$500	\$1,500	Check, debit, and/or credit	Upon ordering service	Utility providers
Architectural and Engineering	\$15,000	\$25,000	Check, debit, and/or credit	As incurred	Service providers
Construction Management Services	\$10,000	\$15,000	Check or electronic payment	As incurred	Our affiliate C2C Construction Management
Leasehold Improvements	\$250,000	\$750,000	Check	As incurred or when billed	Contractors
Furniture, Fixtures, and Equipment	\$320,000	\$323,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Computer Systems	\$15,000	\$25,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (12 months)	\$1,500	\$5,000	Check	As arranged	Insurance company
Signage	\$10,000	\$30,000	Check, debit, and/or credit	As arranged	Vendor
Office Expenses	\$100	\$500	Check, debit, and/or credit	As incurred	Vendors
Inventory	\$12,000	\$25,000	Check	As arranged	Vendors
Licenses and Permits	\$2,000	\$10,000	Check	As arranged	Government
Dues and Subscriptions	\$100	\$1,000	Check, debit, and/or credit	As incurred	Vendors, trade organizations
Market Introduction Program	\$7,500	\$10,000	Check, debit, and/or credit	As incurred or arranged	Vendors and suppliers
Professional Fees (lawyer, accountant, etc.)	\$1,000	\$3,000	Check, debit, and/or credit	As incurred or arranged	Professional service firms
Travel, lodging and meals for initial training	\$5,000	\$10,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first three months) (see Note 4)	\$25,000	\$50,000	Varies	Varies	Employees, suppliers, utilities, etc.
Total	\$754,200	\$1,383,500			

DRIVE-THRU MODEL

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fee	\$49,500	\$49,500	Check or wire transfer	Upon signing the franchise agreement	Us
Rent (one month) (see Note 2)	\$5,000	\$7,000	Check	Upon signing lease	Landlord
Lease Security Deposit (see Note 2)	\$7,500	\$10,500	Check	Upon signing lease	Landlord
Utilities	\$500	\$1,500	Check, debit, and/or credit	Upon ordering service	Utility providers
Architectural and Engineering	\$15,000	\$30,000	Check, debit, and/or credit	As incurred	Service providers
Construction Management Services	\$10,000	\$15,000	Check or electronic payment	As incurred	Our affiliate C2C Construction Management
Leasehold Improvements	\$320,000	\$615,000	Check	As incurred or when billed	Contractors
Furniture, Fixtures, and Equipment	\$40,000	\$75,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Computer Systems	\$15,000	\$25,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (12 months)	\$1,500	\$5,000	Check	As arranged	Insurance company
Signage	\$10,000	\$30,000	Check, debit, and/or credit	As arranged	Vendor
Office Expenses	\$100	\$500	Check, debit, and/or credit	As incurred	Vendors
Inventory	\$12,000	\$25,000	Check	As arranged	Vendors
Licenses and Permits	\$2,000	\$10,000	Check	As arranged	Government
Dues and Subscriptions	\$100	\$1,000	Check, debit, and/or credit	As incurred	Vendors, trade organizations
Market Introduction Program	\$7,500	\$10,000	Check, debit, and/or credit	As incurred or arranged	Vendors and suppliers
Professional Fees (lawyer, accountant, etc.)	\$1,000	\$3,000	Check, debit, and/or credit	As incurred or arranged	Professional service firms

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Travel, lodging and meals for initial training	\$5,000	\$10,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first three months) (see Note 4)	\$25,000	\$50,000	Varies	Varies	Employees, suppliers, utilities, etc.
Total	\$526,700	\$973,000			

END CAP MODEL

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fee	\$49,500	\$49,500	Check or wire transfer	Upon signing the franchise agreement	Us
Rent (one month) (see Note 2)	\$5,000	\$7,500	Check	Upon signing lease	Landlord
Lease Security Deposit (see Note 2)	\$7,500	\$10,500	Check	Upon signing lease	Landlord
Utilities	\$500	\$1,500	Check, debit, and/or credit	Upon ordering service	Utility providers
Architectural and Engineering	\$15,000	\$30,000	Check, debit, and/or credit	As incurred	Service providers
Construction Management Services	\$10,000	\$15,000	Check or electronic payment	As incurred	Our affiliate C2C Construction Management
Leasehold Improvements	\$200,000	\$400,000	Check	As incurred or when billed	Contractors
Furniture, Fixtures, and Equipment	\$100,000	\$320,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Computer Systems	\$15,000	\$25,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (12 months)	\$1,500	\$5,000	Check	As arranged	Insurance company
Signage	\$10,000	\$30,000	Check, debit, and/or credit	As arranged	Vendor

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Office Expenses	\$100	\$500	Check, debit, and/or credit	As incurred	Vendors
Inventory	\$12,000	\$25,000	Check	As arranged	Vendors
Licenses and Permits	\$2,000	\$10,000	Check	As arranged	Government
Dues and Subscriptions	\$100	\$1,000	Check, debit, and/or credit	As incurred	Vendors, trade organizations
Market Introduction Program	\$7,500	\$10,000	Check, debit, and/or credit	As incurred or arranged	Vendors and suppliers
Professional Fees (lawyer, accountant, etc.)	\$1,000	\$3,000	Check, debit, and/or credit	As incurred or arranged	Professional service firms
Travel, lodging and meals for initial training	\$5,000	\$10,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first three months) (see Note 4)	\$25,000	\$50,000	Varies	Varies	Employees, suppliers, utilities, etc.
Total	\$466,700	\$1,003,500			

CONVERSION MODEL

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fee	\$49,500	\$49,500	Check or wire transfer	Upon signing the franchise agreement	Us
Rent (one month) (see Note 2)	\$10,000	\$15,000	Check	Upon signing lease	Landlord
Lease Security Deposit (see Note 2)	\$15,000	\$22,500	Check	Upon signing lease	Landlord
Utilities	\$500	\$1,500	Check, debit, and/or credit	Upon ordering Service	Utility providers
Architectural and Engineering	\$15,000	\$30,000	Check, debit, and/or credit	As incurred	Service providers

Type of Expenditure (see Note 1)	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Construction Management Services	\$10,000	\$15,000	Check or electronic payment	As incurred	Our affiliate C2C Construction Management
Leasehold Improvements	\$150,000	\$300,000	Check	As incurred or when billed	Contractors
Furniture, Fixtures, and Equipment	\$150,000	\$350,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Computer Systems	\$15,000	\$25,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (12 months)	\$1,500	\$5,000	Check	As arranged	Insurance company
Signage	\$10,000	\$30,000	Check, debit, and/or credit	As arranged	Vendor
Office Expenses	\$100	\$500	Check, debit, and/or credit	As incurred	Vendors
Inventory	\$12,000	\$25,000	Check	As arranged	Vendors
Licenses and Permits	\$2,000	\$10,000	Check	As arranged	Government
Dues and Subscriptions	\$100	\$1,000	Check, debit, and/or credit	As incurred	Vendors, trade organizations
Market Introduction Program	\$7,500	\$10,000	Check, debit, and/or credit	As incurred or arranged	Vendors and suppliers
Professional Fees (lawyer, accountant, etc.)	\$1,000	\$3,000	Check, debit, and/or credit	As incurred or arranged	Professional service firms
Travel, lodging and meals for initial training	\$5,000	\$10,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first three months) (see Note 4)	\$25,000	\$50,000	Varies	Varies	Employees, suppliers, utilities, etc.
Total	\$479,200	\$953,000			

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**YOUR ESTIMATED INITIAL INVESTMENT - MULTI UNIT DEVELOPMENT AGREEMENT
DEVELOPMENT OF THE MINIMUM OF THREE UNITS – TRADITIONAL MODEL**

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fees (see Note 5)	\$129,500	\$129,500	Check or wire transfer	Upon signing the MUDA	Us
Business planning and miscellaneous expenses	\$1,000	\$5,000	Check	As incurred	Vendors and suppliers
Other expenditures for first unit (see Note 5)	\$704,700	\$1,334,000	See above tables	See above tables	See above tables
Total	\$835,200	\$1,468,500			

**YOUR ESTIMATED INITIAL INVESTMENT - MULTI UNIT DEVELOPMENT AGREEMENT
DEVELOPMENT OF THE MINIMUM OF THREE UNITS – DRIVE-THRU MODEL**

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fees (see Note 5)	\$129,500	\$129,500	Check or wire transfer	Upon signing the MUDA	Us
Business planning and miscellaneous expenses	\$1,000	\$5,000	Check	As incurred	Vendors and suppliers
Other expenditures for first unit (see Note 5)	\$477,200	\$923,500	See above tables	See above tables	See above tables
Total	\$607,700	\$1,058,000			

**YOUR ESTIMATED INITIAL INVESTMENT - MULTI UNIT DEVELOPMENT AGREEMENT
DEVELOPMENT OF THE MINIMUM OF THREE UNITS – END-CAP MODEL**

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fees (see Note 5)	\$129,500	\$129,500	Check or wire transfer	Upon signing the MUDA	Us

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Business planning and miscellaneous expenses	\$1,000 \$5,000		Check	As incurred	Vendors and suppliers
Other expenditures for first unit (see Note 5)	\$417,200 \$954,000		See above tables	See above tables	See above tables
Total	\$547,700 \$1,088,500				

**YOUR ESTIMATED INITIAL INVESTMENT - MULTI UNIT DEVELOPMENT AGREEMENT
DEVELOPMENT OF THE MINIMUM OF THREE UNITS – CONVERSION MODEL**

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is To Be Made
	Low	High			
Initial franchise fees (see Note 5)	\$129,500 \$129,500		Check or wire transfer	Upon signing the MUDA	Us
Business planning and miscellaneous expenses	\$1,000 \$5,000		Check	As incurred	Vendors and suppliers
Other expenditures for first unit (see Note 5)	\$429,700 \$903,500		See above tables	See above tables	See above tables
Total	\$560,200 \$1,038,000				

Notes

1. Your security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. None of the other expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment.

2. A Beef-a-Roo restaurant will typically be 3,500 to 4,500 square feet and will be located in a free-standing building or shopping center. A Beef-a-Roo container model will typically be 600 to 900 square feet and will require a plot of land (pad) with a minimum of 1,000 square feet. Our estimates in these tables assume you pay one month rent plus a security deposit before you open your restaurant or container for business. For this to occur, you would need to negotiate a “free rent” period for the time it takes to build out your business. We expect that you will rent the premises for your restaurant or container. If you choose to purchase real estate instead of renting, your costs will be significantly different.

3. The container will be prefabricated with all kitchen equipment and fixtures intact and will arrive to the leased land in a “ready to operate” state. This estimate includes \$10,000 to \$25,000 for work at the leased land to make utilities available for the container. We have assumed the utilities are at or near the leased land. Patio furniture is optional and would include tables and chairs and/or benches.

4. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as payroll, additional inventory, rent, and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Beef-a-Roo business by our affiliate and our general knowledge of the industry.

5. These fees are discussed in Item 5. This estimate assumes you will develop the minimum of three franchise units. If you commit to develop five franchise units, the development fee (i.e. the sum of the initial franchise fees) will increase. The "Other expenditures for first unit" are the estimates to build out your first unit. Costs associated with building out additional units are subject to factors that we cannot estimate or control, such as inflation, increased labor costs, or increase materials costs.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We have identified various suppliers, distributors, and manufacturers of equipment, supplies, and services that your Franchised Business must use or provide which meet our standards and requirements. You must purchase all equipment, ingredients, supplies and services from our designated suppliers and contractors or in accordance with our specifications. We maintain written lists of approved items of equipment, ingredients, supplies and services (by brand name and/or by standards and specifications) and a list of designated suppliers and contractors for those items. We will update these lists periodically and issue the updated lists to all franchisees.

You must engage our affiliate, SFV-LLGC, LLC, operating as C2C Management, for construction management services in connection with the build out of your Franchised Business. Our officers, Mitchell Rosen, Josh Rosen, Matthew Chasnich, Tim Rohde, and Megan Rosen, own an interest in SFV-LLGC, LLC. As of December 31, 2023, SFV-LLGC, LLC had derived revenue in the amount of \$5,000 from the build-out of franchisee outlets.

With the exception of SFV-LLGC, LLC, neither we nor any affiliate is currently a supplier of any good or service that you must purchase, although we reserve the right to be a supplier (or the sole supplier) of a good or service in the future.

Before you open for business, you must purchase and maintain at your sole cost and expense the insurance coverage that we specify. The minimum insurance required is commercial general liability insurance, including coverage for public liability and personal and advertising injury, in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate; products liability coverage of at least \$1,000,000; property damage insurance in an amount that covers the full replacement value of your furniture, fixtures, equipment, inventory, and leasehold improvements or the amount required by your lease, whichever is higher; business interruption insurance in an amount no less than necessary to satisfy your obligations under the franchise agreement and your lease for a minimum period of 12 months; worker's compensation coverage as required by state law, employee dishonesty insurance of at least \$25,000, and employer liability insurance with a minimum coverage of \$500,000 per accident; loss of electronic data coverage of no less than \$10,000; identity theft coverage of no less than \$2,500; and if you operate a vehicle on behalf of your Franchised Business, comprehensive automobile liability insurance of at least a combined single limit for bodily injury and property damage of \$1,000,000. Each policy must be written by a responsible carrier or carriers acceptable to us and must name us, and our respective officers, directors, partners, agents and employees as additional insured parties, and contain a waiver of the insurance company's rights of subrogation against us.

We approve suppliers after careful review of the quality of the products and services they provide to us and our franchisees. If you would like us to consider another item or supplier, you must make a request in writing to us and have the supplier provide samples of its product or service and any other information that we may require. If the item and/or supplier meets our specifications, as we determine in our sole discretion, we will approve it as an additional

item or supplier. We will notify you whether we approve or disapprove of the proposed item or supplier within 30 days after we receive all required information to evaluate the product or service. We reserve the right to revoke approval of any item or supplier that does not continue to meet our then-current standards. Our criteria for approving items and suppliers are not available to you. If you request that we approve a proposed item or supplier, we may charge you an evaluation fee equal to our actual cost and expense of inspection and testing.

All of your kitchen equipment must meet our specifications and be purchased only from approved suppliers. All of your food, beverage, and other inventory purchases must meet our specifications and be purchased only from approved suppliers. Currently, you may only serve beverage products produced by Pepsi. You must use a distributor that we approve, which is currently PFG (Performance Food Group).

We will derive revenue from required purchases and leases by franchisees in the form of rebates from PFG and Pepsi. Our total revenue from PFG and Pepsi in the prior fiscal year was \$0. Any rebates received from Pepsi will be contributed to the Brand Fund. We did not receive revenue from any other required purchases or leases of products and services by franchisees in the prior fiscal year.

In addition, in the future, we have the right to receive payments from other or additional designated suppliers based on franchisee purchases. We are not required to give you an accounting of any payments we receive from designated suppliers, nor are we required to share any benefits of supplier payments with you or with any other franchisee.

We estimate that the required purchases and leases to establish your business are 70% to 90% of your total purchases and leases to establish your business. We estimate that the required purchases and leases of goods and services to operate your business are 70% to 90% of your total purchases and leases of goods and services to operate your business.

Currently, there are no purchasing or distribution cooperatives. However, we can require that you make your purchases through a cooperative if one is formed.

We have negotiated arrangements with PFG and Pepsi, including price terms.

We provide no material benefits (such as the grant of additional franchises) based on your use of designated sources; however, failure to use approved items or designated suppliers and contractors may be a default under the Franchise Agreement. Additionally, when there is any default under the Franchise Agreement, we reserve the right, in addition to other remedies available under the Franchise Agreement, to direct suppliers to withhold furnishing products and services to you.

ITEM 9: FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in franchise agreement	Section in multi-unit developer agreement	Disclosure document item
a. Site selection and acquisition/lease	§§ 6.1, 6.2	Not applicable	Item 11
b. Pre-opening purchase/leases	§§ 6.2, 6.3	Not applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Article 6		Items 5, 7, 8 and 11

Obligation	Section in franchise agreement	Section in multi-unit developer agreement	Disclosure document item
d. Initial and ongoing training	§§ 5.2, 6.4, 7.6	Not applicable	Items 5, 6, 8 and 11
e. Opening	§§ 6.5, 6.6	Not applicable	Items 7, 8 and 11
f. Fees	Article 4, §§ 5.3, 7.8, 8.4, 10.5, 11.2, 11.3, 14.5, 15.2, 16.1, 17.6		Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	§§ 6.3, 7.1, 7.3, 7.5, 7.9 – 7.13, 7.15, 9.1, 10.1, 10.4, 11.1	Not applicable	Items 8, 11 and 14
h. Trademarks and proprietary information	Article 12, § 13.1	Not applicable	Items 13 and 14
i. Restrictions on products/services offered	§ 7.3	Not applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	§§ 7.3, 7.8, 7.9	Not applicable	Item 8
k. Territorial development and sales quotas	§ 2.2		Item 12
l. Ongoing product/service purchases	Article 8	Not applicable	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	§§ 3.2, 7.12, 7.13, 15.2	Not applicable	Items 6, 7 and 8
n. Insurance	§ 7.15	Not applicable	Items 6, 7 and 8
o. Advertising	Article 9	Not applicable	Items 6, 7, 8 and 11
p. Indemnification	Article 16		Items 6 and 8
q. Owner's participation/management/staffing	§ 2.4	Not applicable	Items 15
r. Records and reports	Article 10	Not applicable	Item 11
s. Inspections and audits	§§ 10.5, 11.2	Not applicable	Items 6 and 11
t. Transfer	Article 15		Items 6 and 17
u. Renewal	§ 3.2	Not applicable	Items 6 and 17
v. Post-termination obligations	Article 13, § 14.3		Item 17
w. Non-competition covenants	§ 13.2		Item 17
x. Dispute resolution	Article 17		Items 6 and 17

ITEM 10: FINANCING

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

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

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

1. Pre-Opening Obligations

Before you open your Franchised Business, we will:

A. We will review and advise you regarding potential locations that you submit to us. (Section 5.2). If you sign a Multi-Unit Development Agreement, we will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. We are not obligated to further assist you in locating a site or negotiating the purchase or lease of the site. You must engage our affiliate US Realty Co to represent you in securing a site for your business.

- (1) We generally do not own your premises and lease it to you.
- (2) If your site is not already known and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a site (Franchise Agreement, Summary Page). We do not select your site. You must find a potential site and submit your site to us for approval, together with all information and documents about the site that we request. When we accept a site, we will issue a Location Acceptance Letter (in the form of Attachment 2 to the Franchise Agreement).
- (3) The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, physical characteristics of existing buildings, and lease terms.
- (4) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Section 6.1). If we and you cannot agree on a site, you will be unable to comply with your obligation to develop and open the franchise by the deadline stated in the franchise agreement. Unless we agree to extend the deadline, you will be in default and we may terminate your franchise agreement.
- (5) We are not obligated to assist you in conforming the premises of your site to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. Constructing, remodeling, or decorating the premises. We will advise you regarding the layout, design, and build-out of your business (Section 5.2). You will engage our affiliate, C2C Construction Management, to provide construction management services.

C. Hiring and training employees. Our opening support (as described below) includes assisting you in training employees. All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

D. Necessary equipment, signs, fixtures, opening inventory, and supplies. We will provide you a list of our specifications and approved suppliers for equipment, signs, fixtures, opening inventory, and supplies necessary to open your business (Section 5.2). We do not provide these items directly; we only provide the names of approved

suppliers. We do not deliver or install these items. If you will operate a container model, the specified equipment and fixtures will be installed in your container during the build out.

E. Brand Standards Manual. We will give you access to our Brand Standards Manual (Section 5.1).

F. Initial Training Program. We will conduct our initial training program. (Section 5.2). The current initial training program is described below.

G. Business plan review. If you request, we will review your pre-opening business plan and financial projections. (Section 5.2)

H. Market introduction plan. We will advise you regarding the planning and execution of your market introduction plan. (Section 5.2)

I. On-site opening support. We will have a representative provide on-site support for at least 14 days in connection with your business opening, at our expense. (Section 5.2)

2. **Time to Open**

We estimate the typical length of time between the signing of the Franchise Agreement and the time you open your Franchised Business is eighteen months. Before you may open, you must (a) complete our initial management training program, (b) complete all improvements to the Franchised Business premises including the installation and cleaning of all equipment and furnishings, (c) hire and train your staff, (d) obtain all required licenses to operate the Franchised Business, and (e) purchase and stock your initial inventory. Factors that may affect this time period include your ability to acquire licenses and permits, to acquire financing for any portion of the initial investment, and your satisfactory completion of required training. If you have not opened your Franchised Business within 210 days after you sign the Franchise Agreement, you must obtain our consent to extend the time to open, which we may or may not grant, at our discretion. Failure to open your Franchised Business within the original time as extended, is a default of the Franchise Agreement. (Franchise Agreement, Section 8.3)

3. **Obligations After Opening**

During the operation of your franchise, we will:

A. Developing products or services you will offer to your customers. Although it is our intent to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.

B. Hiring and training employees. All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

C. Improving and developing your business; resolving operating problems you encounter. If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide in-person support in response to your request, we may charge a fee (currently \$600 per day) plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Section 5.3)

D. Establishing prices. Upon your request, we will provide recommended prices for products and services. (Section 5.3). We have the right to set maximum, minimum, or specific prices charged by our franchisees (but only to the extent permitted by applicable law). (Section 7.4)

E. Establishing and using administrative, bookkeeping, accounting, and inventory control procedures. We will provide you our recommended procedures for administration, bookkeeping, accounting, and inventory control (Section 5.3). We may make any such procedures part of required (and not merely recommended) procedures for our system.

F. Marketing Fund. We will administer the Marketing Fund (Section 5.3). We will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of our fiscal year and will provide the financial statement to you upon request. (Section 9.3)

G. Website. We will maintain a website for the Beef-a-Roo brand, which will include your business information and telephone number. (Section 5.3)

4. Advertising

Local Advertising (Franchise Agreement, Sections 13.2 and 13.5)

We require you to spend at least \$5,000 on a grand opening marketing campaign in the 30 days prior to and the 30 days following the opening of your Franchised Business. You must pay all costs of the grand opening, including publicity costs, promotional costs, plus the full costs of any price reduction or other customer inducements. We reserve the right to collect some or all of your grand opening marketing funds and conduct the campaign on your behalf.

After the conclusion of your grand opening marketing campaign, and for the remainder of the term of the Franchise Agreement, you are required to spend at least 1% of your gross sales or \$1,000 per month, whichever is less, on local advertising in your territory.

You may develop advertising materials for your own use at your own cost, and you may use marketing materials that we may provide to you. You may not use any advertising or marketing materials, including press releases, unless they have been approved in advance in writing by us, which approval may be withheld in our discretion. We will respond to your request for approval within 14 business days; however, if we do not respond within 14 business days, the proposed advertising or marketing material is deemed "disapproved".

We do not place local advertising on your behalf, and we have no obligation to spend any amount on advertising in your area or territory. You are responsible for local advertising placement. You may not maintain a business profile on Facebook, Twitter, Instagram, LinkedIn, YouTube, TikTok, or any other social media and/or networking site without our prior written approval.

Brand Fund (Franchise Agreement, Sections 13.3 and 13.4)

You are required to contribute 1% of weekly Gross Sales to our systemwide Brand Fund (the "Fund"). We reserve the right to increase the required contribution to the Fund to any amount up to a maximum amount of 3% of weekly Gross Sales. Each Beef-A-Roo outlet operated by our affiliates or us may, but is not obligated to, contribute to the Fund on the same basis as System franchisees.

The Fund is administered by us and our accounting and marketing personnel. We may use Fund contributions to pay any and all costs for developing, producing, and disseminating advertising, marketing, promotional, and public relations materials, programs, campaigns, sales and marketing seminars, and training programs of every kind and nature, through any media we determine; conducting marketing research and employing advertising agencies; developing, enhancing, and maintaining our website, social media platforms, apps, and other technology for the benefit of the brand image and/or System improvements; and staff salaries and other personnel and departmental costs for advertising that we internally administer or prepare. The Fund will not be used to defray any of our other

general operating expenses. The Fund and its earnings will not otherwise inure to our benefit except that any resulting technology and intellectual property will be deemed our property.

Fund contributions will not be used to solicit new franchise sales; however, we have the right to use the Fund for public relations, to explain the franchise system, and/or include "Franchises Available" or similar language and contact information in advertising produced with Fund contributions.

The Fund collects and expends contributions for the benefit of the System as a whole. We have the right to use the Fund contributions to place advertising in national, regional, or local media (including broadcast, print, or other media) and to conduct marketing campaigns through any channel, in our discretion, including but not limited to, internet and direct-mail campaigns. We have no obligation, however, to use the Fund to place advertising or conduct marketing campaigns in any particular area, including the geographical area where your Franchised Business is located.

We have no obligation to make expenditures that are equivalent or proportionate to your Fund contribution or to ensure that you benefit directly or pro rata from the production or placement of advertising from the Fund.

The Fund is not audited. An annual unaudited financial statement of the Fund is available to any franchisee upon written request.

If we spend more or less than the total of all contributions to the Fund in any fiscal year, we may carry forward any surplus or deficit to the next fiscal year. Although the Fund is intended to be of perpetual duration, we may terminate it at any time and for any reason or no reason. We will not terminate the Fund, however, until all monies in the Fund have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions.

In the calendar year ended December 31, 2023, no funds were collected or expended by the Fund.

Advertising Council (Franchise Agreement, Section 9.6)

We do not have an advertising council composed of franchisees that advises us on advertising policies. The Franchise Agreement gives us the right, in our discretion, to create a franchisee advisory council to communicate ideas, including proposed advertising policies. If created, we will determine in advance how franchisees are selected to the council, which may include factors such as a franchisee's level of success, superior performance, and profitability. We have the right to change or dissolve the council at any time.

Regional Advertising Cooperative (Franchise Agreement, Section 13.4)

We do not currently have any local or regional advertising cooperatives. We have the right to require you to participate in a local or regional advertising cooperative. We will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. Each franchisee in the area would have one vote per outlet (unless the franchisee is in default under its franchise agreement). The amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% and not more than 5% of gross sales. If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees, and they will vote on the same basis as other members. We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as an advertising agency or accounting firm, or to the franchisee members of the cooperative. We have the right to require the cooperative to operate from written bylaws or other governing documents that we determine. The documents are not currently available for you to review. Cooperatives will prepare annual financial statements which will be made available for review only by us and by the members of the cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged.

If we establish a regional advertising fund or cooperative, you must contribute your share of the actual cost of advertising. Your contributions to a regional advertising fund or cooperative will be in addition to your required contributions to the Fund, but cooperative contributions will be credited against your required local advertising expenditures.

5. Computer Systems (Franchise Agreement, Section 12.3)

You must purchase "Aloha" as your point-of-sale system. The system is a complete package for restaurants including point of sale, inventory and accounting modules. These systems will generate or store data such as sales, inventory, accounting, and other information. We estimate that these systems will cost between \$15,000 and \$25,000 to purchase.

You are required to use all other software and applications that we specify and pay any subscription or access fees associated with them.

The current cost of the required hardware and software for the POS System is \$5,000 to \$8,000, including installation costs of \$999, and monthly continuing access fees are \$150 per month, subject to increase. The current cost to install and maintain the Orchatect platform is \$250 per month, and the monthly access fee for QuickBooks Online is \$55 to \$100 per month, depending on the number of users.

We may in the future modify the sales reporting systems as we deem appropriate for the accurate and expeditious reporting of Gross Sales, and you must fully cooperate in implementing any such system at your expense.

The POS System allows us to independently and remotely access all of your sales data, including your Gross Sales, through the internet. There are no contractual limitations on our right to have full access to this information. We may retrieve, download, analyze, and store such information and data at any time. We own all customer data stored in your customer management account.

There are no contractual limitations on the frequency and cost of upgrades and/or updates to the above-described systems or programs. We have no obligation to maintain, repair, update or upgrade your computer and software. At your cost, you must provide on-going maintenance and repairs to your computer and software. You must upgrade your computer hardware and software as necessary to operate the most current version of the POS System or any replacement systems. We cannot estimate the cost of maintaining, updating and upgrading your computer hardware and software because it will depend on the make and model of your hardware, required upgrades to operate our current management and payment processing applications, repair history, usage, local cost of computer maintenance services in your area, and technological advances that we cannot predict.

6. Table of Contents of Operations Manual

The Table of Contents of our Manual, current as of the date of this Disclosure Document is attached as Exhibit E. As of the date of this disclosure document, the Manual has approximately 295 pages.

7. Training (Franchise Agreement, Article 7)

You (if the franchisee is an individual) or all of your owners (if the franchisee is a business entity) must complete our initial management training program to our satisfaction, at least one week (but no more than eight weeks) before opening your Franchised Business. We will train you at our headquarters and/or at an affiliate- or franchised-owned outlet, or at another location we specify. Certain parts of the training program can be conducted via webinar as detailed in the following table.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Use of the Manual	4	0	Webinar
Tour of the Beef-A-Roo Shop	0	1	Royal Oak, MI or Athens, GA
Pre-Opening Procedures	3	12	Royal Oak, MI or Athens, GA
Personnel Issues	3	2	Royal Oak, MI or Athens, GA
Advertising	2	0	Webinar
Management Procedures	8	40	Royal Oak, MI or Athens, GA
Franchise Reporting Requirements	4	0	Webinar
Accounting/Recordkeeping	8	40	Royal Oak, MI or Athens, GA
Customer Service Procedures	4	40	Royal Oak, MI or Athens, GA
Information Procedures	4	0	Webinar
Application Procedures	4	0	Webinar
Safety Procedures	6	12	Royal Oak, MI or Athens, GA
Totals	50	147	

We periodically conduct our initial management training program throughout the year, as needed. Training will be provided by or under the direction of our President, Austin Capoferi, whose experience is listed in Item 2 of this Disclosure Document.

Our initial management training program includes approximately six weeks of training at a location we designate, and up to seven days on-site at your Franchised Business prior to the opening of your outlet. Our training materials consist of the Manual, tutorials, and webinars. You will receive both classroom instruction and hands-on training. You may not commence operation of the Franchised Business unless and until we determine that you have successfully completed the initial management training program. If you do not complete our initial training program to our satisfaction, we have the right to terminate the Franchise Agreement.

The cost of our instructors and training materials for up to three people is included in the Initial Franchise Fee. You must pay for travel expenses for yourself and your trainees. Our current fee to provide initial training to any additional trainees who attend training with you is \$2,000 per person.

We may conduct mandatory or optional additional training programs. If we require it, you must attend mandatory additional training for up to five days per year and/or attend an annual meeting, franchisee conference, or convention for up to three days each year at a location we designate. Failure to attend mandatory additional training or an annual meeting, convention, or conference is a default of the Franchise Agreement. We have the right to impose a reasonable fee for tuition and/or attendance for all additional training programs, including the annual meeting, convention, or conference. Our current per person tuition fee is \$250 per day. You must also pay your and your attendees' transportation, lodging, meals, and other expenses to attend any mandatory training program. If you fail to attend any mandatory training program, you are required to obtain the training at a location we designate, at your sole cost, which includes tuition at the then-current rate, plus all of your travel costs and our trainer's travel costs. If you fail to attend a national meeting, franchisee conference, or annual convention, you must pay a non-attendance fee, currently \$1,500.

ITEM 12: TERRITORY

Under the Franchise Agreement, you have the right to establish and operate one Beef-A-Roo outlet within a territory that will be defined after the location of your Franchised Business is identified and approved by us (the "Territory"). You are required to find and obtain possession of a specific location for your Franchised Business that meets our site selection criteria and our acceptance. Your Territory will be located in all or a portion of a named town, city, or county and will be identified on a marked map and/or by a list of one or more contiguous zip codes. The Territory will be determined on an individual basis taking into account minimum numbers of households, average home prices, and household incomes. A typical territory for a suburban location is a five-mile radius around the Franchised Business address; a typical territory for an urban location is eight city blocks. Your Territory will be defined and attached to your Franchise Agreement as Attachment 2. If you do not yet have a location at the signing of the Franchise Agreement, you will receive a non-exclusive site search area listed in Attachment 2 instead. If you sign our Multi-Unit Development Agreement, we will designate the site of each outlet you develop in accordance with our then-current standards.

During the term of your Franchise Agreement, and provided that you are not in default of your Franchise Agreement, we will not open another dedicated Beef-A-Roo outlet or grant the right to anyone else to open a dedicated Beef-A-Roo outlet within your Territory. We provide to you an exclusive right to your Territory, and we will not (a) either directly or through others, sell our products and services anywhere within your territorial boundaries, and (b) sell our products and services through Alternative Distribution Channels (defined below) within your Territory.

There is no minimum sales requirement, market penetration, or other contingency that will affect your exclusive right to operate in the Territory during the term of your Franchise Agreement, unless you are in default of your obligations to us.

You may not change the location of your Franchised Business without our written consent, which we may withhold in our sole discretion. If we give our consent, we will charge you the then-current relocation fee. The factors we consider in permitting a relocation include loss of your premises not due to your default, demographics of the surrounding area of the proposed relocation site, proximity to other Beef-A-Roo outlets, lease requirements, traffic patterns, vehicular and pedestrian access, proximity to major roads, available parking, and overall suitability. If you wish to relocate, you must identify a new location for the Franchised Business that is acceptable to us according to our then-current site selection procedures, and you must build out the approved location within 120 days. If you do not identify a site and complete the build-out within this time period, we may terminate the Franchise Agreement. You must continue to operate at your original premises until construction of the new site is complete.

If a prospective franchisee wishes to establish a Beef-A-Roo outlet in an area that is adjacent to your Territory, and provided that you are in compliance with your Franchise Agreement (including being current in all payments owed to us and/or our affiliates), we will offer you a right of first refusal to purchase the new outlet in the adjacent area at our then-current initial franchise fee. You will have 30 days to notify us whether you wish to exercise your right of first refusal and purchase the new franchise. If you decline the right of first refusal or fail to notify us within the 30-day

period, we then have the right to sell the outlet in the adjacent area to the prospective franchisee and you will have no further rights in that area.

We reserve all rights not expressly granted in the Franchise Agreement. For example, we or our affiliates may own, operate or authorize others to own or operate Beef-A-Roo outlets outside of the Territory and may operate other kinds of businesses within the Territory. We and our affiliates may own, acquire, conduct, or authorize others to conduct, any form of business at any location selling any type of product or service not offered under the Marks, including a product or service similar to those you will sell at your Franchised Business. We reserve the right to merge with, acquire, or be acquired by, an existing competitive or non-competitive franchise network, chain, or other business; however, we will not convert any acquired business in your Territory to a franchise using our primary trademarks during the term of your Franchise Agreement.

We and our affiliates may sell products and services under the Marks outside the Territory through the internet, catalog sales, telemarketing, or other direct marketing ("Alternative Distribution Channels"). You will receive no compensation for our sales through Alternative Distribution Channels. You may not use Alternative Distribution Channels to make sales inside or outside your Territory; however, you may maintain accounts with third-party delivery services.

You may only solicit sales from customers in your Territory. Your local advertising must target customers in your Territory, although the reach of your local advertising may extend beyond your Territory.

ITEM 13: TRADEMARKS

The following are the principal trademarks that we license to you. These trademarks are owned by our affiliate, Beef-A-Roo, Inc. They are registered on the Principal Register of the United States Patent and Trademark Office.

Trademark	Registration Date	Registration Number
BEEFAROO	November 22, 2005	3017670
BEEF-A-ROO	December 18, 2018	5630513
	May 14, 2019	5748216

All required affidavits and renewals have been filed.

You must notify us immediately when you learn about an infringement of or challenge to your use of the Principal Marks or other Marks. Licensor and we will take any action we think appropriate and, if you have given us timely notice and are in full compliance with the Franchise Agreement, we will indemnify you for all expenses and damages arising from any claim challenging your authorized use of the Principal Marks or other Marks. Licensor and we have the right to control any administrative proceedings or litigation involving the Principal Marks or other Mark licensed by us to you. You must cooperate fully with Licensor and us in defending and/or settling the litigation.

We have the right to substitute different Marks if we can no longer use the current Marks, or if we determine that substitution of different Marks will be beneficial to the System. In such event, we may require you, at your expense, to modify or stop using any Mark, including the Principal Marks, or to use one or more additional or substitute Marks.

You must not directly or indirectly contest Lessor's right, or our right, to the Principal Marks or other Marks.

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the Trademark Administration of any state, or any court relating to the Marks. There is no pending infringement, opposition or cancellation. There is no pending material federal or state court litigation involving the Principal Marks or other Marks.

There are no currently effective agreements that significantly limit Lessor's or our rights to use or license the use of the Principal Mark or other Marks in a manner material to the franchise.

The license agreement with Lessor gives us broad rights to use the Marks in connection with the operation of the Beef-A-Roo franchise System, and to sublicense to franchisees the right to use the Marks, in strict accordance with our Franchise Agreement. The term of our license agreement is 10 years.

As of the date of this Disclosure Document, we know of no superior prior rights or infringing uses that could materially affect your use of the Principal Marks.

ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We hold no patents and have no pending patent applications that are material to the franchise. We have registered no copyright with the United States Copyright Office. However, we claim copyrights on our proprietary recipes, certain forms, advertisements, promotional materials and other written materials. We also claim copyrights and other proprietary rights in our Manual and the contents of our website.

There are no current material determinations of, or proceedings pending in, the United States Patent and Trademark Office, the U.S. Copyright Office, or any court regarding any of our copyrights discussed above.

There are no agreements currently in effect that limit your right to use any of our copyrights. As of the date of this Disclosure Document, we are unaware of any infringing uses of or superior previous rights to any of our copyrights that could materially affect your use of them.

You must notify us immediately when you learn about an infringement of or challenge to your use of our copyrights. We will take any action we think appropriate and, if you have given us timely notice and are in full compliance with the Franchise Agreement, we will indemnify you for all expenses and damages arising from any claim challenging your authorized use of our copyrights. We have the right to control any administrative proceedings or litigation involving our copyrights licensed by us to you. You must cooperate fully with us in defending and/or settling the litigation.

If you develop any new concept, process, recipe, product, service, or improvement ("Improvement") in the operation or promotion of the Franchised Business, you are required to promptly notify us and provide us with all requested information related to the Improvement and sign all documents necessary for us to obtain full proprietary rights to the Improvement. We have no obligation to compensate you for the Improvement or for any cost you incur to sign over your rights to the Improvement to us.

During the term of the Franchise Agreement, you may have access to and become acquainted with our trade secrets, including, but not limited to, product recipes, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, pricing formulae, software tools and

applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of the Franchised Business; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively called the "Confidential Information"). You agree that you will take all reasonable measures to maintain the confidentiality of all Confidential Information in your possession or control, and that all Confidential Information and trade secrets remain our exclusive property. You may never during the initial term, any successor term, or after the Franchise Agreement expires or is terminated reveal any of our Confidential Information to another person or use it for any other person or business. You may not copy any of our Confidential Information or give it to a third party except as we authorize in writing to you prior to any dissemination. Any and all of your personnel who have access to our Confidential Information must sign our Confidentiality and Non-Compete Agreement which is attached to our Franchise Agreement as Attachment 9.

You must promptly tell us when you learn about unauthorized use of any Confidential Information. We are not obligated to take any action but will respond to this information as we think appropriate. We will indemnify you for losses brought by a third party concerning your use, in strict compliance with the Franchise Agreement, of the Confidential Information.

ITEM 15: OBLIGATIONS OF THE FRANCHISEE TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must designate and retain at all times an individual to serve as the general manager who will be a full-time employee responsible for the supervision, management, and daily operation of the Franchise Business (the "General Manager"). We recommend, but do not require, that you or one of the Principals acts as the General Manager. We do not require you to be actively involved in the daily operation of your Franchised Business, but you must still make sure that your Franchised Business is being operated according to the terms of your Franchise Agreement and the Manual. If you are not actively involved in the daily operation of your Franchised Business, then we may communicate with and rely on the decisions made by your General Manager. The General Manager does not have to own an equity interest in you or the franchise. The General Manager cannot have an interest or business relationship with any of our competitors.

The General Manager must satisfy our standards and criteria as provided to you in the Manual and must be individually acceptable to us and approved by us to act as General Manager. Upon approval, your manager must successfully complete our initial management training program and all other training courses we require.

Your manager and all other personnel who will have access to our proprietary and Confidential Information and training must sign our Confidentiality and Non-Compete Agreement, which is attached to our Franchise Agreement as Attachment 9. If your Franchised Business is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a Principal. If you are a married individual, your spouse must sign our Spouse Guaranty, which is attached to our Franchise Agreement as Attachment 7.

ITEM 16: RESTRICTION ON WHAT FRANCHISEE MAY SELL

You must offer and sell all products and services that are part of the System, and all services and products which we incorporate into the System in the future. You may only offer products and services that we have previously approved. You are not permitted to provide products and services at wholesale.

You may not use our Principal Mark or other trademarks for any other business, and you may not conduct any other business from your Franchised Business location. You cannot engage in any other business (other than an additional Beef-A-Roo outlet) that competes with your Franchised Business, with us or our affiliates, or with Beef-A-Roo outlets owned by other franchisees, whether the other business is inside or outside of the Territory.

We may add to, delete from, or modify the products and services that you can and must offer. You must abide by any additions, deletions and modifications. There are no limits on our rights to make these changes.

You may only sell products and services in the manner we prescribe. You may only solicit sales from customers in your Territory. Your local advertising must target customers in your Territory, although the reach of your local advertising may extend beyond your Territory.

ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

	Provision	Section in Franchise Agreement	Summary
a.	Length of the franchise term	Art. 4	Term is 10 years
b.	Renewal or extension of the Term	Art. 5	If you are in good standing as defined below, you can sign a successor agreement for two additional terms of 5 years each, unless we have determined, in our sole discretion, to withdraw from the geographical area where your Franchise is located.
c.	Requirements for franchisee to renew or extend	Sections 5.1 and 5.2	Be in full compliance, have no more than three events of default during current term, provide written notice to us at least six months before the end of the term, have the right to continued occupancy of the Franchised Business premises or obtain our approval to relocate, pay us a successor agreement fee, repair, upgrade or replace the equipment and other Franchised Business assets to meet then-current specifications, execute a general release, comply with then-current qualifications and training requirements, including completion of additional training, and execute a new franchise agreement. You may be asked to sign a new Franchise Agreement with materially different terms and conditions than your original Franchise Agreement.
d.	Termination by franchisee	None	You may seek termination upon any grounds available by state law.
e.	Termination by franchisor without cause	Not Applicable	The Franchise Agreement will terminate upon your death or permanent disability and the franchise must be transferred within six months to a replacement franchisee that we approve.
f.	Termination by franchisor with cause	Article 17	We may terminate only if you default, subject to state law. The Franchise Agreement describes defaults throughout. Please read it carefully.

Provision	Section in Franchise Agreement	Summary
g. "Cause" defined – curable defaults	Section 17.3	You have five days to cure non-payments and any other defaults (except for non-curable defaults listed in the Franchise Agreement and described in h. immediately below).
h. "Cause" defined - non-curable defaults	Sections 17.1 and 17.2	<p>The Franchise Agreement will terminate automatically, without notice for the following defaults: insolvency; bankruptcy; written admission of inability to pay debts; receivership; levy; composition with creditors; unsatisfied final judgment for more than 30 days; or foreclosure proceeding that is not disclosed within 30 days.</p> <p>We may terminate the Franchise Agreement upon notice to you if you: do not acquire a site, do not complete construction, obtain permits and/or open the Franchised Business within required time frames; falsify any report to us; cease operations for five days or more, unless the premises are damaged and you apply to relocate; lose possession of the premises, unless you are not at fault for loss and you timely apply to relocate; fail to restore and re-open the Franchised Business within 120 days after a casualty, as may be extended by us; fail to comply with applicable laws; default under any lease for the premises; understate Gross Sales two or more times; fail to comply with insurance and indemnification requirements; attempt a transfer in violation of the Franchise Agreement; fail, or your legal representative fails to transfer as required upon your death or permanent disability; misrepresent or omit a material fact in applying for the Franchise; are convicted or plead no contest to a felony or to a crime or do anything that could damage the goodwill or reputation of our trademarks or the System; receive an adverse judgment in any proceeding involving allegations of fraud, racketeering or improper trade practices or similar claim that could damage the goodwill or reputation of our trademarks or the System; conceal revenues or maintain false books; create a threat or danger to public health or safety; refuse an inspection or audit by us; use our trademarks, copyrighted material or Confidential Information in an unauthorized manner; make an unauthorized disclosure of Confidential Information; fail to comply with non-competition covenants; default in the performance of your obligations three or more times during the term or receive two</p>

Provision	Section in Franchise Agreement	Summary	
		or more default notices in any 12-month period; default under any other agreement with us or our affiliate; have insufficient funds to honor a check or EFT two or more times within any 12-month period; or terminate the Franchise Agreement without cause.	
i.	Franchisee's obligations on termination/ non-renewal	Article 18	Upon termination, you must: cease operations; cease to identify yourself as a Beef-A-Roo franchisee; cease to use the Marks; cancel any assumed name registration that contains any Mark; pay us and our affiliates all sums owing; pay us any damages, costs or expenses we incur in obtaining any remedy for any violation of the Franchise Agreement by you, including, but not limited to attorney's fees; deliver to us all Confidential Information, the Manual and all records and files related to your Franchised Business; comply with the non-disclosure and non-competition covenants; pay liquidated damages, sell to us, at our option, all fixtures, equipment, and supplies of your Franchised Business; assign, at our option, your telephone numbers, directory and internet listings, and social media accounts and the lease for the location.
j.	Assignment of contract by franchisor	Section 16.1.1	No restrictions on our right to assign.
k.	"Transfer" by franchisee defined	Section 16.3	Any assignment, sale, transfer, gift, devise or encumbrance of any interest in the Franchise Agreement, the Franchised Business, any assets of the Franchised Business, or in the Franchisee (if the Franchisee is a business entity).
l.	Franchisor approval of transfer by franchisee	Section 16.3	No transfer is allowed without our consent, which we will not unreasonably withhold.
m.	Conditions for franchisor approval of a transfer	Sections 16.3 and 16.4	Conditions include: our decision not to exercise our right of first refusal; transferee meets our then-current standards for qualifying franchisees; transferee signs our then-current form of Franchise Agreement, which may have materially different terms from your Franchise Agreement; transferee successfully completes our initial training program; you have paid us and third-party creditors all amounts owed; you and the transferee sign a General Release in the form of Attachment 3 to the Franchise Agreement; you will subordinate any claims you have against the transferee to us; you will indemnify us for misrepresentations in the transfer process (excluding our representations in the FDD); our approval of the material terms and conditions of the transfer; obtain landlord's consent to transfer the premises

Provision	Section in Franchise Agreement	Summary
n.	Franchisor's right of first refusal to acquire franchisee's business	lease, if applicable; and payment of the applicable transfer fee.
o.	Franchisor's option to purchase franchisee's business	You must promptly notify us of any written offer to purchase your Franchise. We have 30 days to exercise our first right to buy it on the same terms and conditions, provided that (a) we may substitute cash for any other consideration (b) we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 60 days to close and (e) you will give us all customary seller's representations and warranties.
p.	Death or disability of franchisee	Upon termination of the Franchise Agreement, we have the option to purchase your equipment, signs, advertising materials, and supplies at your cost or fair market value, whichever is less.
q.	Non-competition covenants during the term of the franchise	The Franchise Agreement will terminate upon your death or permanent disability, and the franchise must be transferred within six months to a replacement franchisee that we approve.
r.	Non-competition covenants after the franchise is terminated or expires	You may not: divert, or attempt to divert, customers of any Beef-A-Roo outlet (including yours) to any competitor; participate in any capacity, including, but not limited to as an owner, partner, officer, director, employee or agent, in any other capacity in any restaurant or eatery business that derives more than 10% of its gross revenue from the sale of American casual dining classics; do any act that could damage the goodwill of the Marks or System, or disrupt or jeopardize our business or that of our franchisees.

Provision		Section in Franchise Agreement	Summary
s.	Modification of the agreement	Sections 9.4, 14.6 19.1.4 and 21.4	No oral modifications generally, but we may change the Manual and System standards at any time. You may be required to implement these changes at your own costs. We have the right to modify our Marks at any time upon written notice to you.
t.	Integration/merger clause	Section 21.4	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable. In spite of the above, nothing in any Franchise Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Sections 20.1, 20.2 and 20.3	At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, and then to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, possession of the Franchised Business premises, and post-termination obligations. Subject to state law.
v.	Choice of forum	Section 20.5	Litigation takes place in Michigan, subject to applicable state law.
w.	Choice of law	Section 20.5	Michigan law applies, subject to applicable state law.

THE FRANCHISE RELATIONSHIP (UNDER THE MULTI-UNIT DEVELOPMENT AGREEMENT)

This table lists certain important provisions of the multi-unit development agreement. You should read these provisions in the agreement attached to this disclosure document.

Provision		Section in Multi-Unit Development Agreement	Summary
a.	Length of the franchise term	Art. 3	As determined by you and us based on the number of Beef-A-Roo outlets you commit to develop.
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	None	You may seek termination upon any grounds available by state law.
e.	Termination by franchisor without cause	Not Applicable	The Multi-Unit Development Agreement will terminate upon your death or permanent disability and your interest in the agreement must be transferred within six months to a replacement developer that we approve.

Provision	Section in Multi-Unit Development Agreement	Summary
f. Termination by franchisor with cause	Article 7	We may terminate only if you default. The Multi-Unit Development Agreement describes defaults throughout. Please read it carefully.
g. "Cause" defined – curable defaults	Section 7.3	You have five days to cure non-payments and any other defaults (except for non-curable defaults listed in the Multi-Unit Development Agreement and described in h. immediately below).
h. "Cause" defined - non-curable defaults	Sections 7.1 and 7.2	<p>The Multi-Unit Development Agreement will terminate automatically, without notice for the following defaults: insolvency; bankruptcy; written admission of inability to pay debts; receivership; levy; composition with creditors; unsatisfied final judgment for more than 30 days; or foreclosure proceeding that is not dismissed within 30 days.</p> <p>We may terminate the Multi-Unit Development Agreement upon notice to you if you: misrepresent or omit a material fact in applying for the Development Rights; falsify any report to us; fail to comply with any federal, state, or local law, rule, or regulation, applicable to the development and operations of your Beef-A-Roo outlets, including, but not limited to, the failure to pay taxes; fail to develop the Beef-A-Roo outlets in accordance with the Mandatory Development Schedule; attempt a transfer in violation of the Multi-Unit Development Agreement; are convicted or plead no contest to a felony or crime or do anything that could damage the goodwill or reputation of our trademarks or the System; receive an adverse judgment in any proceeding involving allegations of fraud, racketeering, or improper trade practices or similar claim that could damage the goodwill or reputation of our trademarks or the System; fail to comply with non-competition covenants; default, or your affiliate defaults, under any other agreement, including any Franchise Agreement, with us or any of our affiliates or suppliers and does not cure such default within the time period provided in such other agreement; or terminate the Multi-Unit Development Agreement without cause.</p>
i. Franchisee's obligations on termination/non-renewal	Section 7.4	Upon termination, you must: cease all development operations and comply with the non-disclosure and non-competition covenants.
j. Assignment of contract by franchisor	Section 6.1	No restrictions on our right to assign.

Provision	Section in Multi-Unit Development Agreement	Summary
k. "Transfer" by franchisee defined	Section 6.3	Any assignment, sale, transfer, gift, devise, or encumbrance of any interest in the Multi-Unit Development Agreement or Development Rights.
l. Franchisor approval of transfer by franchisee	Sections 6.2, 6.3	No transfer is allowed without our consent, which we will not unreasonably withhold.
m. Conditions for franchisor approval of a transfer	Sections 6.3 and 6.4	Conditions include: our decision not to exercise our right of first refusal; transferee meets our then-current standards for qualifying developers; you have paid us all amounts owed; transferee signs our then-current form of Multi-Unit Development Agreement, which may have materially different terms from your Multi-Unit Development Agreement; you and the transferee sign a General Release in the form of Attachment 3 to the Franchise Agreement; you will subordinate any claims you have against the transferee to us; our approval of the material terms and conditions of the transfer; payment of the applicable transfer fee.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 6.5	You must promptly notify us of any written offer to purchase your Development Rights. We have 30 days to exercise our first right to buy it on the same terms and conditions, provided that (a) we may substitute cash for any other consideration (b) we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 60 days to close and (e) you will give us all customary seller's representations and warranties.
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable
p. Death or disability of franchisee	Section 6.6	The executor of your estate or other personal representative must transfer and your interest in the agreement must be transferred within six months to a replacement developer that we approve.
q. Non-competition covenants during the term of the franchise	Section 8.3.1	You may not: divert, or attempt to divert, customers of any Beef-A-Roo outlet (including yours) to any competitor; participate in any capacity, including, but not limited to as an owner, partner, officer, director, employee or agent, in any other capacity in any restaurant or eatery business that derives more than 10% of its gross revenue from the sale of American casual dining classics; do any act that could damage the goodwill of the Marks or System, or disrupt or jeopardize our business or that of our franchisees.

Provision	Section in Multi-Unit Development Agreement	Summary	
r.	Non-competition covenants after the franchise is terminated or expires	Section 8.3.2	For 24 months after the termination of the Franchise Agreement, you may not: divert, or attempt to divert, customers of any Beef-A-Roo business (including yours) to any competitor; participate in any capacity, including, but not limited to as an owner, partner, officer, director, employee or agent, in any other capacity in any restaurant or eatery business that derives more than 10% of its gross revenue from the sale of American casual dining classics within 10 miles of your Development Area or any other Beef-A-Roo outlet location; do any act that could damage the goodwill of the Marks or System, or disrupt or jeopardize our business or that of our franchisees.
s.	Modification of the agreement	Section 11.4	No oral modifications. No amendment of the provisions will be binding upon either party unless the amendment has been made in writing and executed by all interested parties.
t.	Integration/merger clause	Section 11.4	Only the terms of the Multi-Unit Development Agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of the Multi-Unit Development Agreement may not be enforceable. In spite of the above, nothing in the Multi-Unit Development Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Sections 10.1, 10.2, 10.3, and 10.4	At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, and then to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, possession of the Franchised Business premises and post-termination obligations. Subject to state law.
v.	Choice of forum	Section 10.5	Litigation takes place in Michigan, subject to applicable state law.
w.	Choice of law	Section 10.5	Michigan law applies, subject to applicable state law.

See the state addenda to this Franchise Disclosure Document, the Franchise Agreement and the Multi-Unit Development Agreement for special state disclosures.

ITEM 18: PUBLIC FIGURES

We do not currently use any public figures 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 you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Unit Name	North 2nd	South Alpine	Lexus	Riverside	Auburn	Adamson	Roscoe	Highcrest	Average
Gross Sales	\$ 2,426,888.00	\$ 3,574,211.00	\$ 3,636,569.00	\$ 3,263,425.00	\$ 2,653,088.00	\$ 2,746,323.00	\$ 3,226,242.00	\$ 2,505,466.00	\$ 3,004,026.50
Cost of Goods Sold									
Food costs	\$ 825,141.92	\$ 1,286,715.96	\$ 1,127,336.39	\$ 1,109,564.57	\$ 822,457.69	\$ 990,672.28	\$ 1,096,922.28	\$ 801,749.12	
All Employees	\$ 741,000.00	\$ 996,354.17	\$ 1,099,365.25	\$ 894,566.39	\$ 557,148.48	\$ 631,654.29	\$ 645,289.10	\$ 561,207.15	
Taxes-Payroll	\$ 44,169.36	\$ 55,042.84	\$ 63,639.95	\$ 52,541.14	\$ 39,000.39	\$ 44,215.80	\$ 45,170.23	\$ 39,284.50	
Total COGS	\$ 1,610,311.28	\$ 2,338,112.97	\$ 2,290,341.59	\$ 2,056,672.10	\$ 1,418,606.56	\$ 1,666,542.37	\$ 1,787,381.61	\$ 1,402,240.77	\$ 1,821,276.16
Expenses									
Utilities	\$ 57,228.00	\$ 72,600.00	\$ 95,628.00	\$ 87,576.00	\$ 67,644.00	\$ 84,084.00	\$ 83,448.00	\$ 108,552.00	
Advertising	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	
Credit Card Charges	\$ 60,672.20	\$ 89,355.28	\$ 90,914.23	\$ 81,585.63	\$ 66,327.20	\$ 68,658.08	\$ 80,656.05	\$ 62,636.65	
Office Supplies	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00	\$ 5,800.00	
Repair and Maintenance	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	
Pest Control	\$ 660.00	\$ 660.00	\$ 660.00	\$ 660.00	\$ 660.00	\$ 660.00	\$ 660.00	\$ 660.00	
Landscape	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	
IPOS	\$ 6,720.00	\$ 6,720.00	\$ 6,720.00	\$ 6,720.00	\$ 6,720.00	\$ 6,720.00	\$ 6,720.00	\$ 6,720.00	
Alarm system	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	
Internet	\$ 4,020.00	\$ 4,020.00	\$ 4,020.00	\$ 4,020.00	\$ 4,020.00	\$ 4,020.00	\$ 4,020.00	\$ 4,020.00	
Rubbish Removal	\$ 8,484.00	\$ 8,484.00	\$ 8,484.00	\$ 8,484.00	\$ 8,484.00	\$ 8,484.00	\$ 8,484.00	\$ 8,484.00	
Total Expenses	\$ 190,184.20	\$ 234,239.28	\$ 258,826.23	\$ 241,445.63	\$ 206,255.20	\$ 225,026.08	\$ 236,388.05	\$ 243,472.65	\$ 229,479.66
Net Income	\$ 626,392.52	\$ 1,001,858.76	\$ 1,087,401.19	\$ 965,307.28	\$ 1,028,226.24	\$ 854,754.56	\$ 1,202,472.34	\$ 859,752.58	\$ 953,270.68
Royalties 6%	\$ 145,613.28	\$ 214,452.66	\$ 218,194.14	\$ 195,805.50	\$ 159,185.28	\$ 164,779.38	\$ 193,574.52	\$ 150,327.96	
Brand Fund 1%	\$ 24,268.88	\$ 35,742.11	\$ 36,365.69	\$ 32,634.25	\$ 26,530.88	\$ 27,463.23	\$ 32,262.42	\$ 25,054.66	
Estimated Net Income	\$ 456,510.36	\$ 751,663.99	\$ 832,841.36	\$ 736,867.53	\$ 842,510.08	\$ 662,511.95	\$ 976,635.40	\$ 684,369.96	\$ 742,988.83

The financial performance statistics above are a historical financial performance representation from the eight (8) established affiliate-owned stores that were in operation before or as of January 1, 2023.

Company-owned outlets do not pay royalty fees or brand fund contributions. However, calculations of royalty fees and brand fund contributions IF company-owned outlets did pay such are included above. Other than the items, there are no material, financial or operating characteristics of company-owned outlets that are reasonably anticipated to differ materially from future operational franchised outlets.

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

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the above representation, we do not make any 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 Megan Rosen, 1627 N. Alpine Road, Rockford, Illinois, 61107, or 815-637-1008, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company – Owned	2021	7	8	+1
	2022	8	8	0
	2023	8	8	0
Total Outlets	2021	7	8	+1
	2022	8	8	0
	2023	8	8	0

Table No. 2
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2021 to 2023

State	Year	Number of Transfers
None	2021	0
	2022	0
	2023	0
Total	2021	0
	2022	0
	2023	0

Table No. 3
Status of Franchised Outlets
For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
None	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Total	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

Table No. 4
Status of Company Owned Outlets*
For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Illinois	2021	7	1	0	0	0	8
	2022	8	0	0	0	0	8
	2023	8	0	0	0	0	8
Missouri	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Total Outlets	2021	7	1	0	0	0	8
	2022	8	0	0	0	0	8
	2023	8	0	0	0	0	0

Company-Owned outlets are those owned by our affiliate, Beef-A-Roo OpCo, LLC, operating at the following locations:

Address	Unit Name
1680 N. Alpine Rd., Rockford, IL	Highcrest
2538 Auburn St., Rockford, IL	Auburn
6593 Lexus Dr., Rockford, IL	LEXUS
6116 N. Second St., Loves Park, IL	North 2nd
4601 Adamson Ln., Machesney Park, IL	Adamson
3401 S. Alpine Rd., Machesney Park, IL	South Alpine
6380 E Riverside Blvd., Loves Park, IL	River Side
5109 Rock Rose Ct., Roscoe, IL	Roscoe

Table No. 5
Projected Openings as of December 31, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
Wisconsin	1	2	0
Total	1	2	0

A list of the names of all franchisees and the addresses and telephones numbers of their outlets will be provided in Exhibit F to this Disclosure Document when applicable. The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit F to this Disclosure Document when applicable. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Franchise Disclosure Document.

ITEM 21: FINANCIAL STATEMENTS

We began offering franchises in January 2022. Because we have not offered franchises for three years or more, we are not able to include the three prior years of audited financial statements normally required by this Item 21. Our audited financial statements as of December 31, 2023 and December 31, 2022 are included in Exhibit D.

Our fiscal year end is December 31.

ITEM 22: CONTRACTS

Copies of all proposed agreements regarding the franchise offering are included in this Disclosure Document as follows:

- Exhibit B – Franchise Agreement and attachments to it
- Exhibit C – Multi-Unit Development Agreement and attachments to it
- Exhibit H – Franchisee Acknowledgment Statement, as permitted by law.

ITEM 23: RECEIPT

A receipt in duplicate is attached as the last two pages of this Disclosure Document (Exhibit J). You should sign both copies of the receipt. Keep one copy for your own records and return the other signed copy to Megan Rosen at Elysian Franchise Company, LLC, 25550 Grand River Avenue, Redford, Michigan, 48240.

EXHIBIT "A"

TO FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of Financial Protection & Innovation Department of Financial Protection & Innovation 320 West 4 th Street, #750 Los Angeles, CA 90013 (213) 576-7500 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street, G. Mennen Williams Building, 1 st Floor Lansing, MI 48913 (517) 335-7567	Michigan Department of Commerce, Corporations and Securities Bureau

State	State Agency	Agent for Service of Process
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, NY 10005 (212) 416-8285	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6 th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, 5 th Floor, Dept 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Franchise Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9527	Director of Rhode Island Department of Franchise Regulation
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 (803) 734-2166	Legalinc Corporate Services Inc. 1591 Savannah Highway Suite 201 Charleston, SC 29407
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, 2 nd Floor Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Department of Financial Institutions Division of Securities 201 W. Washington Avenue, Suite 500 Madison, WI 53703 (608) 261-9555	Commissioner of Securities of Wisconsin

EXHIBIT “B”
TO FRANCHISE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT

Elysian Franchise Company, LLC

FRANCHISE AGREEMENT

FRANCHISEE

DATE OF AGREEMENT

ELYSIAN FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
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Attachments

- 1 - Trademarks
- 2 – Territory Description and Franchised Business Location
- 3 – General Release
- 4 - ACH Authorization
- 5 - Conditional Assignment of Lease
- 6 - Statement of Ownership Interests in Franchisee/Entity
- 7 - Spouse Guaranty
- 8 - Internet Advertising, Social Media, Software, and Telephone Listing Agreement
- 9 - Confidentiality and Non-Compete Agreement

THIS FRANCHISE AGREEMENT (the “Agreement”) is being entered into this day of _____
_____, (the “Effective Date”), by and between Elysian Franchise Company, LLC,
a Texas limited liability company, with its principal place of business at 1627 North Alpine Road Rockford,
Illinois 61107 (herein “Franchisor”), and _____, a(n) _____
_____, with its principal place of business located at _____
_____, and _____ ‘s principal(s) _____
_____, an individual, residing at _____
_____, and _____, an individual, residing at _____
_____, (‘Principal(s)'). _____ and
Principal(s) shall be collectively referred to in this Agreement as the “Franchisee”.

RECITATIONS

Through the expenditure of considerable time, effort and money, Franchisor has developed and established a combination fast casual/quick service restaurant model or a combination walk-up/drive-through container model serving Midwest fare such as juicy burgers, freshly cooked roast beef sandwiches, milkshakes, fries, and salads, under the Beef-a-Roo trademarks, and using Franchisor’s confidential operations manual (“Manual”) of business practices and policies, and Franchisor’s distinctive, décor, fixtures and furnishings, operations methods, sales techniques, inventory, procedures for management control and training, assistance, advertising, and promotional programs, all of which may be changed, improved or further developed by Franchisor at any time (taken together herein the “System”).

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including but not limited to the Beef-a-Roo service mark, as set forth in Attachment 1, and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated or substituted by Franchisor for use in connection with the System (the “Marks”).

Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed under the Marks and the System and to represent the System’s high standards of quality, appearance, and service.

Franchisee understands and acknowledges the importance of Franchisor’s high and uniform standards of quality, service, and appearance, and the necessity of operating the business franchised hereunder in conformity with Franchisor’s standards and specifications.

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other set forth herein, and intending to be legally bound hereby, mutually agree as follows:

1. RECITATIONS.

The Recitations set out above form part of this Agreement.

2. GRANT OF FRANCHISE.

Franchisor hereby grants to Franchisee and Franchisee accepts, upon the terms and conditions contained in this Agreement, the license to operate a Beef-a-Roo franchise (the “Franchise” or “Franchised Business”), using only the Marks licensed hereunder, in strict conformity with the System, which may be changed, improved, and further developed by Franchisor from time to time. This grant applies only to a single location within a territory that is designated in Attachment 2 attached hereto and incorporated herein (the “Territory”).

3. TERRITORY.

3.1 Territory. This Agreement grants Franchisee the right to operate the Franchised Business at a single location within the Territory. Subject to Section 3.2 below, Franchisor agrees that during the Term of this Agreement, Franchisor will not operate, and will not authorize other franchisees to operate, a Beef-a-Roo outlet in the Territory using the Marks as licensed to Franchisee in this Agreement so long as Franchisee is not in default under this Agreement or this Agreement has not expired or been terminated. Except as otherwise specified in this Agreement, Franchisor reserves the right to open, operate, or franchise Beef-a-Roo outlets around, bordering, and adjacent to the Territory; however, provided that Franchisee is not in default of this Agreement, Franchisor will not directly or through other (a) sell any Beef-A-Roo Franchisee will be selling its products and services from a single location products or services within your Territory, or (b) sell any Beef-A-Roo products and services through any alternative distribution channels within your Territory. Franchisee will be selling its products and services from a single location that will be determined by Franchisee with Franchisor's prior written approval, which may be withheld or denied in Franchisor's sole discretion. Except as set forth in this Agreement, Franchisee is prohibited from serving and soliciting customers outside the Territory and form using alternative methods of distribution as specified herein.

3.2 Right of First Refusal. If a prospective third-party franchisee wishes to establish a Beef-A-Roo outlet in an area that is adjacent to Franchisee's Territory, and provided that Franchisee is in compliance with this Agreement (including being current with all payments owed to Franchisor and its affiliates), Franchisor will offer Franchisee a right of first refusal to purchase the new outlet in the adjacent area at Franchisor's then-current initial franchise fee. Franchisee shall have a period of thirty (30) days from the date Franchisor notifies Franchisee to provide Franchisor with return notice of Franchisee's intent to exercise the foregoing right of first refusal and purchase the new franchise. If Franchisee declines to exercise the foregoing right of first refusal, or fails to notify Franchisor within the thirty (30)-day period, Franchisor shall then have the right to sell the outlet in the adjacent area to the prospective third-party franchisee and Franchisee shall have no further rights in that area. Franchisee acknowledges and agrees that it shall not be permitted to execute a franchise agreement for the applicable Beef-A-Roo outlet in the new area unless and until Franchisee has acknowledged receipt of Franchisor's then-current franchise disclosure period and the waiting period for new franchise sales has elapsed.

4. TERM.

Unless terminated earlier in accordance with the terms set forth in this Agreement, this Agreement and the Franchise granted hereunder shall commence upon the Effective Date set forth above, and terminate on the date that is ten (10) years following the Opening Date, as defined in Section 8 hereof (the "Term").

5. SUCCESSOR AGREEMENT OPTIONS.

Subject to the terms and conditions of this Agreement, Franchisee shall have the right, following the expiration of the Term hereof, to enter into a new franchise agreement and other agreements then customarily employed by Franchisor and in the form then generally being offered to prospective franchisees in the state in which the Territory is located (the "Successor Franchise Agreement") for two (2) additional five (5) year terms. The term of such Successor Franchise Agreement shall commence upon the date of expiration of the immediately preceding term. Franchisee shall be charged a successor agreement fee equal to the greater of (i) fifty percent (50%) of the then-current initial franchise fee, or (ii) Seventeen Thousand Five Hundred Dollars (\$17,500.00) (the "Successor Agreement Fee").

5.1 Form and Manner of Exercise. If Franchisee desires to exercise Franchisee's option to enter into a Successor Franchise Agreement, it shall be done in the following manner:

5.1.1 Not less than six (6) months prior to the expiration of the Term of this Agreement, Franchisee shall request from Franchisor in writing, a copy of Franchisor's then current Disclosure Document (including Franchisor's then current franchise agreement).

5.1.2 Franchisee must execute and return to Franchisor all required documents, including any and all ancillary documents, within thirty (30) days after receipt by Franchisee of a copy of Franchisor's then current Disclosure Document.

5.1.3 The Successor Franchise Agreement shall supersede this Agreement in all respects, and Franchisee understands and acknowledges that the terms of such new agreement may differ from the terms of this Agreement, including, without limitation, higher or lower royalty and other fees.

5.1.4 If Franchisee fails to perform any of the acts, or deliver any of the notices required pursuant to this Paragraph 5 in a timely fashion, such failure shall be deemed an election by Franchisee not to exercise Franchisee's option to enter into the Successor Franchise Agreement, and such failure shall cause Franchisee's right and option to automatically lapse and expire, without further notice by Franchisor.

5.1.5 Franchisee acknowledges that the initial Term of this Agreement provides Franchisee more than a sufficient opportunity to recoup Franchisee's investment in the Franchise, as well as a reasonable return on such investment.

5.2 Conditions of Exercise. Franchisee's right to enter into a Successor Franchise Agreement is conditioned upon the following:

5.2.1 Franchisee shall be in full compliance with this Agreement and shall have materially performed Franchisee's obligations under this Agreement, the Manual and under all other agreements that may be in effect between Franchisee and Franchisor, including but not limited to all monetary obligations.

5.2.2 Franchisee shall not have committed three (3) or more events constituting default during the then current Term of this Agreement, whether or not such defaults were cured.

5.2.3 Franchisee will have completed any required additional training to Franchisor's reasonable satisfaction.

5.2.4 Franchisee shall have obtained the right to continue to occupy the premises of the Franchised Business following the expiration of the Term hereof for the full term of the Successor Franchise Agreement and/or have received Franchisor's approval regarding locating the Franchised Business at a new location.

5.2.5 Franchisee shall execute a general release of all claims Franchisee may have against Elysian Franchise Company, LLC, its parent, subsidiaries and affiliates, its officers, directors, shareholders, agents, and employees, whether in their corporate and/or individual capacities, in the form attached hereto as Attachment 3. This release will include all claims arising under any federal, state, or local law, rule, or ordinance.

5.2.6 Franchisee performs such remodeling, repairs, replacements and redecoration as Franchisor may require in order to cause the Franchised Business premises, equipment, fixtures, furnishings and furniture to conform to the plans and specifications being used for new or remodeled franchised businesses on the renewal date.

5.2.7 Franchisee shall pay the required Successor Agreement Fee and sign the Successor Franchise Agreement.

5.3 Notice Required by Law. If applicable law requires Franchisor to give notice to Franchisee prior to the expiration of the Term, this Agreement shall remain in effect on a month-to-month basis until Franchisor has given the notice required by such applicable law. If Franchisor is not offering new Beef-a-Roo franchises, is in the process of revising, amending or renewing Franchisor's form of franchise agreement or disclosure document, or Franchisor is not lawfully able to offer Franchisee the then- current form of Successor Franchise Agreement at the time Franchisee advises Franchisor pursuant to Paragraph 5.2 hereof that Franchisee desires to exercise Franchisee's option to enter into a Successor Franchise Agreement, Franchisor may, in Franchisor's sole discretion, (i) offer to renew this Agreement upon the same terms set forth herein for the appropriate successor term or (ii) offer to extend the Term hereof on a month-to-month basis following the expiration of the Term for as long as Franchisor deems necessary or appropriate so that Franchisor may lawfully offer the then current form of Successor Franchise Agreement. Any timeframes specified in this Paragraph 5 shall be inclusive of any state mandated notice periods.

5.4 Additional Reservation of Rights. Notwithstanding anything herein to the contrary, Franchisor reserves the right not to enter into a Successor Franchise Agreement for this Franchise as a result of a decision to withdraw from a marketing area or the Territory in which Franchisee's Franchised Business is located.

6. FEES.

6.1 Initial Franchise and Royalty Fee. As part of the consideration for the right to operate the Franchise granted herein, Franchisee shall pay to Franchisor the following fees:

6.1.1 Initial Franchise Fee. Franchisee acknowledges and agrees that the grant of this Franchise and the rights and obligations of the parties under this Agreement constitute the sole and only consideration for the initial franchise fee of Thirty-Five Thousand Dollars (\$35,000.00) (the "Initial Fee"). **The Initial Fee is fully earned at the time this Franchise Agreement is signed and is not refundable under any circumstances.** Franchisee shall pay the full amount of the Initial Fee to Franchisor upon Franchisee's execution of this Agreement.

6.1.2 Royalty Fee. Franchisee agrees to pay Franchisor, throughout the Term, a weekly royalty fee equal to six percent (6%) of the Gross Sales, as hereinafter defined, realized from the Franchised Business and from any other revenues received using Franchisor's methods, operations and/or trade secrets (the "Royalty Fee"). The term "Gross Sales" includes all revenues and income from any source derived or received by Franchisee from, through, by or on account of the operation of the Franchised Business or made pursuant to the rights granted hereunder, including but not limited, any and all other revenues received using Franchisor's methods, operations and/or trade secrets whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise. Gross Sales shall include the full amount payable by Franchisee's customers, without deduction for Franchisee's delivery costs (including, but not limited to, charges by third-party delivery services) or for other write-offs; however, Gross Sales shall not include (i) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (ii) properly documented refunds to customers, (iii) properly documented promotional discounts (i.e., coupons) or (iv) properly documented employee discounts (limited to three percent (3%) of Gross Sales). Gross Sales does not include gift card purchases, at the time of purchase, but Gross Sales does include the redemption amount of purchases made by gift card.

6.1.3 Gross Sales Reports. Franchisee shall, on or before Tuesday of each week, furnish Franchisor with a report verifying Franchisee's Gross Sales at or from the Franchised Business and/or made

pursuant to the rights granted hereunder during the preceding week (the “Gross Sales Report”). The Gross Sales Report shall be in such form and shall contain such information as Franchisor may from time to time prescribe. Franchisor reserves the right to establish point-of-sale systems (“POS System”) that Franchisor may require Franchisee to use from time to time in the operation of the Franchised Business. At Franchisor’s option, Franchisee shall submit the Gross Sales Report by an electronic transfer of data via the POS System at the times and interims then specified by Franchisor.

6.1.4 Method of Payment. Franchisee shall, together with the submission of the Gross Sales Report, pay Franchisor the Royalty Fee and the Brand Fund Contribution, as defined and more particularly described in Article 13, then due. At Franchisor’s request, Franchisee must execute documents, including but not limited to, the Authorization attached as Attachment 4, that allow Franchisor to automatically take the Royalty Fee and Brand Fund Contribution due as well as other sums due Franchisor, from business bank accounts via electronic funds transfers or Automated Clearing House (“ACH”) payments. Franchisee’s failure to allow electronic funds transfers or ACH payments on an ongoing basis is a material breach of this Agreement. If Franchisee fails to timely report Gross Sales, then, in addition to a late fee and interest pursuant to Sections 6.2 and 6.3 hereof, Franchisor shall collect one hundred twenty percent (120%) of the last Royalty Fee payable. Franchisor shall reconcile amounts when Gross Sales are reported. Franchisor reserves the right to modify the method and frequency of collection of the Royalty Fee and Brand Fund Contribution upon forty-five (45) days’ prior notice to Franchisee.

6.2 Late Fee. If the Royalty Fee, Brand Fund Contribution, or any Gross Sales Reports are not received by Franchisor as required by this Agreement, Franchisee shall pay to Franchisor, in addition to the overdue amount, a late fee of One Hundred Dollars (\$100.00). This late fee is reasonably related to Franchisor’s costs resulting from the delay in payment and/or receipt of any report, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement for Franchisee’s failure to pay the Royalty Fee, the Brand Fund Contribution, and/or submit Gross Sales Reports in accordance with the terms of this Agreement.

6.3 Interest. Any and all amounts that shall become due and owing from Franchisee to Franchisor under the terms hereof shall bear interest from the date due until paid at the rate of eighteen percent (18%) per annum or at the highest rate permitted by law, whichever is lower.

6.4 Technology Fee. Franchisor reserves the right to impose an internal systems fee upon Franchisee, in an amount that Franchisor reasonably determines, for the development, adoption and/or use of new or improved internal systems technology for the benefit of the System and Franchised Business, including but not limited to, assigned phone numbers and email addresses required for use in the Franchised Business, a franchise portal, benchmarking platform or other operations or communications systems (“Internal Systems Fee”). In Franchisor’s sole discretion, Franchisor may (i) increase the amount of the internal systems fees or (ii) replace the technology with different technology, developed by Franchisor or a third-party, and Franchisee shall pay the then-current fees for the replacement technology and for continuous access thereto. Franchisee shall pay the Internal Systems Fee in the manner and frequency as reasonably determined by Franchisor.

6.5 Insufficient Funds Fee. In the event any of Franchisee’s checks are returned, or an electronic funds transfer from Franchisee’s bank account is denied, for insufficient funds, Franchisee shall pay Franchisor, in addition to the amount due, a non-sufficient funds fee of Thirty Dollars (\$30.00) per occurrence. This non-sufficient funds fee is reasonably related to Franchisor’s costs resulting from the delayed and declined payment, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement.

6.6 Non-Compliance Fee. In the event Franchisee is not in compliance with any terms of this Agreement or the Manual, Franchisee shall pay to Franchisor a non-compliance fee equal to Five Hundred Dollars (\$500.00) per incident in the event Franchisee does not correct the non-compliance after thirty (30) days' notice by Franchisor. Franchisor may charge Franchisee an additional Two Hundred Fifty Dollars (\$250.00) per additional week that Franchisee remains non-compliant until Franchisee corrects such non-compliance ("Non-Compliance Fee").

6.7 Taxes. If any sales, excise, use or privilege tax is imposed or levied by any government or governmental agency on Franchisor for any Royalty Fee, Brand Fund Contribution or other fees due and payable to Franchisor under this Agreement, Franchisee shall pay Franchisor a sum equal to the amount of such tax.

7. TRAINING.

7.1 Initial Training Program. Franchisee (specifically including all Franchisee's principals) and Franchisee's general manager shall attend and complete to Franchisor's sole and absolute satisfaction, Franchisor's initial training program ("Initial Training Program"), prior to the opening of the Franchised Business. The Initial Training Program consists of a course conducted at Franchisor's headquarters and/or an affiliate-owned or franchised outlet, or may be conducted virtually. Franchisee must at all times during the term of this Agreement have principals who have successfully completed the Initial Training Program to Franchisor's sole and complete satisfaction. No charge shall be made for up to three (3) individuals to attend the Initial Training Program prior to opening the Franchised Business ("Initial Trainees"). If the Franchisee wishes to have additional individuals attend training Franchisee shall pay a per diem fee for each additional person. Notwithstanding the foregoing, Franchisee shall be required to pay all of the expenses of the Initial Trainees and additional trainees, including, without limitation, costs of travel, lodging, meals and wages.

7.2 Satisfactory Completion. Franchisor shall determine, in Franchisor's sole discretion, whether the Initial Trainees have satisfactorily completed the Initial Training Program. If the Initial Training Program is not satisfactorily completed or if Franchisor, in Franchisor's reasonable business judgment based upon the performance of the Initial Trainees, determines that the Initial Training Program cannot be satisfactorily completed by Franchisee and Franchisee's Principal(s), Franchisor may terminate this Agreement.

7.3 Opening Assistance. Immediately prior to the opening of the Franchised Business, Franchisor shall provide Franchisee with opening assistance by a trained representative(s) of Franchisor. The trainer(s) will provide on-site opening training, supervision, and assistance to Franchisee for up to seven (7) days at no charge to Franchisee.

7.4 Additional Training. Franchisor may offer mandatory and/or optional additional training programs from time to time and as may be set forth in the Manual. If required by Franchisor, Franchisee, or Franchisee's Principals shall participate in the following additional training:

- (i) on-going training for up to five (5) days per year at a location designated by Franchisor; and
- (ii) an annual national meeting, conference, or convention for up to three (3) days at a location designated by Franchisor.

Franchisor reserves the right to impose a reasonable fee for all additional training programs. Franchisee shall be responsible for any and all incidental expenses incurred by Franchisee or Franchisee's

personnel in connection with additional training or attendance at Franchisor's national meeting, annual conference, or annual convention, including, without limitation, costs of travel, lodging, meals and wages. Franchisee's failure to attend and/or complete mandatory additional training or failure to attend Franchisor's national meeting, conference or convention is a default of this Agreement. Franchisee or Franchisee's principal(s) shall be required to (i) pay a non-attendance fee, and (ii) obtain any missed mandatory additional training at a location Franchisor designates. Franchisee shall pay all costs and expenses for such additional training, including but not limited to, tuition at the then-current rate and any and all transportation, meals, and lodging of Franchisee, Franchisee's principal, and Franchisor's training personnel. Franchisee shall pay to Franchisor any incurred expenses by Franchisor's training personnel within ten (10) days of Franchisor's billing thereof to Franchisee.

7.5 On-Site Remedial Training. Upon Franchisee's reasonable request or as Franchisor shall deem appropriate, Franchisor shall, during the term hereof, subject to the availability of personnel, provide Franchisee with additional trained representatives who shall provide on-site remedial training and assistance to Franchisee's personnel at the Franchised Business premises. For any additional on-site training and assistance, Franchisee shall pay the per diem fee then being charged to franchisees under the System for the services of such trained representatives, plus their costs of travel, lodging, and meals.

7.6 Counseling and Assistance. In addition to visits by Franchisor's field representatives, as Franchisor deems appropriate, Franchisor shall, within reasonable limits and subject to the availability of Franchisor's personnel, upon Franchisee's request and at no charge, unless such assistance is provided at the Franchised Business pursuant to Section 7.5, furnish consultation and assistance to Franchisee, either in person or by telephone, video conference, electronic communications, email, or postal service, as determined by Franchisor, in Franchisor's sole discretion, with respect to the operation of the Franchised Business, including consultation and advice regarding training, marketing, operation issues, purchasing and inventory control, bookkeeping, and System improvements.

8. FRANCHISED BUSINESS PREMISES REQUIREMENTS.

8.1 Site Selection.

8.1.1 Franchisee assumes all cost, liability, expense and responsibility for obtaining and developing a site for the Franchised Business within the Territory and for constructing and equipping the Franchised Business at such site. Franchisee shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Franchised Business unless the site location is accepted by Franchisor. While Franchisor may render assistance to Franchisee in the selection of a site, as set forth in Section 8.1.2 below, Franchisee has sole responsibility for procuring and developing a site for the Franchised Business and Franchisee may and is encouraged to consult with professionals of Franchisee's choosing in discharging such responsibility. Franchisee acknowledges that Franchisor's acceptance of a prospective site location is permission only, does not constitute a representation, promise, warranty, or guarantee, express or implied, by Franchisor that the Franchised Business operated at that site will be profitable or otherwise successful, and cannot, and does not, create a liability for Franchisor. Franchisee releases Franchisor from any claims over the site location selection and evaluation by Franchisor, and Franchisee shall hold Franchisor harmless with respect to Franchisee's selection of the site for the Franchisee's Franchised Business.

8.1.2 Franchisee shall locate a site that satisfies the site selection guidelines provided to Franchisee by Franchisor and shall submit to Franchisor, in writing, a description of the site, together with written certification the site complies with Franchisor's site selection guidelines, and such other information and materials as Franchisor may reasonably require. Recognizing that time is of the essence, Franchisee shall submit such information and materials for a proposed site to Franchisor for its consent no later than ninety (90) days after the execution of this Agreement. Within thirty (30) days after receipt of this

information and materials, Franchisor will accept, or decline to accept with comment, the proposed site as the location for the Franchised Business. No site may be used for the location of the Franchised Business unless it is accepted in writing by Franchisor.

8.1.3 Within thirty (30) days after Franchisor has consented to the site for the Franchised Business (or such longer period as Franchisor consents to in writing), Franchisee shall execute a lease therefor, as applicable, and obtain physical possession of the premises. Any lease must include Franchisor's Conditional Assignment of Lease Agreement, a copy of which is attached hereto as Attachment 5. Failure by Franchisee to acquire the site for the Franchised Business within the time and in the manner required herein shall constitute a material event of default under this Agreement.

8.1.4 Upon consent by Franchisor to the location for the Franchised Business, Franchisor shall set forth the location and Territory in Attachment 2 of this Agreement and shall provide a copy thereof to Franchisee. Attachment 2, as completed by Franchisor, shall be incorporated herein and made a part hereof. Franchisee shall notify Franchisor within fifteen (15) days of any error or rejection of Attachment 2; otherwise, the Attachment 2 provided to Franchisee shall be deemed final.

8.2 Construction.

8.2.1 Franchisee shall be responsible for obtaining clearances that may be required by state or local laws, ordinances or regulations or that may be necessary as a result of any restrictive covenants or regulations relating to the Franchised Business premises. Prior to beginning the construction of the Franchised Business premises, Franchisee shall (a) engage Franchisor's affiliate(s) (b) obtain Franchisor's approval of Franchisee's architect and contractor, which approval shall not be unreasonably withheld, (c) adapt Franchisor's prototypical construction plans and specifications, provided to Franchisee, for the construction of the Franchised Business premises and submit such adapted plans and specifications to Franchisor for approval, (d) obtain all permits, licenses, insurance and certifications required for the lawful construction or remodeling and operation of the Franchised Business, including, but not limited to, permits for the installation of signage, and (e) certify in writing to Franchisor that all required approvals, clearances, permits, insurance and certifications have been obtained.

8.2.2 During the time of construction or remodeling, Franchisee shall provide Franchisor, or its designated representative, with such periodic reports regarding the progress in obtaining all licenses and permits; and of the construction or remodeling as may be reasonably requested by Franchisor or its representative. In addition, Franchisor or its representative may make such on-site inspections as it may deem reasonably necessary to evaluate such progress. At least thirty (30) days prior to completion of the construction or remodeling, Franchisee shall notify Franchisor of the scheduled date for completion of construction or remodeling. Within a reasonable time after the date of completion of construction or remodeling, Franchisor or its representative may, at its option, conduct a virtual or in-person inspection of the completed Franchised Business premises.

8.2.3 Franchisee acknowledges and agrees that it will not open the Franchised Business premises for business without the written authorization of Franchisor and that authorization to open shall be conditioned upon Franchisee's strict compliance with this Agreement.

8.3 Time to Open. Franchisee acknowledges that time is of the essence in this Agreement. Subject to Franchisee's compliance with the conditions stated below, Franchisee shall open the Franchised Business and commence business within ninety (90) days after Franchisee has obtained possession of the Franchised Business premises, unless Franchisee obtains a written extension of such time period from Franchisor. The date the Franchised Business opens for business to the public shall be defined herein as the "Opening Date". Prior to the Opening Date, Franchisee shall (i) complete all exterior and interior

preparations for the Franchised Business, including installation and cleaning of equipment, fixtures, furnishings and signs, in accordance with System requirements and the plans and specifications consented to by Franchisor, (ii) satisfactorily complete Franchisor's Initial Training Program, as further set forth in Article 7, (iii) hire and train staff, as required, (iv) purchase and stock initial inventory, and (v) obtain all required licenses to operate the Franchised Business. If Franchisee fails to comply with any of such obligations, Franchisor shall have the right to prohibit Franchisee from opening for business. Franchisee's failure to open the Franchised Business and commence business (i) in accordance with the foregoing and (ii) within two hundred ten (210) days following the date of this Agreement shall be deemed a material event of default under this Agreement.

8.4 **No Relocation.** Franchisee's rights to operate the Franchised Business shall be limited to the Territory and address set forth in Attachment 2, and no other. Franchisee shall not relocate the premises of the Franchised Business at any time without Franchisor's written approval, which approval shall be granted only in the sole and complete discretion of Franchisor, and, if permitted, shall be at Franchisee's sole expense. In the event such permission is granted, Franchisee shall (i) pay a relocation fee equal, (ii) secure and outfit the replacement premises in accordance with Sections 8.1 and 8.2 within one hundred twenty (120) days of Franchisor's consent, (iii) if feasible, continue to operate at the original premises during the construction of the replacement premises, and (iv) upon relocation, remove any signs or other property from the original Franchised Business premises which identified the original Franchised Business premises as part of the System. Failure to comply with the foregoing requirements shall be a default of this Agreement. Franchisor shall issue a revised Attachment 2, in accordance with Section 8.1.4, to reflect the address of the new Franchised Business premises and, in Franchisor's sole discretion, any adjustment to the Territory.

9. MAINTENANCE AND IMPROVEMENT OF THE FRANCHISED BUSINESS PREMISES AND SYSTEM.

9.1 **Maintenance of Franchised Business Premises.** Franchisee shall equip and maintain the Franchised Business premises to the standards of décor, sanitation, repair and condition required by Franchisor, which standards are specified in the Manual and other written directives, standards and specifications. Franchisee, at Franchisee's expense, shall make such additions, alterations, repairs, refurbishing and replacements as may be required to comply with Franchisor's standards, including, without limitation, periodic repainting and repairs or replacement of worn or impaired décor, materials, furniture, fixtures, equipment, and signage as Franchisor may direct.

9.2 **Inspections.** Franchisee shall operate and maintain the Franchised Business and Franchised Business premises in conformance with all regulations and best practices for food and beverage storage, handling, preparation, service and disposal and in a manner that will ensure the highest rating possible for businesses of like kind from the governmental authorities that may inspect such businesses in the Territory. Franchisee shall submit to Franchisor a copy of any inspection reports. It shall be a default of this Agreement if, upon inspection, Franchisee does not obtain such rating or if Franchisee fails to operate in accordance with the general standards of quality, maintenance, repairs and sanitation required by the System, and Franchisor may, at its option, terminate this Agreement.

9.3 **Equipment and Technology Updates.** Franchisee shall make any and all upgrades to equipment, including but not limited to, design, display and storage equipment, POS Systems, and computer hardware and software, and any technology used in conjunction therewith, as Franchisor requires in its sole and absolute discretion.

9.4 Trade Dress Modifications.

9.4.1 Franchisee is aware that to maintain and improve the image and reputation of the System, Franchisor, in its sole and absolute discretion, may change and modify identifying elements of the System, including but not limited to, the adoption and use of new exterior building designs, new interior decors, new color schemes, new or modified marks, and new furnishings (collectively, "Trade Dress Modifications").

9.4.2 No more than once in a five (5)-year period, at Franchisor's request, Franchisee shall refurbish the Franchised Business premises at Franchisee's sole expense, as required by Franchisor, to conform to Trade Dress Modifications. This includes, without limitation, structural changes, remodeling, redecoration, and modifications to existing improvements. Notwithstanding the foregoing restriction on the frequency of Trade Dress Modifications, Franchisee, upon notice by Franchisor and in accordance with Section 14.6 hereof, shall immediately discontinue the use of any Mark that is no longer desirable or available to Franchisor and substitute a different Mark or Marks as Franchisor directs.

9.4.3 Franchisee will accept, use and display any such Trade Dress Modifications as if they were a part of this Franchise Agreement at the time of execution hereof.

9.5 No Liability/Waiver of Claims. Franchisor shall not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any of the modifications, including Trade Dress Modifications, required by this Article 9. Franchisee hereby covenants not to commence or join in any litigation or other proceeding against Franchisor or any third party, complaining of any such or seeking expenses, losses or damages caused thereby. Further, Franchisee expressly waives any claims, demands or damages arising from or related to the modifications contemplated by this Article 9, including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

9.6 Franchisee Advisory Council. Franchisor reserves the right to create (and if created, the right to change or dissolve) a franchisee advisory council as a formal means for System franchisees to communicate ideas. In the event a franchisee advisory council is created, Franchisor may invite Franchisee to participate in council-related activities and meetings, which invitation may be based on factors, including but not necessarily limited to, a franchisee's level of success, superior performance, and outlet profitability.

10. FRANCHISOR'S OBLIGATIONS.

Franchisor and/or its designated representative will provide the services described below:

10.1 Site Selection Guidelines. Site selection criteria, as Franchisor may deem advisable. Franchisor shall also approve the site in accordance with Section 8.1.2.

10.2 Construction. Provide to Franchisee criteria and specifications for a Beef-a-Roo outlet. Such criteria and specifications include, but are not necessarily limited to, criteria with respect to required food storage and preparation, waste removal, and ventilation systems. Franchisee shall independently, and at Franchisee's expense, have such criteria and specifications incorporated into the construction of the Franchised Business in accordance with Article 8.

10.3 Manual. Provide Franchisee access to the Manual and such other manuals and written materials as Franchisor may hereafter develop for use by franchisees, as the same may be revised by Franchisor from time to time. Such documents may be provided electronically or via the internet, at Franchisor's sole and absolute discretion.

10.4 Inspection. Inspection of the Franchised Business and evaluations of the products sold and services rendered therein whenever reasonably determined by Franchisor.

10.5 Pre-Opening Requirements. Provide a written list of equipment, fixtures, furnishings, signage, supplies, and products that will be required and/or recommended to open the Franchised Business for business.

10.6 Advertising Materials. Provide samples or digital artwork of certain advertising and promotional materials and information developed by Franchisor from time to time for use by Franchisee in marketing and local advertising for the Franchised Business. All marketing materials must be preapproved by us.

10.7 List of Supplies/Suppliers. Make available from time to time, and amend as deemed appropriate by Franchisor, a list of required and/or recommended products and services for System franchisees and a list of approved and/or recommended suppliers of such items.

10.8 Training. The training programs specified in Article 7 herein.

10.9 On-Site Assistance. On-site post-opening assistance at the Franchised Business premises in accordance with the provisions of Article 7.

10.10 Brand Fund. Administer a Brand Fund in accordance with Section 13.3.

11. FRANCHISEE'S REPRESENTATIONS, WARRANTIES AND COVENANTS.

11.1 Best Efforts. Franchisee, including each of Principal, covenants and agrees that he or she shall make all commercially reasonable efforts to operate the Franchised Business so as to achieve optimum sales.

11.2 Corporate Representations. If Franchisee is a corporation, partnership, limited liability company, or other legal entity, Franchisee and each Principal represent, warrant and covenant that:

11.2.1 Franchisee is duly organized and validly existing under the state law of its formation;

11.2.2 Franchisee is duly qualified and is authorized to do business in the jurisdiction of the Franchised Business premises and the Territory;

11.2.3 Franchisee's organizational documents shall at all times provide that the activities of Franchisee are confined exclusively to the operation of the Franchise granted herein, unless otherwise consented to in writing by Franchisor, which consent may be withheld by Franchisor in Franchisor's sole discretion;

11.2.4 The execution of this Agreement and the consummation of the transactions contemplated hereby are within Franchisee's power and have been duly authorized by Franchisee; and

11.2.5 Any financial statements and tax returns provided to Franchisor shall be certified as true, complete and correct and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis. No material liabilities, adverse claims, commitments or obligations of

any nature exist as of the date of the statements or returns, whether accrued, unliquidated, absolute, contingent or otherwise, that are not reflected as liabilities.

11.3 Spouse Guaranty. If any Principal is a married individual and the Principal's spouse has not executed this Agreement, such Principal shall cause his or her spouse to personally execute and bind himself or herself to the terms of a Guaranty, in the form attached as Attachment 7 hereof.

11.4 Appointment of Manager.

11.4.1 Franchisee shall designate and retain at all times a general manager ("General Manager") to direct the operation and management of the Franchised Business. Franchisee shall designate its General Manager prior to attending the Initial Training Program. The General Manager shall be responsible for the daily operation of the Franchised Business. Franchisor recommends, but does not require, the Franchisee (if the Franchisee is an individual) or a Principal fulfill the General Manager position.

11.4.2 The General Manager shall, during the entire period he or she serves as General Manager, meet the following qualifications:

11.4.2.1 The General Manager shall meet Franchisor's standards and criteria for such individual, as set forth in the Manual or otherwise in writing by Franchisor and shall be an individual otherwise acceptable to Franchisor in its sole discretion.

11.4.2.2 The General Manager shall devote his or her full time and best efforts to the supervision and management of the Franchised Business and may not engage in any other business activity without the Franchisor's consent, which may be withheld in Franchisor's sole discretion.

11.4.2.3 The General Manager shall satisfy the training requirements set forth in Article 7.

11.4.3 If the General Manager is not able to continue to serve in such capacity, or no longer qualifies to act as such in accordance with this Agreement, Franchisee shall promptly notify Franchisor and designate a replacement within thirty (30) days after the General Manager ceases to serve, such replacement being subject to the same qualifications required by this Agreement (including, but not limited to, completing all training and obtaining all certifications required by Franchisor). Until such replacement is designated, Franchisee shall provide interim management of the Franchised Business, who shall act in accordance with the terms of this Agreement. Any failure to comply with the requirements of this Section shall be deemed a material event of default under this Agreement. Franchisor, in its sole discretion, may provide interim management at Franchisor's then-current interim management fee, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor, and shall be withdrawn from Franchisee's designated bank account in accordance with Section 6.1.4.

11.5 Legal Compliance. Franchisee shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the Franchised Business. Such laws, rules and regulations shall include, without limitation, licenses to do business, health and sanitation inspections, if required, fictitious name registrations, sales and other tax permits, fire and police department clearances, Americans With Disability Act compliance, certificates of occupancy, any permits, certificates or licenses required by any environmental federal, state or local law, rule or regulation and any other requirement, rule, law or regulation of any federal, state or local jurisdiction. Franchisee shall further comply with all industry best practices with respect to the handling, storage, preparation, service and disposal of food and beverage products.

11.6 Claims and Potential Claims. Franchisee shall notify Franchisor in writing within three (3) days of any incident or injury that could lead to, or the actual commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which in any way relating to or affecting the operation or financial condition of the Franchised Business. Any and all media inquiries concerning the Franchised Business or Franchised Business location, including, but not limited to, the business operation and incidents and occurrences related to a customer or employee, shall be referred to Franchisor. Neither Franchisee, Franchisee's employees nor anyone on Franchisee's behalf may comment to any broadcast medium, except as directed by Franchisor.

11.7 Assignment of Numbers and Listings. At Franchisor's request, Franchisee shall execute such forms and documents as Franchisor deems necessary to appoint Franchisor its true and lawful attorney-in-fact, with full power and authority, for the sole purpose of assigning to Franchisor, Franchisee's telephone numbers and listings; and provide Franchisor with passwords and administrator rights for all email, software, social media, or other such accounts used or created by Franchisee in order to operate the Franchised Business. Upon the expiration or termination of this Agreement, Franchisor may exercise its authority, pursuant to such documents, to obtain any and all of Franchisee's rights to the telephone numbers of the Franchised Business and all related telephone directory listings and other business listings, and all internet listings, domain names, internet advertising, websites, listings with search engines, electronic mail addresses, social media, or any other similar listing or usages related to the Franchised Business.

11.8 Access to Tax Filings. Upon execution of this Agreement, and at any time thereafter upon Franchisor's request, Franchisee shall execute such forms and documents as Franchisor deems necessary, to appoint Franchisor its true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all tax returns and reports related to the Franchised Business filed by Franchisee with any state or federal taxing authority.

11.9 Continuing Obligation. Franchisee and each Principal acknowledge and agree that the representations, warranties and covenants set forth in this Article 11 are continuing obligations of Franchisee and each Principal, as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement. Franchisee and each Principal shall cooperate with Franchisor in any efforts made by Franchisor to verify compliance with such representations, warranties and covenants.

12. FRANCHISEE'S OPERATIONS.

12.1 Operation of Franchised Business Location. In order to maintain the highest degree of quality and service on a uniform System-wide basis, Franchisee shall operate the Franchised Business in conformity with the methods, standards and specifications prescribed by Franchisor. Franchisee agrees to comply with the Manual, as it is modified from time to time, and all directives, rules and procedures specified by Franchisor, and will, among other things:

12.1.1 Use only those furnishings, fixtures, décor, equipment, ingredients, recipes, supplies and signage that conform with Franchisor's specifications and/or which shall be purchased from only those vendors designated and approved by Franchisor;

12.1.2 Maintain and operate the Franchised Business premises in attractive condition and good repair, using Franchisee's best efforts to maintain a clean, enjoyable and inviting atmosphere therein in accordance with System standards, the Manual and all other directives and requirements of Franchisor, and do such redecoration, repairing, refurbishing and restoration as from time to time may be reasonably required to meet System standards and Franchisor's requirements as they may be modified from time to time;

12.1.3 Procure the necessary licenses or permits to allow food and beverage preparation and service and otherwise comply with all applicable governmental laws, ordinances, rules and regulations including those related to health and sanitation;

12.1.4 Maintain sufficient inventories of ingredients, supplies and merchandise held for resale, as prescribed by Franchisor;

12.1.5 Conduct sales in accordance with Franchisor's standards and specifications, which shall include offering food and beverages in the format(s) Franchisor requires, such as dine-in, take-out, curbside pickup, catering and delivery (either directly or through use of third-party delivery services and applications). Franchisee acknowledges and accepts that Franchisee may only engage in providing food and beverage service to end-consumers. Franchisee is expressly prohibited from selling products outside of the Franchised Business premises (excluding promotional and sales events in the Territory with Franchisor's prior approval), on the internet (excluding sales for online orders or through third-party delivery applications), to dealers and/or distributors for subsequent re-sale, and engaging in such sales shall be a material default of this Agreement;

12.1.6 Employ only engaging, outgoing and qualified individuals who are trained in accordance with Franchisor's standards, including but not limited to the protection of Franchisor's confidential and proprietary information. Franchisee and its employees will at all times enhance Franchisor's brand and conduct themselves in a competent and courteous manner in accordance with this Agreement and the image and reputation of the System. Franchisee shall use its best efforts to ensure that Franchisee's employees maintain a neat and clean appearance and render competent and courteous service to patrons of the Franchised Business. Franchisee acknowledges and agrees that poorly trained employees, sloppy or unclean appearances and incompetent or discourteous service by Franchisee or its employees are extremely damaging to the goodwill of the System and the Marks and are a material default of this Agreement;

12.1.7 Permit Franchisor or its agents, to inspect the Franchised Business premises and any services, products or equipment, to determine whether they meet Franchisor's then-current standards, specifications and requirements. In addition to any other remedies Franchisor may have, Franchisee shall reimburse Franchisor for Franchisor's inspection costs of any item that does not conform to the System standards and specifications;

12.1.8 Prominently display signs in and upon the Franchised Business premises using the Marks and/or other advertising and/or signs of such nature, form, color, number, location and size, and containing such material, as Franchisor may from time to time reasonably direct or approve in writing; and to not display in or upon the Franchised Business premises or elsewhere any sign or advertising media of any kind to which Franchisor reasonably objects, including signs and advertising media which have not been approved by Franchisor, or which have been improperly made or are outdated. Upon giving Franchisee notice of its objection to same or upon termination hereof, Franchisor may at any time enter upon the Franchised Business premises or elsewhere and remove any objectionable or non-approved signs or advertising media and keep or destroy same without paying therefor or without being deemed guilty of trespass or any other tort;

12.1.9 Conduct all advertising programs in a manner consistent with Franchisor's standards and specifications, in a manner satisfactory to Franchisor and that will not detract from the reputation of the System or the Marks.

12.1.10 Accept and honor all loyalty cards, promotional coupons, or other System-wide offers, on a uniform basis, as accepted by other franchisees in the System.

12.2 Bookkeeping and Reports.

12.2.1 Franchisee agrees to keep and maintain complete and accurate books and records of its transactions and business operations using the accounting procedures and chart of accounts specified by Franchisor. Franchisee agrees to purchase the computer systems specified in Section 12.3 to maintain the records and accounts of the Franchisee to the standards of the Franchisor. Franchisee acknowledges and agrees that the financial data of Franchisee's Franchised Business (i) is owned by Franchisor, (ii) is Franchisor's Proprietary Information, (iii) may be published in franchise disclosure document(s) issued by Franchisor following the Effective Date hereof, and (iv) may be shared with other franchisees in the System.

12.2.2 Within thirty (30) days after the close of each calendar quarter and within ninety (90) days after the close of each fiscal year, Franchisee will furnish Franchisor a full and complete written statement of income and expense and a profit and loss statement for the operation of the Franchised Business during said period, together with a balance sheet for the Franchised Business, all of which shall be prepared in accordance with generally accepted accounting principles and practice. Franchisee's annual statements and balance sheets shall be prepared by an independent certified public accountant and certified to be correct.

12.2.3 The financial statements required hereunder shall be in such form and contain such information as Franchisor may from time to time reasonably designate.

12.2.4 Franchisor reserves the right to require Franchisee to engage the services of a third-party accounting services firm, designated and approved by Franchisor, in the event that (i) Franchisee fails to keep books and records in accordance with Franchisor's standards or (ii) Franchisor, in its sole discretion, determines that use of a third-party accounting services firm by all System franchisees is beneficial to the System.

12.2.5 Franchisor shall have the right at all reasonable times to examine, at its expense, Franchisee's books, records, and tax returns. If Franchisor's examination finds an understatement of any Gross Sales Report, Franchisee shall pay Franchisor the amounts due together with interest thereon at the rate provided herein, and if understated by three percent (3%) or more, Franchisee shall reimburse Franchisor for the cost of such examination, plus travel and related expenses. Such understatement may be considered a material default hereunder. Two (2) such understatements during the term of this Agreement may, at the option of Franchisor, be considered an incurable default and thereby subject to termination as provided herein.

12.3 Computer Systems.

12.3.1 Franchisee, at Franchisee's sole expense, shall install and maintain the POS System and computer hardware, software, and applications Franchisor requires for the operation of the Franchised Business and shall follow the procedures related thereto that Franchisor specifies in the Manual or otherwise in writing. Franchisee acknowledges that such required software and applications may include assigned phone numbers and email addresses required for use in the Franchised Business, a System portal, benchmarking platform(s), or other operations or communications systems.

12.3.2 Franchisor may require Franchisee, at Franchisee's sole expense, to install and maintain systems and web-based payment processing accounts that permit Franchisor to independently and electronically access and retrieve any information stored in Franchisee's POS System, other computer systems, and web-based payment processing accounts, including, without limitation, information concerning Gross Sales. Upon Franchisor's request, Franchisee shall execute such documents as Franchisor

deems necessary to permit Franchisor to independently and electronically access and retrieve all information stored on Franchisee's POS System, other computer systems, and web-based payment processing accounts.

12.3.3 Any and all customer data collected or provided by Franchisee, retrieved from Franchisee's POS System, or otherwise collected from Franchisee by Franchisor or provided to Franchisor, is and will be owned exclusively by Franchisor and will be considered to be Franchisor's proprietary and Confidential Information. Franchisor has the right to use such data in any manner without compensation to Franchisee. Franchisor licenses to Franchisee the use of such data solely for the purpose of operating the Franchised Business; provided that, this license shall automatically and irrevocably terminate, without any additional action or notice required by Franchisor, upon the expiration or earlier termination of this Agreement.

12.3.4 Franchisor may require Franchisee, at Franchisee's sole expense, to enter into software license agreements in the form that Franchisor requires for software Franchisor develops or acquires for use in the System, or for security purposes to protect the operation and integrity of Franchisor's systems.

12.3.5 Franchisee shall have and maintain adequate hardware and software in order to access the internet at the speed required by Franchisor from time to time. Franchisee shall utilize the electronic mail account provided by Franchisor. Franchisee shall promptly read and respond to all electronic mail related to the Franchised Business no less often than on a daily basis and shall accept and acknowledge receipt of all electronic mail sent by Franchisor. Franchisee shall not establish any website or other listing on the internet except as provided and specifically permitted herein.

12.3.6 Franchisor has established a website that provides information about the System and the products and services offered by the Beef-a-Roo System (the "Website"). Franchisor has sole discretion and control over the Website. Franchisor shall include a listing on its Website linking Franchisee's Franchised Business premises. Franchisee has no ownership or other proprietary rights to Franchisor's website and Franchisee will lose all rights to such link to Franchisee's location upon expiration or termination of this Agreement for any reason.

12.3.7 In addition to the requirements of Section 6.4, Franchisee shall pay all fees, whether to Franchisor or to third party vendor(s), and expenses for technology required by this Agreement, including but not limited to, the costs of computer hardware and software and applications, installation costs, and regularly recurring fees for software, digital menu displays, internet access, license fees, help desk fees, email addresses, telecommunication systems, and licensing or user-based fees.

12.4 Safety and Security of Premises. Franchisee is solely responsible for the safety and security of the Franchised Business premises for Franchisee, Franchisee's personnel, agents, customers, and the general public. Any suggestions by Franchisor on such matters are for guidance only and not binding on Franchisee. All matters of safety and security are within Franchisee's discretion and control, and Franchisee's indemnification obligations set forth in Section 15.6 hereof shall apply to any claims made against Franchisor regarding safety or security.

12.5 Prices. Subject to applicable law, Franchisor may recommend or set maximum prices for products and services offered by Franchisee, which may vary depending on geographic and other market conditions. Franchisee acknowledges that Franchisor has made no guarantee or warranty that offering services or products at any particular price will enhance Franchisee's sales or profits.

12.6 Unapproved Item/Suppliers. If Franchisee desires to purchase, lease or use any unapproved equipment, product, or service or to purchase, lease or use any equipment, product or service from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval prior to utilizing such product, service, or supplier. Franchisee shall not purchase or lease any item or use any supplier until and unless such item or supplier has been approved in writing by Franchisor. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities and to test or otherwise evaluate samples from the supplier. Franchisor reserves the right to charge Franchisee a fee equal to the actual cost and expense for inspection and testing. Franchisor shall notify Franchisee whether Franchisor approves or disapproves of the proposed item or supplier within thirty (30) days after Franchisor receives all required information to evaluate the product, service or supplier. If Franchisor fails to respond to Franchisee's submission within said thirty (30) days, such item or supplier shall be deemed "disapproved." Franchisor reserves the right, at its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's then-current criteria. Nothing in the foregoing shall be construed to require Franchisor to approve any particular item or supplier.

12.7 External Quality Assurance Services. Franchisor reserves the right to establish quality assurance programs conducted by third-party providers, including, but not limited to, mystery shop programs and periodic quality assurance audits ("Quality Review Services"). Upon Franchisor's request and at Franchisee's sole cost and expense, Franchisee shall subscribe to any such third-party provider for Quality Review Services to monitor the operations of the Franchised Business as directed by Franchisor.

12.8 Variations in Standards. Notwithstanding anything to the contrary contained in this Agreement and this Section 12 in particular, Franchisee acknowledges and agrees that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary performance standards for some franchisees based upon the peculiarities and characteristics of the particular site or circumstance, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such particular franchise business. Franchisor has full rights to vary standard specifications and practices for any other franchisee at any time without giving Franchisee comparable rights. Franchisee shall not be entitled to require Franchisor to disclose or grant to Franchisee a like or similar variation.

13. ADVERTISING, PROMOTIONS AND RELATED FEES.

13.1 Advertising Programs. Franchisor may from time to time develop and administer advertising and sales promotion programs designed to promote and enhance the collective success of all Franchised Businesses operating under the System. Franchisee shall participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by Franchisor from time to time for each program. In all aspects of these programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by Franchisor, as modified from time to time, shall be final and binding upon Franchisee.

13.2 Local Advertising.

13.2.1 In addition to the ongoing advertising contributions set forth herein, and following the expenditures set forth in Section 13.2.3 below, Franchisee shall spend, throughout the term of this Agreement, the greater of (i) One Thousand Dollars (\$1,000.00) per month or (ii) one percent (1%) of the previous month's Gross Sales, on advertising for the Franchised Business in the Territory ("Local Advertising"). Franchisor may require Franchisee to allocate to a regional advertising cooperative, as

described in Section 13.4, some or all of Franchisee's required Local Advertising expenditures. Such allocation will be in partial or full satisfaction of Franchisee's obligations pursuant to this Section 13.2.1.

13.2.2 Within ten (10) business days of Franchisor's request, Franchisee shall provide a quarterly expenditure report accurately reflecting Franchisee's Local Advertising expenditures for the preceding quarterly period. The following costs and expenditures incurred by Franchisee shall **not** be included in Franchisee's expenditures on Local Advertising for purposes of this Section, unless approved in advance by Franchisor in writing: (i) incentive programs for employees or agents of Franchisee; (ii) research expenditures; (iii) salaries and expenses of any of Franchisee's personnel to attend advertising meetings, workshops or other marketing activities; (iv) charitable, political or other contributions or donations.

13.2.3 In addition to the requirements of Section 13.2.1, during the thirty (30) days prior to and thirty (30) days following the opening of the Franchised Business, Franchisee shall conduct a grand opening marketing campaign in the Territory in which Franchisee must spend at least Five Thousand Dollars (\$5,000.00) on marketing, promotion, and awareness-generating activities. Franchisor shall advise Franchisee on a grand opening marketing campaign, and Franchisee acknowledges that additional funds may be required for approved grand opening activities. Franchisor reserves the right to collect some or all of Franchisee's grand opening funds and implement grand opening campaign activities on Franchisee's behalf.

13.3 Brand Fund.

13.3.1 Franchisor has established a national fund on behalf of the System for national advertising, marketing, and brand development (the "Brand Fund"). Franchisee is required to contribute an amount equal to one percent (1%) of the Gross Sales generated weekly by Franchisee's Franchised Business to the Brand Fund ("Brand Fund Contribution"). Franchisor reserves the right, in Franchisor's sole discretion and at any time and from time to time, to increase the amount of the Brand Fund Contribution to any amount not to exceed three percent (3%) of weekly Gross Sales. Payments will be made in the same manner and time as the Royalty Fees. If Franchisee fails to timely report Gross Sales, then, in addition to a late fee and interest pursuant to Sections 6.2 and 6.3 hereof, Franchisor shall collect one hundred twenty percent (120%) of the last Brand Fund Contribution payable. Franchisor shall reconcile amounts when Gross Sales are reported.

13.3.2 Franchisor shall direct the Brand Fund and shall have sole discretion to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Brand Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Franchised Businesses operating under the System.

13.3.3 Franchisor may, but has no obligation to, contribute to the Brand Fund on the same basis as Franchisee with respect to Beef-a-Roo outlets operated by Franchisor or Franchisor's affiliates.

13.3.4 Franchisor may use the Brand Fund to satisfy any and all costs of developing, preparing, producing, directing, administering, conducting, maintaining, and disseminating advertising, marketing, promotional, and public relations materials, programs, campaigns, sales and marketing seminars, and training programs of every kind and nature, through media now existing or hereafter developed (including, without limitation, the cost of television, radio, magazine, social media, newspaper, and electronic advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; conducting marketing research; employing advertising agencies to assist therein; developing, enhancing, and maintaining the Website, social media platforms, apps, and other technology for the benefit of the brand image and/or System improvements; and staff salaries and other personnel and departmental

costs for advertising that Franchisor internally administers or prepares). While Franchisor does not intend that any part of the Brand Fund will be used for advertising which is principally a solicitation for franchisees, Franchisor reserves the right to use the Brand Fund for public relations, to explain the franchise system, and/or to include a notation in any advertisement indicating “Franchises Available.”

13.3.5 The Brand Fund will not be used to defray any of Franchisor’s general operating expenses, except for reasonable administrative costs and overhead that Franchisor may incur in activities related to the administration and direction of the Brand Fund and such costs and expenses pursuant Section 13.3.4. The Brand Fund and its earnings shall not otherwise inure to Franchisor’s benefit except that any resulting technology and intellectual property shall be deemed the property of Franchisor.

13.3.6 Franchisor will prepare an unaudited annual statement of the Brand Fund’s operations and will make it available to Franchisee upon request. In administering the Brand Fund, Franchisor undertakes no obligation to make expenditures for Franchisee that are equivalent or proportionate to Franchisee’s contribution or to ensure that any particular franchisee benefits directly or pro rata from the production or placement of advertising.

13.3.7 Although the Brand Fund is intended to be of perpetual duration, Franchisor may terminate it at any time and for any reason or no reason. Franchisor will not terminate the Brand Fund, however, until all monies in the Brand Fund have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions.

13.4 Regional Advertising. Franchisor reserves the right to establish, in Franchisor’s sole discretion, a regional advertising cooperative. If a regional cooperative is established during the term of this Agreement, Franchisee agrees to sign all documents Franchisor requests to become a member of the cooperative according to the terms of the documents. If Franchisor establishes a regional cooperative, Franchisee agrees to contribute amounts equal to Franchisee’s share of the total cost of cooperative advertising, in addition to required Brand Fund Contributions.

13.5 Directory Listings. At Franchisee’s sole cost and expense, Franchisee must list the Franchised Business in local business directories, including, but not limited to, listings on internet search engines. If feasible, and with Franchisor’s prior written approval, Franchisee may do cooperative listings with other System franchisees. Notwithstanding the foregoing, Franchisee may not maintain any business profile on Facebook, Instagram, Twitter, LinkedIn, YouTube, TikTok, blogs or any other social media and/or networking site without Franchisor’s prior written approval, and use of any social media accounts shall be in strict accordance with Franchisor’s requirements. Franchisee shall provide Franchisor with all passwords and administrative rights to any and all social media accounts for the Franchised Business, and Franchisee hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking whatever action as is necessary for the best interest of the System, if Franchisee fails to maintain such accounts in accordance with Franchisor’s standards.

13.6 Approval of Advertising. All advertising and promotions by Franchisee, in any medium, shall be conducted in a professional manner and shall conform to the standards and requirements of Franchisor as set forth in the Manual or otherwise. Franchisee shall submit to Franchisor for its approval samples of all advertising, press releases, promotional plans and materials, and public relations programs that Franchisee desires to use, including, without limitation, any materials in digital, electronic, or computerized form, or in any form of media now or hereafter developed that have not been either provided or previously approved by Franchisor. Franchisor shall approve or disapprove such plans and materials within fourteen (14) business days of Franchisor’s receipt thereof. If Franchisor fails to respond to Franchisee’s submission within fourteen (14) business days, such plans and materials shall be deemed “disapproved”. Franchisee shall not use such unapproved plans or materials until they have been approved

by Franchisor in writing and shall promptly discontinue use of any advertising or promotional plans or materials, whether or not previously approved, upon notice from Franchisor. Any advertising, marketing or sales concepts, programs, or materials proposed or developed by Franchisee for the Beef-a-Roo brand and approved by Franchisor may be used by other System franchisees without any compensation to Franchisee.

14. INTELLECTUAL PROPERTY.

14.1 Ownership.

14.1.1 Franchisee expressly understands and acknowledges that Beef-A-Roo, Inc. (“Licensor”) or its successor is the record owner of the Marks. Franchisor holds the exclusive right to license the Marks to franchisees of the System for use pursuant to the System. Franchisee further expressly understands and acknowledges that Franchisor and/or Franchisor’s affiliate(s) claim copyrights on certain material used in the System, including but not limited to its website, documents, recipes, advertisements, promotional materials and the Manual, whether or not Franchisor and/or Franchisor’s affiliate(s) have filed for copyrights thereto with the U.S. Copyright Office. The Marks and copyrights, along with Franchisor’s trade secrets, service marks, trade dress and proprietary systems are hereafter collectively referred to as the “Intellectual Property”.

14.1.2 As between Franchisor and Franchisee, Franchisor and/or Franchisor’s affiliate(s) are the owner of all right, title and interest in and to the Intellectual Property and the goodwill associated with and symbolized by them.

14.2 No Interference. Neither Franchisee nor any Principal shall take any action that would prejudice or interfere with the validity of Franchisor’s and/or Franchisor’s affiliate(s)’s rights with respect to the Intellectual Property. Nothing in this Agreement shall give the Franchisee any right, title, or interest in or to any of the Intellectual Property or any of Franchisor’s and/or Franchisor’s affiliate(s)’s service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials, except the right to use the Intellectual Property and the System in accordance with the terms and conditions of this Agreement for the operation of a Franchised Business and only at or from the Franchised Business location or in approved advertising related to the Franchised Business.

14.3 Goodwill. Franchisee understands and agrees that any and all goodwill arising from Franchisee’s use of the Intellectual Property and the System shall inure solely and exclusively to the benefit of Franchisor and/or Franchisor’s affiliate(s), and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee’s use of the Intellectual Property.

14.4 Validity. Franchisee shall not contest the validity of, or Franchisor’s and/or Franchisor’s affiliate(s)’s interest in, the Intellectual Property or assist others to contest the validity of, or Franchisor’s and/or Franchisor’s affiliate(s)’s interest in, the Intellectual Property.

14.5 Infringement. Franchisee acknowledges that any unauthorized use of the Intellectual Property shall constitute an infringement of Franchisor’s and/or Franchisor’s affiliate(s)’s rights in the Intellectual Property and a material event of default hereunder. Franchisee shall provide Franchisor and/or Franchisor’s affiliate(s) with all assignments, affidavits, documents, information and assistance Franchisor and/or Franchisor’s affiliate(s) reasonably request to fully vest in Franchisor and/or Franchisor’s affiliate(s) all such rights, title and interest in and to the Intellectual Property, including all such items as are reasonably requested by Franchisor and/or Franchisor’s affiliate(s) to register, maintain and enforce such rights in the Intellectual Property.

14.6 Substitution. Franchisor reserves the right to substitute different Marks for use in identifying the System and the Franchised Business, if it in its sole discretion, determines that substitution of different Marks will be beneficial to the System. Franchisor will not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any additions, modifications, substitutions or discontinuation of the Marks. Franchisee covenants not to commence or join in any litigation or other proceeding against Franchisor for any of these expenses, losses or damages.

14.7 Franchisee's Use of the Intellectual Property. With respect to Franchisee's use of the Intellectual Property pursuant to this Agreement, Franchisee further agrees that:

14.7.1 Unless otherwise authorized or required by Franchisor, Franchisee shall advertise the Franchised Business only under the Marks "Beef-a-Roo" and design. Franchisee shall not use the Marks, or any portions, variations, or derivatives thereof, as part of its corporate or other legal name. All fictitious names used by Franchisee shall bear the designation "a franchisee of Elysian Franchise Company, LLC".

14.7.2 Franchisee shall identify itself as the owner of the Franchised Business and as an independent Beef-a-Roo franchisee in conjunction with any use of the Intellectual Property, including, but not limited to, uses on invoices, order forms, receipts, and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Franchised Business as Franchisor may designate in writing.

14.7.3 Franchisee shall not use the Intellectual Property to incur any obligation or indebtedness on behalf of Franchisor.

14.7.4 Any item offered by Franchisee that contains the Marks, must be approved by Franchisor in writing prior to being distributed or sold by Franchisee and such approval may be granted or denied in Franchisor's sole and absolute discretion.

14.8 Claims. Franchisee shall notify Franchisor immediately via both email and telephone, of any apparent infringement of or challenge to Franchisee's use of any Intellectual Property and of any claim by any person of any rights in any Intellectual Property. Franchisee shall not communicate with any person other than Franchisor or any designated affiliate thereof, their counsel and Franchisee's counsel in connection with any such infringement, challenge or claim. Franchisor shall have complete discretion to take such action as it deems appropriate in connection with the foregoing, and the right to control exclusively, or to delegate control to any of its affiliates of, any settlement, litigation or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Intellectual Property. Franchisee agrees to execute any and all instruments and documents, render such assistance, and do such acts or things as may, in the opinion of Franchisor, reasonably be necessary or advisable to protect and maintain the interests of Franchisor or any other person or entity in any litigation or other proceeding or to otherwise protect and maintain the interests of Franchisor or any other interested party in the Intellectual Property. Franchisor will indemnify and defend Franchisee against and reimburse Franchisee for actual damages (including settlement amounts) for which Franchisee is held liable in any proceeding arising out of Franchisee's use of any of the Intellectual Property that infringes on the rights of any other party, provided that the conduct of Franchisee with respect to such proceeding and use of the Intellectual Property is in full compliance with the terms of this Agreement.

14.9 Franchisor may use and grant franchises and licenses to others to use the Intellectual Property and the System and to establish, develop and franchise other systems, different from the System licensed to Franchisee herein, without offering or providing Franchisee any rights in, to or under such other

systems and Franchisor may modify or change, in whole or in part, any aspect of the Intellectual Property or the System, so long as Franchisee's rights thereto are in no way materially harmed thereby.

14.10 Franchisee shall not register or attempt to register the Intellectual Property in Franchisee's name or that of any other person, firm, entity or corporation.

15. INSURANCE AND INDEMNIFICATION.

15.1 Procurement. Franchisee shall procure, prior to the commencement of any operations under this Agreement, and thereafter maintain in full force and effect during the term of this Agreement at Franchisee's sole cost and expense and to Franchisor's sole satisfaction, insurance policies, which shall be primary and non-contributory to any insurance that Franchisor may carry. Franchisee's insurance shall be provided by insurance companies with an A.M. Best rating of not less than A-VII, protecting Franchisee and Franchisor, and naming Franchisor, its officers, directors, partners, owners, employees and affiliates as additional insureds as their interests may appear, in the following minimum limits (except as additional coverage and higher policy limits may reasonably be specified from time to time in the Manual or otherwise in writing and/or as required by the lease for the Franchised Business premises):

15.1.1 Liability. Commercial general liability insurance, including public liability, personal injury, and advertising injury in the amount of at least One Million Dollars (\$1,000,000) per occurrence and Two Million (\$2,000,000) aggregate, and products liability coverage in the amount of at least One Million Dollars (\$1,000,000) per occurrence;

15.1.2 Employment. Worker's compensation coverage in the limits required by state law, employer's liability insurance in the amount of Five Hundred Thousand Dollars (\$500,000) per accident shall be carried on all of Franchisee's employees, and crime and employee dishonesty in the minimum amount of Twenty-Five Thousand Dollars (\$25,000), as well as such other insurance as may be required by statute or rule of the state in which the Franchised Business is located and operated;

15.1.3 Property. Fire, vandalism, windstorm and hail, and extended coverage insurance for property damage with primary and excess limits of not less than the full replacement value of the leasehold improvements, equipment, furniture, fixtures, and inventory;

15.1.4 Business. Business interruption insurance for a minimum of twelve (12) months, in an amount necessary to satisfy Franchisee's obligations under this Agreement and the lease for the Franchised Business premises.

15.1.5 Automobile Insurance. Prior to operation of any vehicle on behalf of the Franchised Business, Franchisee must obtain comprehensive automobile liability insurance in the amount of at least a combined single limit for bodily injury and property damage of One Million Dollars (\$1,000,000).

15.1.6 Electronic Data Processing. Coverage for damage or loss of electronic and computer equipment, media and data in an amount of not less than Ten Thousand Dollars (\$10,000.00); and

15.1.7 Identity Theft, Forgery or Alteration. Coverage for identity forgery, alteration or theft in an amount of at least Two Thousand Five Hundred Dollars (\$2,500.00) per loss.

15.2 Evidence of Insurance. Franchisee shall deliver to, and maintain at all times with Franchisor, current Certificates of Insurance evidencing the existence and continuation of the required coverages. Franchisee shall deliver the initial Certificate of Insurance no later than ten (10) days before

Franchisee opens the Franchised Business. In addition, if requested by Franchisor, Franchisee shall deliver to Franchisor a copy of the insurance policy or policies required hereunder.

15.3 Failure to Procure. If, for any reason, Franchisee should fail to procure or maintain the insurance required by this Agreement as revised from time to time for all franchisees by the Manual or otherwise in writing, Franchisor shall have the right and authority (without, however, any obligation) to immediately procure such insurance and to charge Franchisee for the cost thereof together with an administrative fee of ten percent (10%) of the cost for Franchisor's expenses in so acting, including all attorneys' fees. Franchisee shall pay Franchisor immediately upon notice by Franchisor to Franchisee that Franchisor has undertaken such action and the cost thereof.

15.4 Increase in Coverage. The levels and types of insurance stated herein are minimum requirements. Franchisor reserves the right to raise the required minimum requirements for any type of insurance or add additional types of insurance requirements as Franchisor deems reasonably prudent to require. Within thirty (30) days of any such required new limits or types of coverage, Franchisee must submit proof to Franchisor of Franchisee's coverage pursuant to Franchisor's requirements.

15.5 Additional Insured. All required insurance policies shall name Franchisor and their affiliates and their members, officers, agents and employees as additional insureds as their interests may appear. All public liability policies shall contain a provision that the additional insureds, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss caused by Franchisee or Franchisee's servants, agents or employees, and all required insurance policies shall contain a waiver of subrogation in favor of the additional insureds.

15.6 Indemnification. TO THE FULLEST EXTENT PERMITTED BY LAW, FRANCHISEE AGREES TO EXONERATE AND INDEMNIFY AND HOLD HARMLESS ELYSIAN FRANCHISE COMPANY, LLC, NEXT BRANDS AND DEVELOPMENT, LLC, BEEF-A-ROO OPCO, LLC, SFV-LLGC, LLC AND ANY OF THEIR PARENT COMPANIES, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS, AND DESIGNEES, AS WELL AS THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS DESIGNEES, AND REPRESENTATIVES (COLLECTIVELY REFERRED TO AS THE "BEEF-A-ROO INDEMNITEES"), FROM ALL CLAIMS BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATED TO THE OPERATION, CONDITION, OR ANY PART OF FRANCHISEE'S BEEF-A-ROO FRANCHISE, THE FRANCHISED BUSINESS, THE PRODUCTS, THE PREMISES, OR ANY ASPECT OF THE REAL ESTATE CONNECTED TO FRANCHISEE'S FRANCHISED BUSINESS, WHETHER CAUSED BY FRANCHISEE, FRANCHISEE'S AGENTS OR EMPLOYEES, OR ARISING FROM FRANCHISEE'S ADVERTISING OR BUSINESS PRACTICES. FRANCHISEE AGREES TO PAY FOR ALL THE BEEF-A-ROO INDEMNITEES' LOSSES, EXPENSES (INCLUDING, BUT NOT LIMITED TO ATTORNEYS' FEES) OR CONCURRENT OR CONTRIBUTING LIABILITY INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, INQUIRY (REGARDLESS OF WHETHER THE SAME IS REDUCED TO JUDGMENT OR DETERMINATION), OR ANY SETTLEMENT THEREOF FOR THE INDEMNIFICATION GRANTED BY FRANCHISEE HEREUNDER. THE BEEF-A-ROO INDEMNITEES SHALL HAVE THE RIGHT TO SELECT AND APPOINT INDEPENDENT COUNSEL TO REPRESENT ANY OF THE BEEF-A-ROO INDEMNITEES IN ANY ACTION OR PROCEEDING COVERED BY THIS INDEMNITY. FRANCHISEE AGREES THAT TO HOLD THE BEEF-A-ROO INDEMNITEES HARMLESS, FRANCHISEE WILL REIMBURSE THE BEEF-A-ROO INDEMNITEES AS THE COSTS AND EXPENSES ARE INCURRED BY THE BEEF-A-ROO INDEMNITEES.

Initial

16. TRANSFERS.

16.1 Transfers by Franchisor.

16.1.1 Franchisor shall have the right to assign this Agreement, and all of Franchisor's rights and privileges hereunder, to any person, firm, corporation or other entity, without Franchisee's permission or prior knowledge, provided that, with respect to any assignment resulting in the subsequent performance by the assignee of Franchisor's obligations, the assignee shall expressly assume and agree to perform Franchisor's obligations hereunder. Specifically, and without limitation to the foregoing, Franchisee expressly affirms and agrees that Franchisor may: (i) sell Franchisor's assets and Franchisor's rights to the Marks and the System outright to a third party; (ii) engage in a public or private placement of some or all of Franchisor's securities; (iii) merge, acquire other corporations, or be acquired by another corporation, including competitors; (iv) undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring; and (v) with regard to any or all of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or relating to the loss of association with or identification of Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the business franchised herein or to offer the same products and services, whether or not bearing the Marks, in the event that Franchisor exercises its prerogative hereunder to assign Franchisor's rights in this Agreement.

16.1.2 Franchisee agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of the facilities (which Franchisee acknowledges may be within the Territory, proximate thereto, or proximate to any of Franchisee's locations). However, Franchisor represents that it will not convert any such acquired facilities that are operating within the Territory to a Beef-a-Roo franchise outlet during the Term of this Agreement.

16.1.3 If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor to remain in the food and beverage business or to offer or sell any products or services to Franchisee.

16.2 Restrictions on Transfers by Franchisee. Franchisee's rights and duties under this Agreement are personal to Franchisee as it is organized and with the Principals of the business as they exist on the date of execution of this Agreement, and Franchisor has made this Agreement with Franchisee in reliance on Franchisor's perceptions of the individual and collective character, skill, aptitude, attitude, business ability, and financial capacity of Franchisee. Thus, no transfer, as hereafter defined, may be made without Franchisor's prior written approval. Franchisor may void any transfer made without such approval.

16.3 Transfers by Franchisee. Neither Franchisee nor any Principal(s) shall directly or indirectly sell, assign, transfer, give, devise, convey or encumber this Agreement or any right or interest herein or hereunder (a "Transfer"), the Franchise, the Franchised Business or any assets thereof (except in the ordinary course of business) or suffer or permit any such assignment, transfer, or encumbrance to occur by operation of law, unless Franchisee or Principal(s) first obtains the written consent of Franchisor. A transfer of any stock in the Franchisee if it is a corporation or a transfer of any ownership rights in Franchisee if it is a partnership, a limited liability company or limited partnership shall be considered a Transfer restricted hereunder. If Franchisee and Principal(s) have complied fully with this Agreement and subject to Franchisor's Right of First Refusal set forth in Section 16.6, Franchisor will not unreasonably withhold its consent of a Transfer that meets the following requirements:

16.3.1 The proposed transferee and all its principals must have the demeanor and be individuals of good character and otherwise meet Franchisor's then-applicable standards for franchisees.

16.3.2 The transferee must have sufficient business experience, aptitude and financial resources to operate the Franchised Business and to comply with this Agreement;

16.3.3 The transferee has agreed to complete Franchisor's Initial Training Program to Franchisor's satisfaction;

16.3.4 Franchisee has paid all amounts owed to Franchisor and third-party creditors;

16.3.5 The transferee has executed Franchisor's then-standard form of Franchise Agreement, which may have terms and conditions different from this Agreement, except that the transferee shall not be required to pay the Initial Franchise Fee;

16.3.6 Franchisee and the transferee and each of Franchisee's and the transferee's Principals shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's officers, directors, shareholders, members and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state, and local laws, rules and ordinances. Franchisee will agree to subordinate any claims Franchisee may have against the transferee to Franchisor, and indemnify Franchisor against any claims by the transferee relating to misrepresentations in the transfer process, specifically excluding those representations made by Franchisor in the Franchise Disclosure Document given to the transferee;

16.3.7 Franchisor has granted written approval of the material terms and conditions of the Transfer, including, without limitation, that the price and terms of payment will not adversely affect the Franchised Business's operation. However, Franchisor's approval of a Transfer is not in any way a representation or warranty of the transferee's success or the soundness of transferee's decision to purchase the Franchise on such terms and conditions. Franchisee shall provide Franchisor all proposed transfer documents for Franchisor's review at least thirty (30) days prior to a closing of the proposed Transfer;

16.3.8 If Franchisee or any Principal finances any part of the sale price of the Transfer, Franchisee or its Principal have agreed that all obligations of the transferee under any notes, agreements or security interests to Franchisee or its Principal will be subordinate to the transferee's obligations to Franchisor; and

16.3.9 If consent is required, the lessor of the Franchised Business's premises consents to the assignment or further sublet of the premises to the transferee.

16.4 As a condition to any Transfer, Franchisee shall pay Franchisor a transfer fee equal to Twelve Thousand Five Hundred Dollars (\$12,500), plus any and all expenses incurred by the Franchisor due to the transfer of the Franchised Business.

16.5 Entity Formation Documents. The By-Laws of a corporation or Operating Agreement of a limited liability company of a Franchisee that is an entity must state that (i) the issuance and assignment of any interest in Franchisee are restricted by this Article 16; (ii) Franchisee may conduct no business except the operation of a Franchised Business pursuant to the terms of this Agreement; (iii) transfers of interests in Franchisee are subject to the terms of this Agreement governing transfers; and (iv) stock or member certificates will contain a legend so indicating.

16.6 Franchisor's Right of First Refusal.

16.6.1 If Franchisee wishes to transfer all or part of its interest in the Franchised Business or this Agreement or if a Principal wishes to transfer any ownership interest in Franchisee, pursuant to any bona fide offer to purchase such interest, then Franchisee or such Principal shall promptly notify Franchisor in writing of each such offer, and shall provide such information and documentation relating to the offer as Franchisor may require.

16.6.2 Franchisor has the right, exercisable by written notice to Franchisee within thirty (30) days after receipt of written notification and copies of all documentation required by Franchisor describing such offer, to buy the interest in this Agreement and the Franchised Business or the Principal's interest in Franchisee for the price and on the terms and conditions contained in the offer, subject to Section 16.6.3.

16.6.3 Franchisee further agrees, in the event Franchisor exercises its right of first refusal, notwithstanding anything to the contrary contained in the offer, that (i) Franchisor may substitute cash for any other form of consideration contained in the offer; (ii) at Franchisor's option, Franchisor may pay the entire purchase price at closing; (iii) Franchisor's credit will be deemed equal to the credit of any proposed transferee; (iv) Franchisor will have at least sixty (60) days to close the purchase; and (v) Franchisor will be entitled to receive from the Franchisee all customary representations and warranties given by a seller of the assets of a business or equity interest in an entity, as applicable.

16.6.4 If Franchisor does not exercise its right to buy within thirty (30) days, Franchisee may thereafter transfer the interest to the transferee on terms no more favorable than those disclosed to Franchisor, provided that such transfer is subject to Franchisor's prior written approval pursuant to Section 16.3 hereof. However, if (i) the sale to the transferee is not completed within one hundred twenty (120) days after the offer is given to Franchisor or (ii) there is any material change in the terms of the offer, the offer will again be subject to Franchisor's right of first refusal.

16.7 Death or Permanent Disability. The grant of rights under this Agreement is personal to Franchisee, and on the death or permanent disability of Franchisee or any Principal, the executor, administrator, conservator or other personal representative of Franchisee or Principal, as the case may be, shall transfer Franchisee's or Principal's interest in this Agreement within six (6) months from the date of death or permanent disability, to a third party approved by Franchisor. Failure to transfer in accordance with the forgoing will constitute a material default and the Franchise granted by this Agreement will terminate. A transfer under this Section 16.7, including without limitation, transfer by devise or inheritance, is subject to the conditions for Transfers in this Article 16 and unless transferred by gift, devise or inheritance, subject to the terms of Section 16.6 above. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of Franchisee's Franchised Business during the six (6)-month period from its onset.

Immediately after the death or permanent disability of such person, or while the Franchise is owned by an executor, administrator, guardian, personal representative or trustee of that person, the Franchised Business shall be supervised by an interim successor manager satisfactory to Franchisor, or Franchisor, in its sole discretion, may provide interim management at Franchisor's then-current interim management fee, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor, pending transfer of the Franchise to the deceased or disabled individual's lawful heirs or successors.

16.8 Effect of Consent to Transfer. Franchisor's consent to a Transfer will not waive any claims Franchisor may have against the Franchisee or any Principals nor waive its right to demand that the transferee comply strictly with this Agreement.

16.9 Security Interests to Lender. If Franchisee is in full compliance with this Agreement, Franchisee may pledge or give a security interest in Franchisee's interest in the Assets and the Franchised Business to a lender of the funds needed by Franchisee for Franchisee's initial investment, provided that the security interest is subordinate to Franchisee's obligations to Franchisor, that a foreclosure on such a pledge or security interest and/or any Transfer resulting from such a foreclosure shall be subject to all provisions of this Agreement, and that Franchisee obtains from the lender a written acknowledgement to Franchisor of these restrictions. Notwithstanding the foregoing, in the event Franchisee obtains financing whereby funding is provided with the assistance of the United States Small Business Administration ("SBA Financing"), Franchisee shall be permitted to grant the lender of such SBA Financing a senior lien on any Uniform Commercial Code collateral Franchisee uses to secure the SBA Financing, and Franchisor agrees to (i) subordinate its interest in any lien on Franchisee's Uniform Commercial Code collateral to that of the lender of the SBA Financing and (ii) waive the requirement of the written acknowledgement referenced in this Section.

17. DEFAULTS.

17.1 Default and Automatic Termination. Franchisee shall be deemed to be in material default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent or makes a general assignment for the benefit of creditors; or if Franchisee files a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or admits in writing its inability to pay its debts when due; or if Franchisee is adjudicated a bankrupt or insolvent in proceedings filed against Franchisee under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; or if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if Franchisee is dissolved; or if execution is levied against Franchisee's business or property; or if suit to foreclose any lien or mortgage against the Franchised Business premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days.

17.2 Defaults with No Opportunity to Cure. Franchisee shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon notice to Franchisee, if Franchisee, or any Principal, as the case may be:

17.2.1 fails to acquire a site for the Franchised Business, complete construction of the Franchised Business premises, obtain all licenses and permits before opening, or open the Franchised Business within the time and in the manner specified in Article 8.

17.2.2 falsifies any report required to be furnished Franchisor hereunder;

17.2.3 ceases to operate the Franchised Business for a period of five (5) days or more; provided, however, that this provision shall not apply if through no fault of Franchisee, the premises are

damaged or destroyed by a casualty and Franchisee applies within thirty (30) days after such event, for Franchisor's approval to relocate or reconstruct the premises (which approval shall not be unreasonably withheld) and Franchisee diligently pursues such reconstruction or relocation.

17.2.4 loses for any cause whatsoever the right of possession of the real property on which the Franchised Business is located; provided, however, that this provision shall not apply if through no fault of Franchisee, Franchisee loses right of possession and Franchisee applies within thirty (30) days after such event, for Franchisor's approval to relocate the Franchised Business (which approval shall not be unreasonably withheld) and Franchisee diligently pursues such relocation in accordance with Section 8.4.

17.2.5 fails to restore the Franchised Business premises to full operation within a reasonable period of time but not more than one hundred twenty (120) days from the date the Franchised Business premises is rendered inoperable by any casualty or closed due to an order issued by a local authority having jurisdiction over the Franchised Business location;

17.2.6 fails to comply with any federal, state or local law, rule or regulation, applicable to the operation of the Franchised Business, including, but not limited to, the failure to pay taxes;

17.2.7 defaults under any lease or sublease of the real property on which the Franchised Business is located;

17.2.8 understates Gross Sales on two (2) occasions or more, whether or not cured on any or all of those occasions;

17.2.9 fails to comply with the covenants in Article 15;

17.2.10 permits a Transfer in violation of the provisions of Article 16 of this Agreement;

17.2.11 fails, or Franchisee's legal representative fails, to transfer the interests in this Franchise Agreement and the Franchised Business upon death or permanent disability of Franchisee or any Principal as required by Section 16.7.

17.2.12 has misrepresented or omitted material facts in applying for, or in operating, the Franchise;

17.2.13 is convicted of, or pleads no contest to, a felony or to a crime that could damage the goodwill associated with the Marks; or does anything (whether criminal or otherwise) to harm the reputation of the System or the goodwill associated with the Marks;

17.2.14 receives an adverse judgment or a consent decree in any case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or similar claim which is likely to have an adverse effect on the System, or the Marks, the goodwill associated therewith or Franchisor's interest therein, in Franchisor's sole opinion;

17.2.15 conceals revenues, knowingly maintains false books or records, or knowingly submits any false reports;

17.2.16 creates a threat or danger to public health or safety from the construction, maintenance or operation of the Franchised Business;

17.2.17 refuses to permit Franchisor to inspect or audit Franchisee's books or records;

17.2.18 makes any unauthorized use of the Marks or copyrighted material or any unauthorized use or disclosure of Confidential Information (as defined in Section 19.2);

17.2.19 fails to comply with the non-competition covenants in Section 19.5;

17.2.20 defaults in the performance of Franchisee's obligations under this Agreement three (3) or more times during the term of this Agreement or has been given at least two (2) notices of default in any consecutive twelve (12)-month period, whether or not the defaults have been corrected;

17.2.21 has insufficient funds to honor a check or electronic funds transfer two (2) or more times within any consecutive twelve (12)-month period;

17.2.22 defaults, or an affiliate of Franchisee defaults, under any other agreement, including any other franchise agreement, with Franchisor or any of its affiliates or suppliers and does not cure such default within the time period provided in such other agreement; or

17.2.23 terminates this Agreement, including by ceasing to operate the Franchised Business, without cause.

17.3 Curable Defaults. Franchisee shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, if Franchisee fails to cure the default within the time period set forth in this Section 17.3, effective immediately upon notice to Franchisee, if Franchisee, or any Principal, as the case may be:

17.3.1 fails to pay when due any amounts due to Franchisor under this Agreement or any related agreement and does not correct the failure within five (5) days after written notice; provided, however, Franchisor has no obligation to give written notice of a late payment more than two (2) times in any twelve (12)-month period, and the third such late payment in any twelve (12)-month period shall be a non-curable default under Sections 17.2.20 and/or 17.2.21;

17.3.2 fails to perform any non-monetary obligation imposed by this Agreement (excepting those defaults of obligations set forth in Sections 17.1 and 17.2 for which there is no opportunity to cure) and such default shall continue for five (5) days after Franchisor has given written notice of such default, or if the default cannot be reasonably corrected within said five (5)-day period, then if it is not corrected within such additional time as may be reasonably required assuming Franchisee proceeds diligently to cure; provided, however, Franchisor has no obligation to give written notice of a non-monetary default more than two (2) times in any twelve (12)-month period, and the third such default, whether monetary or non-monetary, in any twelve (12) – month period shall be a non-curable default under Section 17.2.20.

17.4 Franchisor's Cure of Franchisee's Defaults. In the event of a default by Franchisee, in addition to Franchisor's right to terminate the Franchise Agreement, and not in lieu thereof, Franchisor may, but has no obligation to:

17.4.1 effect a cure on Franchisee's behalf and at Franchisee's expense, and Franchisee shall immediately pay Franchisor the costs incurred by Franchisor upon demand; or

17.4.2 enter upon the Franchised Business premises and exercise complete authority with respect to the operation thereof until such time as Franchisor determines that the default of Franchisee has been cured and that Franchisee is complying with the requirements of this Agreement. Franchisee specifically agrees that a designated representative of Franchisor may take over, control and operate the

Franchised Business. In addition to all other fees paid under this Agreement, Franchisee shall pay Franchisor the then-current interim management fee, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor during Franchisor's operation thereof as compensation therefor. Further, Franchisee shall reimburse Franchisor for the full compensation paid to such representative including the cost of all fringe benefits plus all travel expenses, lodging, meals and other expenses reasonably incurred by such representative until the default has been cured and Franchisee is complying with the terms of this Agreement.

17.5 Notice to Suppliers. In the event of a default by Franchisee, in addition to Franchisor's right to terminate the Franchise Agreement, and not in lieu thereof, Franchisor reserves the right with five (5) days' prior written notice to Franchisee to direct suppliers to stop furnishing any and all products and supplies until such time as Franchisee's default is cured. In no event shall Franchisee have recourse against Franchisor for loss of revenue, customer goodwill, profits or other business arising from Franchisor's actions and the actions of suppliers.

17.6 Reimbursement of Costs. Franchisee shall reimburse Franchisor all costs and expenses, including but not limited to attorneys' fees, incurred by Franchisor as a result of Franchisee's default, including costs in connection with collection of any amounts owed to Franchisor and/or enforcement of Franchisor's rights under this Agreement.

18. POST-TERMINATION.

18.1 Franchisee's Obligations. Upon termination or expiration of this Agreement, all rights and licenses granted hereunder to Franchisee shall immediately terminate and Franchisee and each Principal, if any, shall:

18.1.1 immediately cease to operate the Franchised Business, and shall not thereafter, directly or indirectly identify himself, herself or itself as a current Beef-a-Roo owner, franchisee or licensee;

18.1.2 immediately and permanently cease to use the Marks, any imitation of any Mark, logos, copyrighted material or other intellectual property, confidential or proprietary material or indicia of a Beef-a-Roo outlet, or use any trade name, trade or service mark or other commercial symbol that suggests a current or past association with Franchisor, Franchisor's affiliates, or the System. In particular, Franchisee shall cease to use, without limitation, all signs, billboards, advertising materials, displays, stationery, forms and any other articles, which display the Marks;

18.1.3 take such action as may be necessary to cancel any assumed name or equivalent registration that contains the Mark or any other service mark or trademark of Franchisor, and Franchisee shall furnish Franchisor with evidence of compliance with this obligation, which is satisfactory to Franchisor, within five (5) days after termination or expiration of this Agreement;

18.1.4 promptly pay all sums owing to Franchisor and its affiliates. Such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of any default by Franchisee. The payment obligation herein shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by Franchisee and located at the Franchised Business outlet at the time of default;

18.1.5 pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor in connection with obtaining any remedy available to Franchisor for any violation of this Agreement and, subsequent to the termination or expiration of this Agreement, in obtaining

injunctive or other relief for the enforcement of any provisions of this Agreement that survive its termination;

18.1.6 immediately deliver at Franchisee's sole cost and expense, to Franchisor the Manual and all records, files, instructions, correspondence, invoices, agreements, all confidential, proprietary and copyrighted material and all other materials related to operation of the Franchised Business, including but not limited to recipes, customer lists and records, (all of which are acknowledged to be Franchisor's property), delete all electronic copies and retain no copy or record of any of the foregoing, except Franchisee's copy of this Agreement and of any correspondence between the parties and any other documents that Franchisee reasonably needs for compliance with any provision of law;

18.1.7 comply with the non-disclosure and non-competition covenants contained in Article 19; and

18.1.8 in the event this Agreement is terminated due to Franchisee's default, pay Franchisor a lump sum payment (as liquidated damages and not as a penalty) in an amount equal to: (a) the average monthly Royalty Fee and Brand Fund Contribution payable by Franchisee over the twelve (12) month period immediately prior to the date of Franchisee's default (or such shorter time period if the Franchised Business has been open less than twelve (12) months); (b) multiplied by the lesser of (i) twenty-four (24) months or (ii) the number of months then remaining in the then-current term of this Agreement. Franchisee acknowledges that a precise calculation of the full extent of the damages Franchisor will incur in the event of termination of this Agreement as a result of Franchisee's default is difficult to determine and that this lump sum payment is reasonable in light thereof. The liquidated damages payable by Franchisee pursuant to this Section 18.1.8 shall be in addition to all other amounts payable under this Agreement and shall not affect Franchisor's right to obtain appropriate injunctive relief and remedies pursuant to any other provision of this Agreement.

18.2 Right to Purchase.

18.2.1 Franchisor shall have the option, to be exercised within thirty (30) days after Franchisee has provided an itemization and valuation of assets, to purchase from Franchisee any or all of the furnishings, equipment (including any point-of-sale system), signs, fixtures, advertising materials, supplies, and inventory of Franchisee related to the operation of the Franchised Business, at Franchisee's cost or fair market value, whichever is less. Franchisor shall purchase Franchisee's assets free and clear of any liens, charges, encumbrances or security interests and Franchisor shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If the parties cannot agree on the fair market value within thirty (30) days of Franchisor's exercise of its option, fair market value shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and shall split the appraisal fees equally. If Franchisor elects to exercise its option to purchase herein provided, it shall have the right to set off (i) all fees for any such independent appraiser due from Franchisee, (ii) all amounts due from Franchisee to Franchisor or any of its affiliates and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash. Closing of the purchase shall take place no later than thirty (30) days after Franchisor notifies Franchisee that Franchisor exercises its option to purchase the assets.

18.2.2 With respect to the options described in Sections 18.2.1, Franchisee shall deliver to Franchisor in a form satisfactory to Franchisor, such warranties, releases of lien, bills of sale, assignments and such other documents and instruments that Franchisor deems necessary in order to perfect Franchisor's title and possession in and to the assets being purchased or assigned and to meet the requirements of all tax and government authorities. If, at the time of closing, Franchisee has not obtained all of these certificates

and other documents, Franchisor may, in its sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents.

18.2.3 Franchisor shall be entitled to assign any and all of its option in Section 18.2.1 to any other party, without the consent of Franchisee.

18.3 Assignment of Communications. Franchisee, at the option of Franchisor, shall assign to Franchisor all rights to the telephone numbers of the Franchised Business and any related public directory listing or other business listings and execute all forms and documents required by Franchisor and any telephone company at any time, to transfer such service and numbers to Franchisor. Further, Franchisee shall assign to Franchisor any and all social media and internet listings, domain names, internet advertising, websites, listings with search engines, electronic mail addresses or any other similar listing or usage related to the Franchised Business. Notwithstanding any forms and documents that may have been executed by Franchisee under Section 11.7, Franchisee shall provide Franchisor with all passwords and administrative rights, and hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment. This power of attorney shall survive the expiration or termination of this Agreement. Franchisee shall thereafter use different telephone numbers, electronic mail addresses or other listings or usages at or in connection with any subsequent business conducted by Franchisee.

18.4 Survival. The rights and obligations of the parties contained in this Article 18 shall survive the expiration or sooner termination of this Agreement.

19. NON-DISCLOSURE AND NON-COMPETITION COVENANTS.

19.1 Operations Manual.

19.1.1 Franchisor has provided to Franchisee, on loan, a current copy of the Manual. The Manual may be in hard copy or made available to Franchisee in digital, electronic or computerized form or in some other form now existing or hereafter developed that would allow Franchisee to view the contents thereof. If the Manual (or any changes thereto) are provided in a form other than physical copy, Franchisee shall pay any and all costs to retrieve, review, use or access the Manual. To protect the reputation and goodwill of Franchisor and to maintain high standards of operation under Franchisor's Marks, Franchisee shall operate all aspects of the Franchised Business in accordance with the Manual, as they may from time to time be modified by Franchisor, other written directives that Franchisor may issue to Franchisee from time to time, whether or not such directives are included in the Manual, and any other manual and materials created or approved for use in the operation of the Franchised Business.

19.1.2 Franchisee and any and all Principals shall at all times treat the Manual, written directives, and other materials and any other confidential communications or materials, and the information contained therein, as confidential and shall maintain such information as trade secret and confidential in accordance with this Article and this Agreement. Franchisee and Franchisee's Principals, if any, shall not divulge and make such materials available to anyone other than those of Franchisee's employees who require the information contained therein to operate the Franchised Business. Franchisee shall, prior to disclosure, fully train and inform its employees on all the restrictions, terms and conditions under which it is permitted to use Franchisor's intellectual, proprietary and confidential information; and shall ensure its employees' compliance with such restrictions, terms and conditions. Franchisee, Principals, and any person working with Franchisee shall agree not, at any time to use, copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those authorized above, without Franchisor's prior written consent.

19.1.3 The Manual, written directives, and other materials and any other confidential communications provided or approved by Franchisor shall at all times remain the sole property of Franchisor. Franchisee shall maintain the Manual and all Franchisor's confidential and proprietary materials at all times in a safe and secure location, shall take all reasonable measures to prevent unauthorized access thereto, whether any attempted unauthorized access takes the form of physical access or access via computer or telecommunications networks or otherwise, and shall report the theft or loss of the Manual, or any portion thereof, immediately to Franchisor. At a minimum, Franchisee shall, in the case of computer and telecommunications networks, use the latest available firewall, encryption and similar technology to prevent unauthorized access. Franchisee shall delete all electronic copies and return and cease using any physical copy of the Manual and other confidential and proprietary materials to Franchisor immediately upon request or upon transfer, termination or expiration of this Agreement.

19.1.4 Franchisor may from time to time revise the contents of the Manual and other materials created or approved for use in the operation of the Franchised Business. Franchisee expressly agrees to comply with each new or changed policy, standard or directive. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by Franchisor shall control.

19.2 Confidential Information. Franchisee along with its Principals acknowledge and accept that during the term of this Agreement Franchisee and any Principal will have access to Franchisor's trade secrets, including, but not limited to, product recipes, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of the Franchised Business; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively referred to herein as the "Confidential Information"). Neither Franchisee nor any Principal shall, during the term of this Agreement and thereafter, communicate or divulge to, or use for the benefit of, any other person or entity, and, following the expiration or termination of this Agreement, shall not use for their own benefit, any Confidential Information that may be communicated to Franchisee or any Principal or of which Franchisee or any Principal may be apprised in connection with the operation of the Franchised Business under the terms of this Agreement. Franchisee and any Principal shall not divulge and make any Confidential Information available to anyone other than those of Franchisee's employees who require the Confidential Information to operate the Franchised Business and who have themselves entered into confidentiality and non-compete agreements containing the same provisions as contained in this Agreement, in accordance with Section 19.10 hereof. Franchisee and any Principal shall not at any time copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, or otherwise make the same available to any person other than those authorized above, without Franchisor's prior written consent. The covenant in this Section 19.2 shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon Franchisee and each Principal.

19.3 Protection of Information. Franchisee shall take all steps necessary, at Franchisee's own expense, to protect the Confidential Information and shall immediately notify Franchisor if Franchisee finds that any Confidential Information has been divulged in violation of this Agreement.

19.4 New Concepts. If Franchisee or any Principal develops any new concept, process, product, recipe, or improvement in the operation or promotion of the Franchised Business ("Improvements"), Franchisee is required to promptly notify Franchisor and provide Franchisor with all related information, processes, products, recipe or other improvements, and sign any and all forms, documents and/or papers

necessary for Franchisor to obtain full proprietary rights to such Improvements, without compensation and without any claim of ownership or proprietary rights to such Improvements. Franchisee and any Principal acknowledge that any such Improvements will become the property of Franchisor, and Franchisor may use or disclose such information to other franchisees as it determines to be appropriate.

19.5 Noncompetition Covenants. Franchisee and each Principal, if any, specifically acknowledge that, pursuant to this Agreement, Franchisee and each Principal, if any, will receive valuable training, trade secrets and Confidential Information of the System that are beyond the present knowledge, training and experience of Franchisee, each Principal and Franchisee's managers and employees. Franchisee and each Principal, if any, acknowledge that such specialized training, trade secrets and Confidential Information provide a competitive advantage and will be valuable to them in the development and operation of the Franchised Business, and that gaining access to such specialized training, trade secrets and Confidential Information is, therefore, a primary reason why Franchisee and each Principal, if any, are entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information and rights, Franchisee and each Principal, if any, covenant that, except as otherwise approved in writing by Franchisor:

19.5.1 During the term of this Agreement, Franchisee and each Principal, if any, shall not, either directly or indirectly, for themselves or through, on behalf of, or in conjunction with, any person or entity (i) divert, or attempt to divert, any business or customer of the Franchised Business or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any restaurant or eatery business that derives more than ten percent (10%) of its gross revenue from the sale American casual dining classics such as burgers, fries, milkshakes, and salads ("Competitive Business"); (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any Beef-a-Roo franchisees or Franchisor-affiliated outlets.

19.5.2 Upon the expiration or earlier termination of this Agreement or upon a Transfer and continuing for twenty-four (24) months thereafter, Franchisee and Principals, if any, shall not, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person or entity (i) divert, or attempt to divert, any business or customer of the Franchised Business or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; or (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any Competitive Business within ten (10) miles of the Franchised Business location or any Beef-a-Roo outlet location; or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any Beef-a-Roo franchisees.

19.6 Reasonableness of Restrictions. Franchisee and each Principal, if any, acknowledges and agrees that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on Franchisee or Principals, if any, since Franchisee or Principals, as the case may be, have other considerable skills, experience and education which afford Franchisee or Principals, as the case may be, the opportunity to derive income from other endeavors.

19.7 Reduction of Time or Scope. If the period of time or the geographic scope specified above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Paragraph 19 or any portion thereof, without Franchisee's consent, effective immediately upon receipt by

Franchisee of written notice thereof, and Franchisee agrees to forthwith comply with any covenant as so modified.

19.8 Injunctive Relief. Franchisee and each Principal, if any, acknowledges that a violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Franchisor for which no adequate remedy at law will be available. Accordingly, Franchisee and each Principal, if any, hereby consents to the entry of an injunction prohibiting any conduct by Franchisee or any Principal in violation of the terms of the covenants not to compete set forth in this Agreement.

19.9 No Defense. Franchisee and each Principal, if any, expressly agree that the existence of any claims they may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section.

19.10 Covenants of Employees, Agents, and Third Persons. Franchisee shall require and obtain execution of covenants similar to those set forth in this Section (including covenants applicable upon the termination of a person's employment with Franchisee) from all employees, contractors or third persons who will have access to Franchisor's confidential and proprietary information. Such covenants shall be substantially in the form set forth in Attachment 9 as revised and updated from time to time and contained in the Manual.

20. DISPUTE RESOLUTION.

20.1 Internal Dispute Resolution. Franchisee shall first bring any claim, controversy or dispute arising out of or relating to this Agreement, the Attachments hereto or the relationship created by this Agreement to Franchisor's president and/or chief executive officer for resolution. After providing notice as set forth in Section 21.7 below. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

20.2 Mediation. At Franchisor's option, any claim, controversy or dispute that is not resolved pursuant to Section 20.1 hereof shall be submitted to non-binding mediation. Franchisee shall provide Franchisor with written notice of Franchisee's intent to pursue any unresolved claim, controversy or dispute, specifying in sufficient detail the nature thereof, prior to commencing any legal action. Franchisor shall have thirty (30) days following receipt of Franchisee's notice to exercise Franchisor's option to submit such claim, controversy or dispute to mediation. Mediation shall be conducted through a mediator or mediators in accordance with the American Arbitration Association Commercial Mediation Rules. Such mediation shall take place in the then-current location of Franchisor's corporate headquarters. The costs and expenses of mediation, including compensation and expenses of the mediator (and except for the attorney's fees incurred by either party), shall be borne by the parties equally. Franchisor may specifically enforce Franchisor's rights to mediation, as set forth herein.

20.3 Arbitration.

20.3.1 Except disputes not subject to alternative dispute resolution as set forth in Section 20.4, any dispute between Franchisor and Franchisee and/or any Principal arising out of or relating to this Agreement, the Attachments hereto or any breach thereof, including any claim that this Agreement or any of its parts, is invalid, illegal or otherwise voidable or void, which has not been resolved in accordance with Sections 20.1 or 20.2, will be resolved by submission to the American Arbitration Association or its successor organization to be settled by a single arbitrator in accordance with the Commercial Arbitration Rules then in effect for such Association or successor organization.

20.3.2 All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Article 20 will be governed by the Federal Arbitration Act (9 U.S.C. §1 *et seq.*) and the federal common law of arbitration. All hearings and other proceedings will take place in Oakland County, Michigan, or the nearest offices of the American Arbitration Association thereto, or, if Franchisor so elects, in the county where the principal place of business of Franchisee is then located.

20.3.3 This arbitration provision is self-executing and will remain in full force and effect after expiration or termination of this Agreement. Any arbitration will be conducted on an individual, and not a class-wide or multiple plaintiffs, basis. If either party fails to appear at any properly-noticed arbitration proceeding, an award may be entered against the party by default or otherwise, notwithstanding the failure to appear. Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final and not subject to appeal. No punitive or exemplary damages will be awarded against Franchisor, Franchisee, or entities related to either of them, in an arbitration proceeding or otherwise, and are hereby waived.

20.3.4 The provisions of this Section 20.3 are independent of any other covenant or provision of this Agreement; provided, however, that if a court of competent jurisdiction determines that any of the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law.

20.3.5 In proceeding with arbitration and in making determinations hereunder, no arbitrator shall extend, modify or suspend any terms of this Agreement or the reasonable standards of business performance and operation established by Franchisor in good faith. No notice, request or demand for arbitration shall stay, postpone or rescind the effectiveness of any termination of this Agreement.

20.3.6 Except as expressly required by law, Franchisor, Franchisee and any Principal shall keep all aspects of any mediation and/or arbitration proceeding in confidence, and shall not disclose any information about the proceeding to any third party other than legal counsel who shall be required to maintain the confidentiality of such information.

20.4 Exceptions. Notwithstanding the requirements of Sections 20.2 or 20.3, the following claims shall not be subject to mediation or arbitration:

20.4.1 Franchisor's claims for injunctive or other extraordinary relief;

20.4.2 disputes and controversies arising from the Sherman Act, the Clayton Act or any other federal or state antitrust law;

20.4.3 disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of the Marks;

20.4.4 disputes and controversies relating to actions to obtain possession of the premises of the Franchised Business; and

20.4.5 enforcement of Franchisee's post-termination obligations, including but not limited to, Franchisee's non-competition covenants.

20.5 Governing Law and Venue. This Agreement is made in, and shall be substantially performed in, the State of Michigan. Any claims, controversies, disputes or actions arising out of this Agreement shall be governed, enforced and interpreted pursuant to the laws of the State of Michigan. Franchisee and its Principals, except where specifically prohibited by law, hereby irrevocably submit

themselves to the sole and exclusive jurisdiction of the state and federal courts in Michigan. Franchisee and its Principals hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision.

20.6 Mutual Benefit. Franchisee, each Principal, if any, and Franchisor acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 20.5 provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising hereunder. Each of Franchisee, its Principals, if any, and Franchisor further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

20.7 Waiver of Certain Damages. Franchisee and each Principal, if any, hereby waive, to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever. Each of Franchisee and Principals, if any, agree that in the event of a dispute, Franchisee and each Principal shall be limited to the recovery of any actual direct compensatory damages sustained.

20.8 Injunctive Relief. Nothing herein contained (including, without limitation, Sections 20.1 through 20.3 above) shall bar Franchisor from the right to obtain immediate injunctive relief from any court of competent jurisdiction against threatened conduct by Franchisee that may cause Franchisor loss or damage, under the usual equity rules, including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions.

20.9 Limitations of Claims. Any and all claims asserted by Franchisee arising out of or relating to this Agreement or the relationship with Franchisor will be barred unless a proceeding for relief is commenced within one (1) year from the date on which Franchisee knew or should have known of the facts giving rise to such claims.

20.10 Attorney's Fees. In the event of any action in law or equity by and between Franchisor and Franchisee concerning the operation, enforcement, construction or interpretation of this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney's fees and court costs incurred.

20.11. Survival. The provisions of this Article 20 shall continue in full force and effect notwithstanding the expiration or termination of this Agreement or a transfer by Franchisee or any Principal of their respective interests in this Agreement.

21. GENERAL.

21.1 Relationship of the Parties.

21.1.1 Independent Licensee. Franchisee is and shall be an independent licensee under this Agreement, and no partnership shall exist between Franchisee and Franchisor. This Agreement does not constitute Franchisee as an agent, legal representative, or employee of Franchisor for any purpose whatsoever, and Franchisee is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, or in any way to bind Franchisor. Franchisee agrees not to incur or contract

any debt or obligation on behalf of Franchisor or commit any act, make any representation, or advertise in any manner which may adversely affect any right of Franchisor or be detrimental to Franchisor or other franchisees of Franchisor. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to your operation of the Franchised Business. Pursuant to the above, Franchisee agrees to indemnify Franchisor and hold Franchisor harmless from any and all liability, loss, attorneys' fees, or damage Franchisor may suffer as a result of claims, demands, taxes, costs, or judgments against Franchisor arising out of any allegation of an agent, partner, or employment relationship.

21.1.2 No Relationship. Franchisee acknowledges and agrees that Franchisee alone exercises day-to-day control over all operations, activities, and elements of the Franchised Business, and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees, and will never claim otherwise, that the various restrictions, prohibitions, specifications, and procedures of the System which Franchisee is required to comply with under this Agreement, whether set forth in Franchisor's Manual or otherwise, does not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Franchised Business, which Franchisee alone controls, but only constitute standards Franchisee must adhere to when exercising control of the day-to-day operations of the Franchised Business.

21.1.3 Franchisee's Employees. Franchisee acknowledges and agrees that any training Franchisor provides for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems, and operations of an outlet pursuant to the System and in no fashion reflects any employment relationship between Franchisor and such employees. If ever it is asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agree to assist Franchisor in defending said allegation, appearing at any venue requested by Franchisor to testify on Franchisor's behalf participate in depositions, other appearances or preparing affidavits rejecting any assertion that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees.

21.2 Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of Franchisor and shall be personally binding on and inure to the benefit of Franchisee (including the individuals executing this Agreement on behalf of the Franchisee entity) and its or their respective heirs, executors, administrators and successors or assigns; provided, however, the foregoing provision shall not be construed to allow a transfer of any interest of Franchisee or Principals, if any, in this Agreement or the Franchised Business, except in accordance with Article 16 hereof.

21.3 Invalidity of Part of Agreement. Should any provisions in this Agreement, for any reason, be declared invalid, then such provision shall be invalid only to the extent of the prohibition without in any way invalidating or altering any other provision of this Agreement.

21.4 Entire Agreement. This Agreement, including all attachments, is the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter, and superseding all prior written or oral representations made to Franchisee, provided that nothing in this Agreement is intended to disclaim the representations made to Franchisee in Franchisor's Franchise Disclosure Document. No agreement of any kind relating to the matters covered by this Agreement and no amendment of the provisions hereof shall be binding upon either party unless and until the same has been made in writing and executed by all interested parties.

21.5 Construction. All terms and words 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 or any provision herein may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Franchisee and any Principals shall be deemed to be joint and several covenants, agreements and obligations of each of the persons named as Franchisee, if more than one person is so named.

21.6 Captions. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

21.7 Notices. Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified mail or courier, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as set forth in the introductory paragraph of this Agreement, or at such other address or addresses as the parties may from time to time designate in writing.

21.8 Effect of Waivers. No waiver, delay, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Franchisee shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or of a different kind. Any use by Franchisee of the System or any part thereof at any place other than at the Franchised Business outlet approved by Franchisor shall not give Franchisee any rights not specifically granted hereunder. Failure to take action to stop such use shall not in any event be considered a waiver of the rights of Franchisor at any time to require Franchisee to restrict said use to the approved Franchised Business outlet.

21.9 Remedies Cumulative. All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies that are provided for herein or that 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 or any other agreement between Franchisee or any of its affiliates and Franchisor or any of its affiliates. The rights and remedies of the parties to this Agreement 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, earlier termination or exercise of Franchisor's rights pursuant to Article 17 shall not discharge or release Franchisee or any Principal from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement.

21.10 Consent to Do Business Electronically. The parties to the Franchise Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of Michigan, the parties hereby affirm to each other that they agree with the terms of the Franchise Agreement and its Attachments, and by attaching their signature electronically to the Franchise Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to the Franchise Agreement can rely on an electronic signature as the respective party's signature.

21.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

21.12 Survival. Any obligation of Franchisee or any Principal that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of Franchisee or any Principal therein shall be deemed to survive such termination, expiration or transfer.

-Remainder of page intentionally left blank-

The parties hereto have executed this Franchise Agreement on the day and year first above written.

FRANCHISEE:

By: _____
Name: _____
Title: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____
Name: _____
Title: _____

PRINCIPALS:

Name: _____

Name: _____

ATTACHMENT 1

TRADEMARKS

Service Marks –

BEEFAROO

BEEF-A-ROO



ATTACHMENT 2

TERRITORY DESCRIPTION AND FRANCHISED BUSINESS LOCATION

(If there is no Accepted Location on the Effective Date, include: **TERRITORY AND ADDRESS TO BE DETERMINED AND INSERTED AFTER THE BEEF-A-ROO LOCATION IS IDENTIFIED BY FRANCHISEE AND APPROVED BY FRANCHISOR, IN ACCORDANCE WITH SECTION 8.1 OF THE FRANCHISE AGREEMENT, IN THE SITE SEARCH AREA OF _____.)

Territory (insert map and/or define by zip codes):

Franchised Business Address:

ATTACHMENT 3

GENERAL RELEASE

____ (“Franchisee”) and its Principal(s):

on behalf of themselves and their respective officers, directors, employees, successors, assigns, heirs, personal representatives, and all other persons acting on their behalf or claiming under them (collectively, the "Franchisee Releaseors"), hereby release, discharge and hold harmless ELYSIAN FRANCHISE COMPANY, LLC ("Franchisor"), its parents, subsidiaries, affiliates, and each of their respective officers, directors, shareholders, employees, agents, attorneys, successors, and assigns (collectively, the "Franchisor Releasees") from any suits, claims, controversies, rights, promises, debts, liabilities, demands, obligations, costs, expenses, actions, and causes of action of every nature, character and description, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected arising under, relating to, or in connection with the Franchise Agreement dated _____ between Franchisee, Principal(s) and Franchisor and any related agreements and the relationship created thereby, or the Franchised Business operated under the Franchise Agreement, or any claims or representations made relative to the sale of the franchise to operate such Franchised Business or under any federal or state franchise or unfair or deceptive trade practice laws, which any of the Franchisee Releaseors now own or hold or have at any time heretofore owned or held against the Franchisor Releasees (collectively, the "Franchisee Released Claims").

FRANCHISEE AND PRINCIPAL(S) ON BEHALF OF THEMSELVES AND THE FRANCHISEE
RELEASORS WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE
PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION
THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE
CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS WHICH THE
FRANCHISEE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE
TIME OF EXECUTION OF THIS AGREEMENT. The Franchisee Releases also covenant not to bring
any suit, action, or proceeding, or make any demand or claim of any type, against any Franchisor Releasees
with respect to any Franchisee Released Claim, and Franchisee and Franchisee's Principal(s) shall defend,
indemnify and hold harmless each of Franchisor Releasees against same.

Executed as of :

FRANCHISEE:

By: _____

Name: _____

Title:

FRANCHISEES'S PRINCIPALS:

Name: _____

Name: _____

Name: _____

ATTACHMENT 4

AUTHORIZATION AGREEMENT AUTOMATIC DEPOSITS (ACH WITHDRAWALS)

Franchisor Name: **Elysian Franchise Company, LLC**

I (We) hereby authorize Elysian Franchise Company, LLC, hereinafter called Franchisor, to initiate debit entries to my (our) Checking Account/Savings Account (Select One) indicated below at the depository financial institution named below, and to debit the same to such account. I (We) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. Law, and that I will be responsible for any banking fees that my institution charges.

Financial Institution Name: _____ Branch: _____

City: _____ State: _____ Zip: _____ Phone: _____

ACH/Routing Number: _____ Account Number: _____
(Nine Digits)

This authorization is to remain in full force and effect until Franchisor has received a written replacement ACH Withdrawal Form notification from me. I (We) understand that revocation of this Authorization Agreement by me (us) may constitute an event of Default under the Franchise Agreement.

I (We) understand that the amount to be withdrawn by Franchisor will not be the same each month and I (We) therefore authorize all monetary transfers pursuant to Articles 6 and 18 of the Franchise Agreement.

Print Franchisee / Account Holder Name

Print Franchisee/Co-Account Holder Name

Franchisee/ Account Holder Signature-Date
Signature-Date

Franchisee/Co-Account Holder

Daytime Phone Number

Email Address

PLEASE ATTACH A VOIDED CHECK TO THIS FORM

Please Return Form to:
Elysian Franchise Company, LLC
1627 North Alpine Road
Rockford, IL 61107

ATTACHMENT 5

CONDITIONAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned _____ ("Assignor") hereby assigns and transfers to Elysian Franchise Company, LLC, a Texas limited liability company with a notice address of 1627 North Alpine Road Rockford, IL 61107 ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which shall be attached hereto (the "Lease") respecting premises commonly known as _____. This Assignment is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that Assignor has full power and authority to so assign the Lease and Assignor's interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of Assignor's interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under the franchise agreement for a Beef-a-Roo outlet between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the Premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor shall have no further right, title or interest in the Lease.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

ASSIGNOR:

DATED: _____ By: _____

(Print Name, Title)

DATED: _____

DATED: _____

CONSENT AND AGREEMENT OF LANDLORD

to that Conditional Assignment of Lease from _____ (Assignor) to Elysian Franchise Company, LLC (Assignee) dated _____ for the property known as _____.

The undersigned Landlord under the aforescribed Lease further hereby:

- (a) Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;
- (b) Agrees that Assignee shall have the right, but shall not be obligated, to cure any default by Assignor under the Lease within 30 days after delivery by Landlord of notice thereof in accordance with paragraph (a) above;
- (c) Consents to the foregoing Conditional Assignment and agrees that if Assignee takes possession of the Premises demised by the Lease and confirms to Landlord the assumption of the Lease by Assignee as tenant thereunder, Landlord shall recognize Assignee as tenant under the Lease, provided that Assignee cures within the 30-day period the non-monetary defaults, if any, of Assignor under the Lease;
- (d) Agrees that Assignee may further assign the Lease to a person, firm or corporation who shall agree to assume the tenant's obligations under the Lease and who is reasonably acceptable to Landlord and upon such assignment Assignee shall have no further liability or obligation under the Lease as assignee, tenant or otherwise.
- (e) Permits Assignee to enter upon the Premises without being guilty of trespass or any other crime or tort to de-identify the Premises as a Beef-a-Roo outlet if Tenant fails to do so following termination of the Franchise Agreement or Lease, provided that Assignee shall repair any damage caused thereby.

DATED: _____

LANDLORD:

ATTACHMENT 6

**STATEMENT OF OWNERSHIP INTERESTS IN
FRANCHISEE/FRANCHISEE ENTITY**

Name

Percentage of Ownership

ATTACHMENT 7

SPOUSE GUARANTY

This Guaranty and Covenant (this “Guaranty”) is given by the undersigned (“Guarantor”) on _____, (the “Effective Date”) to Elysian Franchise Company, LLC, a Texas limited liability company (“Franchisor”), in order to induce Franchisor to enter into that certain Franchise Agreement dated on or about the Effective Date hereof (the “Franchisee Agreement”) with _____, a(n) _____, _____, _____ and _____ (collectively “Franchisee”).

Guarantor acknowledges that Guarantor is the spouse of Franchisee’s Principal, as that term is used in the Franchise Agreement.

Guarantor acknowledges that Guarantor has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Guaranty is in partial consideration for, and a condition to the granting of, the rights granted in the Franchise Agreement to Franchisee, and that Franchisor would not have granted these rights without the execution of this Guaranty by Guarantor.

Guarantor hereby individually makes, agrees to be bound by, and agrees to perform, all of the monetary obligations and non-competition covenants and agreements of the Franchisee as set forth in the Franchise Agreement, including but not limited to, the covenants set forth in Sections 19.2, 19.5, 19.6, 19.8 and 19.9 of the Franchise Agreement (“Guaranteed Obligations”). Guarantor shall perform and/or make punctual payment to Franchisor of the Guaranteed Obligations in accordance with the terms of the Franchise Agreement or other applicable document forthwith upon demand by Franchisor.

This Guaranty is an absolute and unconditional continuing guaranty of payment and performance of the Guaranteed Obligations. This Guaranty shall not be discharged by renewal of any claims guaranteed by this instrument, change in ownership or control of the Franchisee entity, transfer of the Franchise Agreement, the suffering of any indulgence to any debtor, extension of time of payment thereof, nor the discharge of Franchisee by bankruptcy, operation of law or otherwise. Presentment, demand, protest, notice of protest and dishonor, notice of default or nonpayment and diligence in collecting any obligation under any agreement between Franchisee and Franchisor are each and all waived by Guarantor and/or acknowledged as inapplicable. Guarantor waives notice of amendment of any agreement between Franchisee and Franchisor and notice of demand for payment by Franchisee. Guarantor further agrees to be bound by any and all amendments and changes to any agreement between Franchisee and Franchisor.

Franchisor may pursue its rights against Guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy.

If other guarantors have guaranteed any and or all of the Guaranteed Obligations, their liability shall be joint and several to that of Guarantor.

Until all of the Guaranteed Obligations have been paid in full and/or performed in full, Guarantor shall not have any right of subrogation, unless expressly given to Guarantor in writing by Franchisor.

All Franchisor’s rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between Franchisor and Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Franchisor by law.

Should any one or more provisions of this Guaranty be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

This Guaranty shall extend to and inure to the benefit of Franchisor and its successors and assigns and shall be binding on Guarantor and its successors and assigns.

Guarantor has signed this Guaranty as of the date set forth above.

GUARANTOR - SPOUSE OF FRANCHISEE'S PRINCIPAL:

Signature

Name: _____

Address: _____

ATTACHMENT 8

INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE LISTING AGREEMENT

THIS INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE LISTING AGREEMENT (the “Agreement”) is made and entered into this day of _____ (the “Effective Date”), by and between Elysian Franchise Company, LLC, a Texas limited liability company, with its principal place of business at 1627 North Alpine Road Rockford, IL 61107 (the “Franchisor”), and _____, a(n) _____, with its principal place of business located at _____, and _____’s principal(s), _____, an individual, residing at _____, and _____, an individual, residing at _____ (“Principal(s)”). _____ and Principal(s) shall be collectively referred to in this Agreement as the “Franchisee”.

WHEREAS, Franchisee desires to enter into a franchise agreement with Franchisor for a Beef-a-Roo business (“Franchise Agreement”) which will allow Franchisee to conduct internet-based advertising, maintain social media accounts, use software, and use telephone listings linked to the Beef-a-Roo brand.

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee’s agreement to enter into, comply with, and be bound by all the terms and provisions of this Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Definitions**

All terms used but not otherwise defined in this Agreement shall have the meanings set forth in the Franchise Agreement. “Termination” of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

2. **Internet Advertising and Telephone Listings**

2.1 **Interest in Websites, Social Media Accounts, Other Electronic Listings and Software**. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of Franchise Agreement, certain right, title, or interest in and to certain domain names, social media accounts, hypertext markup language, uniform resource locator addresses, access to corresponding internet websites, the right to hyperlink to certain websites and listings on various internet search engines, and the right to use certain software (collectively, “Electronic Advertising and Software”) related to the Franchised Business or the Marks.

2.2 **Interest in Telephone Numbers and Listings**. Franchisee has or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, internet page, and other telephone directory listings (collectively, the “Telephone Listings”) related to the Franchised Business or the Marks.

2.3 **Transfer**. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately:

2.3.1 direct all internet service providers, domain name registries, internet search engines, other listing agencies and software companies (collectively, the “Internet and Software Companies”) with which Franchisee has Electronic Advertising and Software: (i) to transfer all of Franchisee’s interest in such Electronic Advertising and Software to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Electronic Advertising and Software, Franchisee will immediately direct the Internet and Software Companies to terminate such Electronic Advertising and Software or will take such other actions with respect to the Electronic Advertising and Software as Franchisor directs; and

2.3.2 direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the “Telephone Companies”) with which Franchisee has Telephone Listings: (i) to transfer all Franchisee’s interest in such Telephone Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Listings or will take such other actions with respect to the Telephone Listings as Franchisor directs.

2.4 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor’s benefit under the Franchise Agreement and this Agreement or otherwise, with full power of substitution, as Franchisee’s true and lawful attorney-in-fact with full power and authority in Franchisee’s place and stead, and in Franchisee’s name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.4.1 Direct the Internet and Software Companies to transfer all Franchisee’s interest in and to the Electronic Advertising and Software to Franchisor, or alternatively, to direct the Internet and Software Companies to terminate any or all of the Electronic Advertising and Software;

2.4.2 Direct the Telephone Companies to transfer all Franchisee’s interest in and to the Telephone Listings to Franchisor, or alternatively, to direct the Telephone Companies to terminate any or all of the Telephone Listings; and

2.4.3 Execute such standard assignment forms or other documents as the Internet and Software Companies and/or Telephone Companies may require in order to affect such transfers or terminations of Franchisee’s interest.

2.5 Certification of Termination. Franchisee hereby directs the Internet and Software Companies and Telephone Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor’s written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.

2.6 Cessation of Obligations. After the Internet and Software Companies and the Telephone Companies have duly transferred all Franchisee’s interests as described in paragraph 2.3 above to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations with respect to the particular Electronic Advertising and Software and/or Telephone Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet and Software

Companies and Telephone Companies for the respective sums Franchisee is obligated to pay to them for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such interests, or for any other obligations not subject to the Franchise Agreement or this Agreement.

3. **Miscellaneous**

3.1 **Release**. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet and Software Companies and/or Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertible in, or in any way related to this Agreement.

3.2 **Indemnification**. Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, debts, claims, demands, or obligations that are related to or are based on this Agreement.

3.3 **No Duty**. The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's interest in any matter hereunder.

3.4 **Further Assurances**. Franchisee agrees that at any time after the date of this Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Agreement.

3.5 **Successors, Assigns, and Affiliates**. All Franchisor's rights and powers, and all Franchisee's obligations, under this Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Agreement.

3.6 **Effect on Other Agreements**. Except as otherwise provided in this Agreement, all provisions of the Franchise Agreement and attachments and schedules thereto shall remain in effect as set forth therein.

3.7 **Survival**. This Agreement shall survive the Termination of the Franchise Agreement.

3.8 **Governing Law**. This Agreement shall be governed by and construed under the laws of the State of Michigan, without regard to the application of Michigan conflict of law rules.

-Remainder of Page Intentionally Blank-

The undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISEE:

By: _____
Name: _____
Title: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____
Name: _____
Title: _____

PRINCIPALS:

Name: _____

Name: _____

ATTACHMENT 9

CONFIDENTIALITY AND NON-COMPETE AGREEMENT

This Confidentiality and Non-Compete Agreement (the "Agreement") is made and entered into this day of _____, by _____, a(n) _____ ("Franchisee"), a franchisee of Elysian Franchise Company, LLC, a Texas limited liability company ("Franchisor"), and _____, an individual ("Covenantor"), in connection with a Franchise Agreement.

WHEREAS, Franchisee and Franchisor are parties to a franchise agreement dated _____ (the "Franchise Agreement"), whereby Franchisor has granted Franchisee the right to use certain trademarks, including, the trademark "Beef-a-Roo" and design, and certain proprietary products, services, promotions and methods (the "System") for the establishment and operation of Beef-a-Roo outlets;

WHEREAS, in connection with his or her duties, it will be necessary for Covenantor to have access to some or all of the confidential information, knowledge, know-how, techniques, contents of the Beef-a-Roo operations manual and other materials used in or related to the System and/or concerning the methods of operation of the System (collectively referred to as "Confidential Information");

WHEREAS, the Confidential Information provides economic advantages to Franchisor and licensed users of the System, including Franchisee;

WHEREAS, Franchisee has acknowledged the importance of restricting the use, access and dissemination of the Confidential Information, and Franchisee therefore has agreed to obtain from Covenantor a written agreement protecting the Confidential Information and further protecting the System against unfair competition; and

WHEREAS, Covenantor acknowledges that receipt of and the right to use the Confidential Information constitutes independent valuable consideration for the representations, promises and covenants made by Covenantor herein.

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

1. Confidentiality Agreement.

a. Covenantor shall, at all times, maintain the confidentiality of the Confidential Information and shall use such Confidential Information only in the course of his or her employment by or association with Franchisee in connection with the operation of a Franchised Business under the Franchise Agreement.

b. Covenantor shall not at any time make copies of any documents or compilations containing some or all of the Confidential Information without Franchisor's express written permission.

c. Covenantor shall not at any time disclose or permit the disclosure of the Confidential Information except, and only then to the limited extent necessary, to those employees of Franchisee for training and assisting such employees in the operation of the Franchised Business.

d. Covenantor shall surrender any material containing some or all of the Confidential Information to Franchisee or Franchisor, upon request, or upon termination of employment or association with Franchisee.

e. Covenantor shall not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the System.

f. Covenantor agrees that no Confidential Information may be reproduced, in whole or in part, without written consent.

2. Covenants Not to Compete.

a. In order to protect the goodwill and unique qualities of the System, and in consideration for the disclosure to Covenantor of the Confidential Information, Covenantor further agrees and covenants that during Covenantor's employment or association with Franchisee, Covenantor shall not, for Covenantor or through, on behalf of or in conjunction with any person or entity:

(i) divert, or attempt to divert, any business or customer of the Beef-a-Roo outlet or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise, or

(ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any restaurant or eatery business that derives more than ten percent (10%) of its gross revenue from the sale of American casual dining classics such as burgers, fries, milkshakes, and salads ("Competitive Business").

b. In further consideration for the disclosure to Covenantor of the Confidential Information and to protect the goodwill and unique qualities of the System, Covenantor further agrees and covenants that, upon the termination of Covenantor's employment or association with Franchisee and continuing for twenty-four (24) months thereafter, Covenantor shall not, for Covenantor or through, on behalf of or in conjunction with any person or entity:

(i) divert, or attempt to divert, any business or customer of the Franchised Business or of other franchisees in the Beef-a-Roo System to any competitor, by direct or indirect inducement or otherwise, or

(ii) participate as an owner, partner, director, officer, employee, or consultant or serve in any other managerial, operational, or supervisory capacity in any Competitive Business within ten (10) miles of the Franchised Business location or any Beef-a-Roo location.

c. The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Franchisor.

d. If the period of time or the geographic scope specified Section 2.b. above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement or any portion thereof, without Covenantor's or Franchisee's consent, effective immediately upon receipt by Covenantor of written notice thereof, and Covenantor agrees to forthwith comply with any covenant as so modified.

3. General.

a. Franchisee shall take full responsibility for ensuring that Covenantor acts as required by this Agreement.

b. Covenantor agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions hereof, Franchisee is obligated to enforce the provisions of this Agreement and shall be entitled, in addition to any other remedies that are made available to it at law or in equity, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.

c. Covenantor agrees to pay all expenses (including court costs and reasonable attorneys' fees) incurred by Franchisor and Franchisee in enforcing this Agreement.

d. Any failure by Franchisee to object to or take action with respect to any breach of any provision of this Agreement by Covenantor shall not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Covenantor.

e. THIS AGREEMENT SHALL BE INTERPRETED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN, WITHOUT REFERENCE TO MICHIGAN CHOICE OF LAW PRINCIPLES. COVENANTOR HEREBY IRREVOCABLY SUBMITS HIMSELF OR HERSELF TO THE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE OF MICHIGAN. COVENANTOR HEREBY WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. COVENANTOR HEREBY AGREES THAT SERVICE OF PROCESS MAY BE MADE UPON COVENANTOR IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY MICHIGAN OR FEDERAL LAW. COVENANTOR FURTHER AGREES THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE IN MICHIGAN; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION THAT INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR OR FRANCHISEE MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE THAT HAS JURISDICTION.

f. The parties agree that each of the foregoing covenants contained herein shall be construed as independent of any other covenant or provision of this Agreement.

g. Covenantor acknowledges and agrees that each of the covenants contained herein will not impose any undue hardship on Covenantor since Covenantor has other considerable skills, experience and education which affords Covenantor the opportunity to derive income from other endeavors.

h. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

i. All notices and demands required to be given hereunder shall be in writing, and shall be delivered personally or by certified or registered mail, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or the date delivery is refused. All such notices shall be addressed to the party to be notified at the following addresses:

If directed to Franchisee:

If directed to Covenantor:

Any change in the foregoing addresses shall be effected by giving written notice of such change to the other parties.

j. Franchisor is an intended third-party beneficiary of this Agreement, and Franchisor may take whatever action it deems necessary to enforce Covenantor's obligations hereunder. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and shall inure to the benefit of its respective affiliates, successors and assigns.

k. The respective obligations of Franchisee and Covenantor hereunder may not be assigned by Franchisee or Covenantor, without the prior written consent of Franchisor.

The undersigned have entered into this Confidentiality and Non-Compete Agreement as witnessed by their signatures below.

FRANCHISEE:

By: _____
Name: _____
Title: _____

COVENANTOR:

Name: _____

EXHIBIT “C”
TO FRANCHISE DISCLOSURE DOCUMENT
MULTI-UNIT DEVELOPMENT AGREEMENT

Elysian Franchise Company, LLC

MULTI-UNIT DEVELOPMENT AGREEMENT

MULTI-UNIT DEVELOPER

DATE OF AGREEMENT

ELYSIAN FRANCHISE COMPANY, LLC

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ATTACHMENTS:

- 1 - DEVELOPMENT AREA
- 2 - MANDATORY DEVELOPMENT SCHEDULE

MULTI-UNIT DEVELOPMENT AGREEMENT

THIS MULTI-UNIT DEVELOPMENT AGREEMENT (this "Agreement") is being entered into this day of _____ (the "Effective Date"), by and between Elysian Franchise Company, LLC, a Texas limited liability company, with its principal place of business at 1627 North Alpine Road, Rockford, Illinois 61107 (herein "Franchisor"), and _____, an individual, residing at _____, and _____, an individual, residing at _____ (individually and together herein "Developer").

RECITATIONS

Through the expenditure of considerable time, effort, and money, Franchisor has developed and established combination fast casual/quick service restaurants and combination walk-up/drive through container restaurants serving Midwest fare such as juicy burgers, freshly cooked roast beef sandwiches, milkshakes, fries and salads under the Beef-A-Roo trademarks, and using Franchisor's confidential operations manual ("Manual") of business practices and policies, and Franchisor's distinctive, décor, fixtures and furnishings, operations methods, sales techniques, inventory, procedures for management control and training, assistance, advertising, and promotional programs, all of which may be changed, improved or further developed by Franchisor at any time (taken together herein the "System").

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including but not limited to the Beef-A-Roo service mark, and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated or substituted by Franchisor for use in connection with the System (the "Marks").

Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed under the Marks and the System and to represent the System's high standards of quality, appearance, and service.

Pursuant to franchise agreements, Franchisor licenses to others the right to operate Beef-A-Roo outlets, using the Marks and System, in strict conformity therewith, which may be changed, improved and further developed by Franchisor from time to time (each a "Franchise Agreement").

Developer understands and acknowledges the importance of Franchisor's high and uniform standards of quality, service, and appearance, and the necessity of operating franchised businesses of the System in conformity with Franchisor's standards and specifications.

Developer desires to obtain the right to further develop and expand the System in accordance with the development schedule described on Attachment 2 of this Agreement (the "Mandatory Development Schedule") within the development area described on Attachment 1 (the "Development Area"), under the System and Marks, on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, the parties, in consideration of the promises, undertakings, and commitments of each party to the other set forth herein, and intending to be legally bound hereby, mutually agree as follows:

1. RECITATIONS.

The Recitations set out above form part of this Agreement.

2. GRANT OF DEVELOPMENT RIGHTS.

2.1 Grant. Franchisor hereby grants to Developer, and Developer hereby accepts from Franchisor, on the terms and conditions set forth in this Agreement, which includes, but is not limited to, the execution of a Franchise Agreement pursuant to Section 4.2 hereof, the right to develop, construct, open, and operate one (1) Beef-A-Roo outlet within the Development Area set forth in Attachment 1. Developer shall be granted rights to establish additional Beef-A-Roo outlets in the Development Area, up to the total number of outlets set forth in the Mandatory Development Schedule on Attachment 2 hereof, subject to Developer's full compliance with all conditions precedent to the grant of such rights outlined below, which rights shall be exercised in accordance with Sections 5.1 and 5.4 hereof.

2.2 No License to System and Marks. Developer expressly acknowledges that this Agreement is not a Franchise Agreement and does not grant to Developer any right or license to operate a Beef-A-Roo outlet, distribute any product or service, or use the Marks. This Agreement sets forth conditions which, if fully satisfied, confer upon Developer the rights to enter a Franchise Agreement with Franchisor to establish one (1) or more Beef-A-Roo outlets in the Development Area only. Developer's rights to open and operate a Beef-A-Roo outlet and use the System and Marks shall be derived only through the execution of a Franchise Agreement for each Beef-A-Roo outlet to be established in the Development Area.

3. TERM.

Unless sooner terminated in accordance with this Agreement, the term of this Agreement and all rights granted by Franchisor under this Agreement shall expire on the date on which Developer successfully and in a timely manner has complied with all of Developer's obligations hereunder and has completed the development obligations in accordance with the Mandatory Development Schedule.

4. DEVELOPMENT AND FRANCHISE FEES.

4.1 Multi-Unit Development Fee. In consideration of the rights granted under this Agreement, Developer shall pay Franchisor a development fee equal to Thirty-Five Thousand Dollars (\$35,000.00) for the first (1st) Beef-A-Roo outlet Developer is to develop hereunder, plus Thirty Thousand Dollars (\$30,000.00) for the second (2nd) Beef-A-Roo outlet Developer is to develop hereunder, plus Twenty-Five Thousand Dollars (\$25,000.00) for the third and each subsequent Beef-A-Roo outlet Developer is to develop hereunder (the "Development Fee"). The Development Fee is fully earned at the time this Multi-Unit Development Agreement is signed and is not refundable under any circumstances. Developer shall pay the full amount of the Development Fee to Franchisor upon Developer's execution of this Agreement.

4.2 Application of Development Fee. Developer shall receive the applicable credit of the amount paid with respect to each outlet Developer is to develop hereunder as payment in full of the initial franchise fee due under each Franchise Agreement. Upon Franchisor's approval, Developer may enter into the initial Franchise Agreement or any subsequent Franchise Agreement as required under this Agreement using a newly formed entity, such as a limited liability company, corporation or partnership, for the sole purpose of entering into a Franchise Agreement and operating the Beef-A-Roo outlet pursuant thereto, provided that Developer shall also personally sign such Franchise Agreement as a principal.

5. EXERCISE OF DEVELOPMENT RIGHTS.

5.1 Valid Exercise. Developer shall exercise the development rights granted hereunder only by entering into a separate Franchise Agreement with Franchisor for each Beef-A-Roo outlet for which a development right is granted. Developer shall execute and deliver to Franchisor, concurrently with the execution and delivery of this Agreement, Franchisor's current form of Franchise Agreement for the first Beef-A-Roo outlet to be established by Developer pursuant to the Mandatory Development Schedule. For

each subsequent Beef-A-Roo outlet to be established hereunder, Developer shall execute and deliver to Franchisor Franchisor's then-current form of Franchise Agreement, which shall be presented to Developer together with Franchisor's then-current Franchise Disclosure Document. The then-current form of Franchise Agreement may differ from the current form of Franchise Agreement. Further, Developer acknowledges and agrees that Developer shall not receive any initial training related to each additional Beef-A-Roo outlet. Developer hereby waives all obligations by Franchisor to provide any training to Developer contained in each Franchise Agreement, other than the initial Franchise Agreement executed concurrently herewith, by and between Franchisor and Developer. Developer hereby acknowledges and agrees that the training Developer receives pursuant to the initial Franchise Agreement executed concurrently with this Agreement is sufficient to allow Developer to construct, equip, open, and operate each of Developer's Beef-A-Roo outlets in the Development Area.

5.2 Mandatory Development Schedule. Subsequent to Developer's signing of this Agreement and the initial Franchise Agreement, and provided that all conditions in Section 5.4 hereof are satisfied or waived, upon the execution of a lease for Developer's first Beef-A-Roo outlet, Developer shall execute an additional Franchise Agreement for the development of the second Beef-A-Roo outlet to be opened under the Mandatory Development Schedule and pay the balance of the initial franchise fee for such second outlet. Provided that all conditions in Section 5.4 hereof are satisfied or waived, upon the execution of a lease for each subsequent Beef-A-Roo outlet to be developed by Developer, Developer shall execute an additional Franchise Agreement for the development of the next Beef-A-Roo outlet to be opened under the Mandatory Development Schedule and pay the balance of the initial franchise fee for each subsequent outlet. Notwithstanding the foregoing, Developer shall open the Beef-A-Roo outlets in accordance with the Mandatory Development Schedule attached hereto as Attachment 2.

Developer acknowledges and agrees that the terms of the Mandatory Development Schedule are reasonable and viable based upon Developer's independent investigation and analysis. Failure by Developer to adhere to the Mandatory Development Schedule (including any extensions thereof approved by Franchisor in writing pursuant to Section 5.3 below) shall constitute a material event of default under this Agreement.

5.3 Extension of Mandatory Development Schedule. If Developer is unable to meet the Mandatory Development Schedule for any outlet, Developer may seek a reasonable extension from Franchisor. Any request for an extension must be in writing and submitted to Franchisor at least sixty (60) days prior to the Mandatory Open Date for such outlet. Franchisor shall not unreasonably withhold consent for such reasonable extension provided that Developer has (i) submitted its extension request in a timely manner; (ii) demonstrated diligent efforts to meet the original Mandatory Open Date; and (iii) has at all times acted in good faith and is otherwise fulfilling its obligations under this Agreement.

5.4 Conditions to Exercise Developer's Rights. All of the following conditions must be satisfied or waived, in Franchisor's sole discretion, before Franchisor grants Developer the right to develop an additional Beef-A-Roo outlet in accordance with Section 4.2 hereof and pursuant to a Franchise Agreement:

5.4.1 Developer shall (i) request Franchisor's then-current Franchise Disclosure Document, (ii) submit to Franchisor all information and other documents requested by Franchisor prior to and as a basis for the issuance of Franchise Agreements in the System, (iii) submit to Franchisor all financial statements reasonably requested by Franchisor, and (iv) satisfy Franchisor's then-current financial criteria.

5.4.2 Developer shall be in full compliance with this Agreement, the Mandatory Development Schedule, and all Franchise Agreements with Franchisor and any other agreement with Franchisor or Franchisor's affiliates;

5.4.3 Developer has demonstrated the management skills necessary for competent operation, organization, customer service, and record keeping of an additional Beef-A-Roo outlet as determined by Franchisor, in Franchisor's sole discretion.

5.5 Termination for Failure of Condition. Notwithstanding anything to the contrary contained herein, in the event that Franchisor determines, in Franchisor's sole and absolute discretion, that any condition set forth in Section 5.4 hereof cannot be satisfied, Franchisor may terminate this Agreement upon written notice to Developer. Termination of this Agreement in accordance with this Section 5.5 shall have no effect on the validity of any other agreement between Franchisor and Developer, provided that Developer is in full compliance therewith.

6. TRANSFER.

6.1 Transfers by Franchisor.

6.1.1 Franchisor shall have the right to assign this Agreement, and all of Franchisor's rights and privileges hereunder, to any person, firm, corporation or other entity, without Developer's permission or prior knowledge, provided that, with respect to any assignment resulting in the subsequent performance by the assignee of Franchisor's obligations, the assignee shall expressly assume and agree to perform Franchisor's obligations hereunder. Specifically, and without limitation to the foregoing, Developer expressly affirms and agrees that Franchisor may: (i) sell Franchisor's assets and Franchisor's rights to the Marks and the System outright to a third party; (ii) engage in a public or private placement of some or all of Franchisor's securities; (iii) merge, acquire other corporations, or be acquired by another corporation, including competitors; (iv) undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring; and (v) with regard to any or all of the above sales, assignments, and dispositions, Developer expressly and specifically waives any claims, demands, or damages arising from or relating to the loss of association with or identification of Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the business subject to development hereunder or to offer the same products and services, whether or not bearing the Marks, in the event that Franchisor exercises its prerogative hereunder to assign Franchisor's rights in this Agreement.

6.1.2 Developer agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire, or affiliate with an existing competitive or non-competitive franchise network, chain, or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise, or license those businesses and/or facilities operating under any other marks following Franchisor's purchase, merger, acquisition, or affiliation, regardless of the location of the facilities (which Developer acknowledges may be within the Development Area, proximate thereto, or proximate to any of Developer's locations). Franchisor will not convert any acquired business in Developer's Development Area to an outlet operating under the Marks during the term of this Agreement.

6.1.3 If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor or any of its affiliates to remain in any line of business or to offer or sell any products or services to Developer.

6.2 Restrictions on Transfers by Developer. Developer's rights and duties under this Agreement are personal to Developer, and Franchisor has made this Agreement with Developer in reliance on Franchisor's perceptions of the individual and collective character, skill, aptitude, attitude, business ability, and financial capacity of Developer. Thus, no transfer, as hereafter defined, may be made without Franchisor's prior written approval. Franchisor may void any transfer made without such approval.

6.3 Transfers by Developer. Developer shall not directly or indirectly sell, assign, transfer, give, devise, convey, or encumber this Agreement or any right granted or interest herein or hereunder (a "Transfer") or suffer or permit any such assignment, transfer, or encumbrance to occur by operation of law unless Developer first obtains the written consent of Franchisor, which Franchisor may or may not grant in Franchisor's sole discretion, and subject to the following:

6.3.1 The proposed transferee must be an individual of good moral character and otherwise meet Franchisor's then-applicable standards for multi-unit franchisees.

6.3.2 The transferee must have sufficient business experience, aptitude, and financial resources to operate multiple Beef-A-Roo outlets and to comply with this Agreement;

6.3.3 The transferee has agreed to complete Franchisor's initial training program to Franchisor's satisfaction;

6.3.4 Developer has paid all amounts owed to (i) Franchisor pursuant to this Agreement and all Franchise Agreements and other agreements between Franchisor and/or Franchisor's affiliates and Developer and (ii) third-party creditors;

6.3.5 The transferee has executed Franchisor's then-standard form of Multi-Unit Development Agreement, which may have terms and conditions different from this Agreement, for a term no less than the unexpired term of future development obligations due pursuant to the Mandatory Development Schedule of this Agreement;

6.3.6 Developer and the transferee shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's officers, directors, shareholders, members, and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances. Developer agrees to subordinate any claims Developer may have against the transferee to Franchisor and indemnify Franchisor against any claims by the transferee relating to misrepresentations in the transfer process, specifically excluding those representations made by Franchisor in the Franchise Disclosure Document given to the transferee;

6.3.7 Franchisor has granted written approval of the material terms and conditions of the Transfer, including, without limitation, that the price and terms of payment will not adversely affect the transferee's development obligations. However, Franchisor's approval of a Transfer is not in any way a representation or warranty of the transferee's success or the soundness of transferee's decision to purchase the Developer's development rights on such terms and conditions. Developer shall provide Franchisor all proposed transfer documents for Franchisor's review at least thirty (30) days prior to a closing of the proposed Transfer; and

6.3.8 If Developer, through Developer or any entity, finances any part of the sale price of the Transfer, Developer agrees that all obligations of the transferee under any notes, agreements, or security interests to Developer or Developer's entity will be subordinate to the transferee's obligations to Franchisor.

6.4 Transfer Fee. As a condition to any Transfer, Developer shall pay Franchisor a transfer fee equal to the greater of Ten Thousand Dollars (\$10,000.00) or fifty percent (50%) of the then-current initial franchise fee.

6.5 Franchisor's Right of First Refusal.

6.5.1 If Developer wishes to transfer all or part of his or her interest in this Agreement pursuant to any bona fide offer received from a third party to purchase such interest, then Developer shall promptly notify Franchisor in writing of each such offer, and shall provide such information and documentation relating to the offer as Franchisor may require.

6.5.2 Franchisor has the right, exercisable by written notice to Developer within thirty (30) days after receipt of written notification and copies of all documentation required by Franchisor

describing such offer, to buy the interest in this Agreement for the price and on the terms and conditions contained in the offer.

6.5.3 Developer further agrees, in the event Franchisor exercises its right of first refusal, notwithstanding anything to the contrary contained in the third-party offer, that (i) Franchisor may substitute cash for any other form of consideration contained in the offer; (ii) at Franchisor's option, Franchisor may pay the entire purchase price at closing; (iii) Franchisor's credit will be deemed equal to the credit of any proposed transferee; (iv) Franchisor will have at least sixty (60) days to close the purchase; and (v) Franchisor will be entitled to receive from Developer all customary representations and warranties given by a seller of franchise development rights.

6.5.4 If Franchisor does not exercise its right to buy within thirty (30) days, Developer may thereafter transfer the interest to the transferee on terms no more favorable than those disclosed to Franchisor, provided that such transfer is subject to Franchisor's prior written approval pursuant to Section 6.3 hereof. However, if (i) the sale to the transferee is not completed within one hundred twenty (120) days after the offer is given to Franchisor or (ii) there is any material change in the terms of the offer, the offer will again be subject to Franchisor's right of first refusal.

6.6 **Death or Permanent Disability.** The grant of rights under this Agreement is personal to Developer, and on the death or permanent disability of Developer, the executor, administrator, conservator, or other personal representative of Developer shall be required to transfer Developer's interest in this Agreement within six (6) months from the date of death or permanent disability to a third party approved by Franchisor. Failure to transfer in accordance with the forgoing will constitute a material default and all that is granted by this Agreement will terminate. A transfer under this Section 6.6, including without limitation, transfer by devise or inheritance, is subject to the conditions for Transfers in this Article 6 and unless transferred by gift, devise, or inheritance, subject to the terms of Section 6.5 above. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of Developer's Beef-A-Roo outlet(s) and remaining development schedule during the six (6)-month period from its onset.

7. DEFAULT AND TERMINATION.

7.1 **Default and Automatic Termination.** Developer shall be deemed to be in material default under this Agreement, and all rights granted herein shall automatically terminate without notice to Developer, if Developer shall become insolvent or makes a general assignment for the benefit of creditors; or if Developer files a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or admits in writing his or her inability to pay debts when due; or if Developer is adjudicated a bankrupt or insolvent in proceedings filed against Developer under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; or if a bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer; or if a receiver or other custodian (permanent or temporary) of Developer's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Developer; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if execution is levied against Developer's business or property; or if suit to foreclose any lien or mortgage against any of Developer's Beef-A-Roo outlet premises or equipment is instituted against Developer and not dismissed within thirty (30) days.

7.2 **Defaults With No Opportunity to Cure.** Developer shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Developer any opportunity to cure the default, effective immediately upon notice to Developer, if Developer:

7.2.1 has misrepresented or omitted material facts in applying for the development rights granted hereunder;

7.2.2 falsifies any report required to be furnished Franchisor hereunder;

7.2.3 fails to comply with any federal, state, or local law, rule or regulation, applicable to the development and operations of Developer's Beef-A-Roo outlets, including, but not limited to, the failure to pay taxes;

7.2.4 fails to develop the Beef-A-Roo outlets in accordance with the Mandatory Development Schedule.

7.2.5 attempts a Transfer in violation of the provisions of Article 6 of this Agreement;

7.2.6 is convicted of, or pleads no contest to, a felony or to a crime that could damage the goodwill associated with the Marks or does anything that may harm the reputation of the System or the goodwill associated with the Marks;

7.2.7 receives an adverse judgment or a consent decree in any case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or similar claim which is likely to have an adverse effect on the System, or the Marks, the goodwill associated therewith or Franchisor's interest therein, in Franchisor's sole opinion;

7.2.8 fails to comply with the non-disclosure and non-competition covenants in Article 8 hereof;

7.2.9 defaults, or an affiliate of Developer defaults, under any other agreement, including any Franchise Agreement, with Franchisor or any of its affiliates or suppliers and does not cure such default within the time period provided in such other agreement; or

7.2.10 terminates this Agreement without cause.

7.3 **Curable Defaults.** Developer shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, if Developer fails to cure the default within the time period set forth in this Section 7.3, effective immediately upon notice to Developer, if Developer:

7.3.1 fails to pay when due any amounts due to Franchisor under this Agreement or any related agreement and does not correct the failure within five (5) days after written notice; provided, however, Franchisor has no obligation to give written notice of a late payment more than two (2) times in any twelve (12)-month period, and the third such late payment in any twelve (12)-month period shall be a non-curable default under Section 7.2;

7.3.2 fails to perform any non-monetary obligation imposed by this Agreement (excepting those defaults of obligations set forth in Sections 7.1 and 7.2 for which there is no opportunity to cure) and such default shall continue for five (5) days after Franchisor has given written notice of such default, or if the default cannot be reasonably corrected within said five (5)-day period, then if it is not corrected within such additional time as may be reasonably required assuming Developer proceeds diligently to cure; provided, however, Franchisor has no obligation to give written notice of a non-monetary default more than two (2) times in any twelve (12)-month period, and the third such default, whether

monetary or non-monetary, in any twelve (12) – month period shall be a non-curable default under Section 7.2.

7.4 Post-Termination Obligations. Upon termination or expiration of this Agreement, all rights and licenses granted hereunder to Developer shall immediately terminate and Developer shall (i) immediately cease all development operations pursuant to this Agreement; and (ii) comply with the non-disclosure and non-competition covenants contained in Article 8.

8. NON-DISCLOSURE AND NON-COMPETITION COVENANTS.

8.1 Confidential Information. Developer acknowledges and accepts that during the term of this Agreement, Developer will have access to Franchisor's trade secrets, including, but not limited to, product recipes, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of the Franchised Business; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret, or other proprietary rights (collectively referred to herein as the "Confidential Information"). Developer shall not, during the term of this Agreement and thereafter, communicate or divulge to, or use for the benefit of, any other person or entity, and, following the expiration or termination of this Agreement, shall not use for Developer's own benefit, any Confidential Information that may be communicated to Developer or of which Developer may be apprised in connection with the development of Beef-A-Roo outlets under the terms of this Agreement. Developer shall not at any time copy, duplicate, record, or otherwise reproduce any Confidential Information, in whole or in part, or otherwise make the same available to any person, without Franchisor's prior written consent. The covenant in this Section 8.1 shall survive the expiration, termination, or transfer of this Agreement or any interest herein and shall be perpetually binding upon Developer.

8.2 Protection of Information. Developer shall take all steps necessary, at Developer's own expense, to protect the Confidential Information and shall immediately notify Franchisor if Developer finds that any Confidential Information has been divulged in violation of this Agreement.

8.3 Non-Competition Covenants. Developer acknowledges that, pursuant to this Agreement and the Franchise Agreement, Developer will receive valuable training, trade secrets, and Confidential Information of the System that are beyond the present knowledge, training, and experience of Developer. Developer acknowledges that such specialized training, trade secrets, and Confidential Information provide a competitive advantage and will be valuable to him or her in the development and operation of Beef-A-Roo outlets, and that gaining access to such specialized training, trade secrets, and Confidential Information is, therefore, a primary reason why Developer is entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information, and rights, Developer covenants that, except as otherwise approved in writing by Franchisor:

8.3.1 During the term of this Agreement, Developer shall not, either directly or indirectly, for himself or herself or through, on behalf of, or in conjunction with, any person or entity (i) divert, or attempt to divert, any business or customer of the Developer's Beef-A-Roo outlets or of other developers or franchisees in the System to any competitor, by direct or indirect inducement or otherwise; (ii) participate as an owner, partner, director, officer, employee, consultant, or agent or serve in any other capacity in any restaurant or eatery business that derives more than ten percent (10%) of its gross revenue from the sale of American casual dining classics such as burgers, fries, milkshakes and salads ("Competitive Business"); (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System, or (iv) in any manner interfere with, disturb, disrupt, decrease,

or otherwise jeopardize the business of the Franchisor or any Beef-A-Roo developers or franchisees or Franchisor-affiliated outlets.

8.3.2 Upon the expiration or earlier termination of this Agreement or upon a Transfer and continuing for twenty-four (24) months thereafter, Developer shall not, either directly or indirectly, for himself or herself or through, on behalf of, or in conjunction with any person or entity (i) divert, or attempt to divert, any business or customer of Developer's Beef-A-Roo outlets or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; (ii) participate as an owner, partner, director, officer, employee, consultant or agent, or serve in any Competitive Business within ten (10) miles of the Development Area or any Beef-A-Roo location; (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System, or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any Beef-A-Roo developers or franchisees.

8.4 Reasonableness of Restrictions. Developer acknowledges and agrees that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on Developer since Developer has other considerable skills, experience, and education which afford Developer the opportunity to derive income from other endeavors.

8.5 Reduction of Time or Scope. If the period of time or the geographic scope specified above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Article 8 or any portion thereof, without Developer's consent, effective immediately upon receipt by Developer of written notice thereof, and Developer agrees to forthwith comply with any covenant as so modified.

8.6 Injunctive Relief. Developer acknowledges that a violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Franchisor for which no adequate remedy at law will be available. Accordingly, Developer hereby consents to the entry of an injunction prohibiting any conduct by Developer in violation of the terms of the covenants not to compete set forth in this Agreement.

8.7 No Defense. Developer expressly agrees that the existence of any claims he or she may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section.

9. INDEMNIFICATION.

TO THE FULLEST EXTENT PERMITTED BY LAW, DEVELOPER AGREES TO EXONERATE AND INDEMNIFY AND HOLD HARMLESS ELYSIAN FRANCHISE COMPANY, LLC, NEXT BRANDS & DEVELOPMENT, LLC, BEEF-A-ROO, INC., AND ANY OF THEIR PARENT COMPANIES, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS, AND DESIGNEES, AS WELL AS THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES, AND REPRESENTATIVES (COLLECTIVELY REFERRED TO AS THE "BAR INDEMNITEES"), FROM ALL CLAIMS BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATED TO THE DEVELOPMENT, OPERATION, CONDITION, OR ANY PART OF ANY OF DEVELOPER'S BAR OUTLETS TO BE DEVELOPED HEREUNDER, THE PRODUCTS, THE PREMISES, OR ANY ASPECT OF THE REAL ESTATE CONNECTED TO ANY OF SUCH BAR OUTLETS, WHETHER CAUSED BY DEVELOPER'S AGENTS OR EMPLOYEES, OR ARISING FROM DEVELOPER'S ADVERTISING OR BUSINESS PRACTICES. DEVELOPER AGREES TO PAY FOR ALL THE BAR INDEMNITEES' LOSSES, EXPENSES (INCLUDING, BUT

NOT LIMITED TO ATTORNEYS' FEES), OR CONCURRENT OR CONTRIBUTING LIABILITY INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, INQUIRY (REGARDLESS OF WHETHER THE SAME IS REDUCED TO JUDGMENT OR DETERMINATION), OR ANY SETTLEMENT THEREOF FOR THE INDEMNIFICATION GRANTED BY DEVELOPER HEREUNDER. THE BAR INDEMNITEES SHALL HAVE THE RIGHT TO SELECT AND APPOINT INDEPENDENT COUNSEL TO REPRESENT ANY OF THE BAR INDEMNITEES IN ANY ACTION OR PROCEEDING COVERED BY THIS INDEMNITY. DEVELOPER AGREES THAT TO HOLD THE BAR INDEMNITEES HARMLESS, DEVELOPER WILL REIMBURSE THE BAR INDEMNITEES AS THE COSTS AND EXPENSES ARE INCURRED BY THE BAR INDEMNITEES.

Initial

10. DISPUTE RESOLUTION.

10.1 Internal Dispute Resolution. Developer shall first bring any claim, controversy, or dispute arising out of or relating to this Agreement, the Attachments hereto, or the relationship created by this Agreement to Franchisor's president and/or chief executive officer for resolution. After providing notice as set forth in Section 11.7 below, Developer must exhaust this internal dispute resolution procedure before Developer may bring Developer's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

10.2 Mediation. At Franchisor's option, any claim, controversy, or dispute that is not resolved pursuant to Section 10.1 hereof shall be submitted to non-binding mediation. Developer shall provide Franchisor with written notice of Developer's intent to pursue any unresolved claim, controversy, or dispute, specifying in sufficient detail the nature thereof, prior to commencing any legal action. Franchisor shall have thirty (30) days following receipt of Developer's notice to exercise Franchisor's option to submit such claim, controversy, or dispute to mediation. Mediation shall be conducted through a mediator or mediators in accordance with the American Arbitration Association Commercial Mediation Rules. Such mediation shall take place in the then-current location of Franchisor's corporate headquarters. The costs and expenses of mediation, including compensation and expenses of the mediator (and except for the attorneys' fees incurred by either party), shall be borne by the parties equally. Franchisor may specifically enforce Franchisor's rights to mediation, as set forth herein.

10.3 Arbitration.

10.3.1 Except disputes not subject to alternative dispute resolution as set forth in Section 10.4, any dispute between Franchisor and Developer arising out of or relating to this Agreement, the Attachments hereto, or any breach thereof, including any claim that this Agreement or any of its parts, is invalid, illegal, or otherwise voidable or void, which has not been resolved in accordance with Sections 10.1 or 10.2, will be resolved by submission to the American Arbitration Association or its successor organization to be settled by a single arbitrator in accordance with the Commercial Arbitration Rules then in effect for such Association or successor organization.

10.3.2 All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Article 10 will be governed by the Federal Arbitration Act (9 U.S.C. §1 *et seq.*) and the federal common law of arbitration. All hearings and other proceedings will take place in Oakland County, Michigan, or the offices of the American Arbitration Association, or, if Franchisor so elects, in the county where the principal place of business of Developer is then located.

10.3.3 This arbitration provision is self-executing and will remain in full force and effect after expiration or termination of this Agreement. Any arbitration will be conducted on an individual, and

not a class-wide or multiple plaintiffs, basis. If either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against the party by default or otherwise, notwithstanding the failure to appear. Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final, and not subject to appeal. No punitive or exemplary damages will be awarded against Franchisor, Developer, or entities related to either of them, in an arbitration proceeding or otherwise, and are hereby waived.

10.3.4 The provisions of this Section 10.3 are independent of any other covenant or provision of this Agreement; provided, however, that if a court of competent jurisdiction determines that any of the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law.

10.3.5 In proceeding with arbitration and in making determinations hereunder, no arbitrator shall extend, modify, or suspend any terms of this Agreement or the reasonable standards of business performance and operation established by Franchisor in good faith. No notice, request, or demand for arbitration shall stay, postpone, or rescind the effectiveness of any termination of this Agreement.

10.3.6 Except as expressly required by law, Franchisor and Developer shall keep all aspects of any mediation and/or arbitration proceeding in confidence and shall not disclose any information about the proceeding to any third party other than legal counsel who shall be required to maintain the confidentiality of such information.

10.4 Exceptions. Notwithstanding the requirements of Sections 10.2 or 10.3, the following claims shall not be subject to mediation or arbitration:

10.4.1 Franchisor's claims for injunctive or other extraordinary relief;

10.4.2 disputes and controversies arising from the Sherman Act, the Clayton Act, or any other federal or state antitrust law;

10.4.3 disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of the Marks; and

10.4.4 enforcement of Developer's post-termination obligations, including but not limited to, Developer's non-competition covenants.

10.5 Governing Law and Venue. This Agreement is made in, and shall be substantially performed in the State of Michigan. Any claims, controversies, disputes, or actions arising out of this Agreement shall be governed, enforced, and interpreted pursuant to the laws of the State of Michigan. Developer, except where specifically prohibited by law, hereby irrevocably submits him/herself to the sole and exclusive jurisdiction of the state and federal courts in Michigan. Developer hereby waives all questions of personal jurisdiction for the purpose of carrying out this provision.

10.6 Mutual Benefit. Developer and Franchisor acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 10.5 provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising hereunder. Each of Developer and Franchisor further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

10.7 Waiver of Jury Trial and Certain Damages. Developer hereby waives, to the fullest extent permitted by law, any right to or claim for (i) a trial by jury in any action, proceeding, or counterclaim brought by or against Franchisor, and (ii) any punitive, exemplary, incidental, indirect, special,

consequential, or other damages (including, without limitation, loss of profits) against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, and employees, in their corporate and individual capacities, arising out of any cause whatsoever. Developer agrees that in the event of a dispute, Developer shall be limited to the recovery of any actual damages sustained.

10.8 Limitations of Claims. Any and all claims asserted by Developer arising out of or relating to this Agreement or the relationship among the parties will be barred unless a proceeding for relief is commenced within one (1) year from the date on which Developer knew or should have known of the facts giving rise to such claims.

10.9 Attorneys' Fees. In the event of any action in law or equity by and between Franchisor and Developer concerning the operation, enforcement, construction, or interpretation of this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney's fees and court costs incurred.

10.10 Survival. The provisions of this Article 10 shall continue in full force and effect notwithstanding the expiration or termination of this Agreement or a transfer by Developer of his/her respective interests in this Agreement.

11. GENERAL.

11.1 Independent Licensee. Developer is and shall be an independent licensee under this Agreement, and no partnership shall exist between Developer and Franchisor. This Agreement does not constitute Developer as an agent, legal representative, or employee of Franchisor for any purpose whatsoever, and Developer is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, or in any way to bind Franchisor. Developer agrees not to incur or contract any debt or obligation on behalf of Franchisor or commit any act, make any representation, or advertise in any manner which may adversely affect any right of Franchisor or be detrimental to Franchisor or other developers or franchisees of Franchisor. Pursuant to the above, Developer agrees to indemnify Franchisor and hold Franchisor harmless from any and all liability, loss, attorneys' fees, or damage Franchisor may suffer as a result of claims, demands, taxes, costs, or judgments against Franchisor arising out of the relationship hereby established which specifically, but not exclusively, includes costs, losses, expenses, attorney's fees relative to assignment or the transfer of right to develop and transactional costs relative thereto, defaults under any leases, subleases, notes, receipt of revenues or any other relationships arising directly or indirectly out of the development and operation of the Beef-A-Roo outlets.

11.2 Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of Franchisor and shall be personally binding on and inure to the benefit of Developer and his or her respective heirs, executors, administrators, and successors or assigns; provided, however, the foregoing provision shall not be construed to allow a transfer of any interest of Developer in this Agreement, except in accordance with Article 6 hereof.

11.3 Invalidity of Part of Agreement. Should any provisions in this Agreement, for any reason, be declared invalid, then such provision shall be invalid only to the extent of the prohibition without in any way invalidating or altering any other provision of this Agreement.

11.4 Entire Agreement. This Agreement, including all attachments, is the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter, and superseding all prior written or oral representations made to Developer, except the representations made to Developer in Franchisor's Franchise Disclosure Document. No agreement of any kind relating to the matters covered by this Agreement and no amendment of the provisions hereof shall be binding upon either party unless and until the same has been made in writing and executed by all interested parties.

11.5 Construction. All terms and words 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 or any provision herein may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements, and obligations assumed herein by Developer shall be deemed to be joint and several covenants, agreements, and obligations of each of the persons named as Developer, if more than one person is so named.

11.6 Captions. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

11.7 Notices. Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified or registered mail, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as first above written, or at such other address or addresses as the parties may from time to time designate in writing.

11.8 Effect of Waivers. No waiver, delay, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising from any default or breach by Developer shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or of a different kind.

11.9 Remedies Cumulative. All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies that are provided for herein or that 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 or any other agreement between Developer or any of its affiliates and Franchisor or any of its affiliates. The rights and remedies of the parties to this Agreement 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, earlier termination, or exercise of Franchisor's rights pursuant to Article 7 shall not discharge or release Developer from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination, or the exercise of such rights under this Agreement.

11.10 Consent to Do Business Electronically. The parties to this Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of Michigan, the parties hereby affirm to each other that they agree with the terms of this Agreement, and by attaching their signature electronically to this Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to this Agreement can rely on an electronic signature as the respective party's signature.

11.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

11.10 Survival. Any obligation of Developer that contemplates performance of such obligation after termination, expiration, or transfer of this Agreement shall be deemed to survive such termination, expiration, or transfer.

-Remainder of page intentionally left blank-

The parties hereto have executed this Multi-Unit Development Agreement on the day and year first above written.

DEVELOPER:

Name: _____

Name: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____

Name: _____

Title: _____

ATTACHMENT 1

DEVELOPMENT AREA

(insert map and/or define by zip codes):

APPROVED:

DEVELOPER:

FRANCHISOR:
ELYSIAN FRANCHISE COMPANY, LLC

Name:_____

By:_____

Name:_____

Title:_____

Name:_____

ATTACHMENT 2

MANDATORY DEVELOPMENT SCHEDULE

Outlet for Development	Mandatory Open Date
1	____ months following the Effective Date
2	____ months following the Effective Date
3	months following the Effective Date

APPROVED:

DEVELOPER:

FRANCHISOR:
ELYSIAN FRANCHISE COMPANY, LLC

Name: _____

By: _____

Name: _____

Title: _____

Name: _____

EXHIBIT "D"
TO FRANCHISE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS

Elysian Franchising Company, LLC

(A Texas Limited Liability Company)

Financial Statements with Report of Independent Auditors
December 31, 2023 and 2022

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Report of Independent Auditors

To the Member(s) of
Elysian Franchising Company, LLC:

Opinion

We have audited the accompanying financial statements of Elysian Franchising Company, LLC, a Texas entity, which comprise the balance sheet as of December 31, 2023 and 2022, and the related statements of operations, changes in members' capital and cash flow for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cashflows for the year ended December 31, 2023 and 2022, in accordance with accounting principles generally accepted in the United States of America.

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 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 May 15, 2024.

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 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 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 audits.
- 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 audits in order to design audit procedures that are appropriate in the circumstance, 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

DA Advisory Group PLLC

Troy, MI
May 15, 2024

ELYSIAN FRANCHISING COMPANY, LLC
BALANCE SHEETS

As of December 31, 2023 and 2022

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 29,837	\$ 1,599
Total current assets	<u>29,837</u>	<u>1,599</u>
Other assets:		
Organization costs	113,478	113,479
Accumulated amortization - organization cost	<u>(18,437)</u>	<u>(10,891)</u>
Total noncurrent assets	<u>95,041</u>	<u>102,587</u>
Total assets	<u>\$ 124,878</u>	<u>\$ 104,186</u>
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities:		
Credit card	93	-
Due to related parties	21,338	1,112
Deferred revenue	<u>90,000</u>	<u>-</u>
Total current liabilities	<u>111,431</u>	<u>1,112</u>
Total liabilities	111,431	1,112
Members' equity		
Total members' equity	<u>13,447</u>	<u>103,074</u>
Total liabilities and members' equity	<u>\$ 124,878</u>	<u>\$ 104,186</u>

see accompanying notes

ELYSIAN FRANCHISING COMPANY, LLC
STATEMENTS OF OPERATIONS
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating revenues		
Franchise fees	\$ 20,000	\$ -
Royalty fees	<u>39,515</u>	<u>-</u>
Net operating revenue	<u>59,515</u>	<u>-</u>
Operating expenses		
Advertising	56,861	25
Travel/gas/food	33,467	11,190
Marketing	33,312	71,965
Legal and accounting	31,261	9,655
Administrative expense	18,920	54,000
Consultants	11,574	13,494
Architectural fees	10,500	-
Amortization	7,546	649
Other expenses	<u>5,571</u>	<u>13,803</u>
Total operating expenses	<u>209,012</u>	<u>174,781</u>
Operating loss	<u>(149,497)</u>	<u>(174,781)</u>
Net loss	<u><u>\$ (149,497)</u></u>	<u><u>\$ (174,781)</u></u>

see accompanying notes

ELYSIAN FRANCHISING COMPANY, LLC
 STATEMENT OF CHANGES IN MEMBERS' EQUITY
 For the Years Ended December 31, 2023 and 2022

	<u>Total Members' Equity</u>
BALANCE, DECEMBER 31, 2021	<u>\$ 107,394</u>
Member contributions	174,161
Member distributions	(3,700)
Net loss	<u>(174,781)</u>
BALANCE, DECEMBER 31, 2022	<u>\$ 103,074</u>
Member contributions	59,870
Member distributions	-
Net loss	<u>(149,497)</u>
BALANCE, DECEMBER 31, 2023	<u>\$ 13,447</u>
Members' interest	100%

see accompanying notes

ELYSIAN FRANCHISING COMPANY, LLC
STATEMENT OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (149,497)	\$ (174,781)
Change in:		
Amortization expenses	7,546	649
Other current liabilities	20,319	(7,348)
Deferred revenue	90,000	-
Net cash used in operating activities	<u>(31,632)</u>	<u>(181,480)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions	59,870	174,161
Distributions	<u>-</u>	<u>(3,700)</u>
Net cash provided by financing activities	<u>59,870</u>	<u>170,461</u>
Net change in cash and cash equivalents	\$ 28,238	\$ (11,019)
Cash and cash equivalents at beginning of year	<u>1,599</u>	<u>12,618</u>
Cash and cash equivalents at end of year	<u>\$ 29,837</u>	<u>\$ 1,599</u>
Total cash and cash equivalents	<u>\$ 29,837</u>	<u>\$ 1,599</u>

see accompanying notes

ELYSIAN FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

1. Organization

Elysian Franchising Company, LLC (the “Company”) was formed on May 20, 2021, in the state of Texas as a limited liability company, for the purpose of selling and operating franchises under the “Beef-A-Roo” Mark. The Company authorizes franchisees to use certain business formats, systems, methods, procedures, designs, layouts, specification, trade names and trademarks within their territories in the United States.

For the year ended December 31, 2023 and 2022, total capital contributions were \$ 59,870 and \$174,161, respectively. Total distributions for the same periods were \$0 and \$3,700, respectively.

2. Summary of significant accounting policies and nature of operations

Basis of accounting

The financial statements of the Company have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to mark estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Cash and cash equivalents

The Company considers all highly liquid instruments with original maturities of 90 days or less to be cash equivalents.

Revenue and expenses

In May 2014, the FASB issued guidance codified in Accounting Standards Codification (“ASC”) 660, Revenue from Contracts with Customers, which amends the guidance in former ASC 605, Revenue Recognition. The core principle of the standard is to recognize revenue when promised goods or services are transferred to customers in an amount that reflects the consideration expected to be received for those goods or services. The standard also calls for additional disclosures arising from contracts with customers. The Company adopted the standard in its initial period of operations.

In accordance with this standard, revenue recognition of the initial franchise fee, due at the time of signing of the franchise agreement, will occur as specific performance obligations in the franchise

ELYSIAN FRANCHISING COMPANY, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

2. Summary of significant accounting policies and nature of operations (continued)

agreement is performed by the Company.

Pursuant to the terms of the franchise agreement, franchisees pay a weekly royalty fee and marketing fund contribution fee based on a percentage of weekly franchisee gross revenue as stated in the Franchise Disclosure Document (“FDD”). Royalties will be recorded as revenue and recognized as these services are delivered.

Revenue from multi-unit development fees, paid at the time the Multi-Unit Development Agreement is signed, is applied as a credit towards each individual location’s initial franchise fee and will be recognized in accordance with the franchise fee recognition policy. These fees are stated in the FDD.

Income taxes

The Company is a limited liability company and treated as a flow-through entity. As a result, the Company does not pay federal or state income taxes on its taxable. Instead, the members are taxed on their share of the Company’s taxable income in accordance with the operating agreement. Accordingly, no provision or liability has been recorded in the accompanying financial statements for federal or state income taxes.

3. Related party transactions

Beef-A-Roo, Inc. owns the trademarks related to the Beef-A-Roo brand. Beef-A-Roo, Inc. is 100% owned by Elysian Capital, Inc. through holding companies. Under an Inter-Company License Agreement with Beef-A-Roo, Inc. the Company has been granted the right to sublease the trademarks throughout the United States. The agreement has no expiration.

The Company has a related party payables of \$21,338 and \$1,112 as of December 31, 2023 and December 31, 2022, respectively for expenses paid by the related parties on behalf of the Company. The amounts bear no interest and have no stated payback period.

4. Subsequent events

The Company has evaluated subsequent events through May 15, 2024, the date that these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in the financial statement.

EXHIBIT “E”
TO FRANCHISE DISCLOSURE DOCUMENT
Operations Manual Table of Contents

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Chapter 1. Introduction.....	4
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EXHIBIT “F”
TO FRANCHISE DISCLOSURE DOCUMENT
LIST OF FRANCHISEES AND FORMER FRANCHISEES

FRANCHISEES
As of December 31, 2023

None

FORMER FRANCHISEES
As of December 31, 2023

None

EXHIBIT G

STATE ADDENDA

SEE ATTACHED PAGES RELATING TO THE FOLLOWING STATES:

<i>Exhibit</i>	<i>State</i>	<i>Included</i>
G-1	Illinois	
G-2	Indiana	
G-3	Michigan	
G-4	Minnesota	
G-5	Wisconsin	

EXHIBIT “G-1”

STATE ADDENDUM: ILLINOIS

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. Illinois law governs the Franchise Agreement(s) and Development Agreement.
2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provisions in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void. However, a franchise agreement or development agreement may provide for arbitration to take place outside of Illinois.
3. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
4. Your rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.
5. Item 5 of the Franchise Disclosure Document is amended to state in Illinois, payment of initial fees owed to Franchisor or an affiliate will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.
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 with the franchise.
7. In addition to the Franchise Agreement, in the form attached as Exhibit B, and, if applicable, the Multi-Unit Development Agreement in the form attached as Exhibit C, Illinois franchisees will sign the appropriate Illinois Addenda, in the forms attached.

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

THIS INDIANA ADDENDUM TO FRANCHISE AGREEMENT (the “Addendum”) is made as of the _____ day of the _____, 20____, at Rockford, Illinois between **ELYSIAN FRANCHISE COMPANY, LLC**, a Texas limited liability company, with headquarters located at 1627 North Alpine Road, Rockford, Illinois 61107 (“Franchisor”), and _____ a _____ (“Franchisee”), to that certain Franchise Agreement dated as of even date herewith (the “Agreement”).

WITNESSETH

WHEREAS, pursuant to the Agreement, Franchisee has obtained from Franchisor the right to operate a franchised unit at _____ the (“Franchised Business”); and

WHEREAS, the laws of the state of Illinois require the execution of this Addendum in connection with the execution of the Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein contained, it is hereby agreed as follows:

1. Amendment. The terms of the Agreement are hereby amended as follows:
 - 1.1. Illinois law governs the Franchise Agreement(s).
 - 1.2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
 - 1.3. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
 - 1.4. Your rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.
 - 1.5. Section 6.1.1 of the Franchise Agreement is amended to state in Illinois, payment of initial fees owed to Franchisor or an affiliate will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. The Illinois Attorney General’s Office imposed this deferral requirement due to Franchisor’s financial condition.
 - 1.6. 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 with the franchise.

2. Supplemental. This Addendum is supplemental to and part of the Agreement. All the Agreement's terms and provisions, as amended above, remain effective on and after the date of this Addendum, as they may be later amended, supplemented, or otherwise modified from time to time.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum.

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____
Name: _____
Title: _____
Date: _____

ILLINOIS ADDENDUM TO MULTI-UNIT DEVELOPMENT AGREEMENT

THIS ILLINOIS ADDENDUM TO MULTI-UNIT DEVELOPMENT AGREEMENT (the "Addendum") is made as of the _____ day of the _____, 20____, at Rockford, Illinois between **ELYSIAN FRANCHISE COMPANY, LLC.**, a Texas limited liability company, with headquarters located at 1627 North Alpine Road, Rockford, Illinois 61107 ("Franchisor"), and _____ a _____ ("Developer"), to that certain Development Agreement dated as of even date herewith (the "Agreement").

WITNESSETH

WHEREAS, pursuant to the Agreement, Developer has obtained from Franchisor a license for a limited geographic region to develop restaurants under the BEEF-A-ROO system; and

WHEREAS, the laws of the state of Illinois require the execution of this Addendum in connection with the execution of the Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein contained, it is hereby agreed as follows:

1. Amendment. The terms of the Agreement are hereby amended as follows:

1.1. Illinois law governs the Development Agreement(s).

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

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

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

1.5. The Fees section of the Multi-Unit Development Agreement is amended to state in Illinois, payment of initial fees owed to Franchisor or an affiliate will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee's first business under the Multi-Unit Development Agreement has opened and commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

1.6. 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 with the franchise.

2. Supplemental. This Addendum is supplemental to and part of the Agreement. All the Agreement's terms and provisions, as amended above, remain effective on and after the date of this Addendum, as they may be later amended, supplemented, or otherwise modified from time to time.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum.

DEVELOPER:

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT G-2

STATE ADDENDUM: INDIANA

RIDER TO FRANCHISE DISCLOSURE DOCUMENT – INDIANA

1. Notwithstanding certain of the Risk Factors noted on the front page of the Franchise Disclosure Document, because of requirements of applicable Indiana law, you are not limited to bringing suit or initiating arbitration only in Michigan.
2. Notwithstanding the provisions of Item 12, we shall not establish a franchisor-owned outlet engaged in a substantially identical business to the franchised business (a) within the exclusive territory granted you by the Franchise Agreement; or, if no exclusive territory is designated, (b) permitting us to compete unfairly with you within a reasonable area in violation of Ind. Code §23-2-2.7-1(2) or 2(4).
3. Notwithstanding the provisions of Item 17(c) and (e), we shall not unilaterally terminate nor fail to renew the franchise or related agreements without good cause or in bad faith in violation of Ind. Code §23-2-2.7-1(7) or (8).
4. Notwithstanding the provisions of Item 17(c) and (m), we shall not require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by Indiana franchise law in violation of Ind. Code §23-2-2.7-1(5).
5. Notwithstanding the provisions of Item 17(r), you shall not be restricted from competing with us outside of an area of reasonable size upon termination of or failure to renew the franchise in violation of Ind. Code §23-2-2.7-1(9).
6. Notwithstanding the provisions of Item 17(t), you do not waive any right under the Indiana statutes with regard to prior representations made in the Indiana Franchise Disclosure Document.
7. Notwithstanding the provisions of Item 17(u), (v), and (w) of the Franchise Disclosure Document relating to dispute resolution by litigation or arbitration or mediation, choice of forum and choice of law, we shall not limit litigation brought for breach of franchise agreements in any manner whatsoever in violation of Ind. Code §23-2-2.7-1(10).

In addition to the Franchise Agreement, in the form attached as Exhibit B, and, if applicable, the Development Agreement in the form attached as Exhibit C, Indiana franchisees will sign the appropriate Indiana Addenda, in the forms attached.

INDIANA ADDENDUM TO FRANCHISE AGREEMENT

THIS INDIANA ADDENDUM TO FRANCHISE AGREEMENT (the “Addendum”) is made as of the ____ day of the _____, 20____, at Rockford, Illinois between **ELYSIAN FRANCHISE COMPANY, LLC**, a Texas limited liability company, with headquarters located at 1627 North Alpine Road, Rockford, Illinois 61107 (“Franchisor”), and _____ a _____ (“Franchisee”), to that certain Franchise Agreement dated as of even date herewith (the “Agreement”).

WITNESSETH

WHEREAS, pursuant to the Agreement, Franchisee has obtained from Franchisor the right to operate a franchised unit at _____ the (“Franchised Business”); and

WHEREAS, the laws of the state of Indiana require the execution of this Addendum in connection with the execution of the Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein contained, it is hereby agreed as follows:

1. Amendment. The terms of the Agreement are hereby amended as follows:

1.1 Obligations of Franchisor. The Agreement is hereby amended by the addition of the following language:

Franchisor hereby undertakes that it will not compete unfairly with the Franchisee within a reasonable area of the Franchised Business in violation of Ind. Code §23-2-2.7-1(2) or 2(4).

1.2 Renewal Option. Section 5.2.5 of the Agreement is hereby amended by the addition of the following language:

This release shall not apply to any claim arising under the Indiana Deceptive Franchise Practices Law, Indiana Code, Title 23, Article 2, Chapter 2.7.

1.3 Term of the Agreement. Section 4 of the Agreement is hereby amended by the addition of the following language:

Notwithstanding any other provision hereof, Franchisor shall not unilaterally terminate or fail to renew the franchise granted hereunder if such termination or nonrenewal would constitute action without good cause or in bad faith in violation of Ind. Code §23-2-2.7-1(7) or (8) or Ind. Code §23-2-2.7-2(3).

1.4 Indemnity. Section 15.6 of the Agreement is hereby amended by the addition of the

following language:

Notwithstanding the foregoing, to the extent prohibited by the law of the State of Indiana, Franchisee shall have no obligation to indemnify Franchisor from and against any such costs, expenses, attorney's fees, lawsuits, liabilities, damages, claims and demands arising from Franchisee's proper reliance on or use of procedures or materials provided by Franchisor or caused by Franchisor's negligence.

1.5 Transfer Consent. Section 16.3.6 of the Agreement is hereby amended by the addition of the following language:

This release shall not apply to any claim arising under the Indiana Deceptive Franchise Practices Law, Indiana Code, Title 23, Article 2, Chapter 2.7.

1.6 Non-Competition. Section 19.5 of the Agreement is hereby amended by the addition of the following language:

The non-competition consents are subject to Ind. Code §23-2-2.7-1(9).

1.7 Remedies. Section 18 of the Agreement is hereby amended by the addition of the following language:

All remedies available to Franchisor upon the breach, termination or expiration of the Agreement, including injunctive relief and liquidated damages, are subject to Indiana law, inclusive of Ind. Code §23-2-2.7-1(5) and §23-2-2.7-1(10).

1.8 Applicable Law. Section 20.5 of the Agreement is hereby amended by the addition of the following language:

;provided this section shall be subject to Indiana Franchise Laws.

1.9 Waiver. Sections 20.7 and 21.8 of the Agreement are hereby amended by the addition of the following language:

Notwithstanding the foregoing, the foregoing reservation of right or limitation on remedy shall not be enforceable to the extent prohibited pursuant to Ind. Code §23-2-2.7-1(10).

2. Supplemental Agreement. This Addendum is hereby made supplemental to and as part of the Agreement. All of the terms and provisions of the Agreement, as amended above, shall remain in full force and effect from and after the date first above written, as the same may be later amended, supplemented or otherwise modified from time to time.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum.

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____
Name: _____
Title: _____
Date: _____

INDIANA ADDENDUM TO MULTI-UNIT DEVELOPMENT AGREEMENT

THIS INDIANA ADDENDUM TO MULTI-UNIT DEVELOPMENT AGREEMENT (the "Addendum") is made as of the _____ day of the _____, 20____, at Rockford, Illinois between **ELYSIAN FRANCHISE COMPANY, LLC.**, a Texas limited liability company, with headquarters located at 1627 North Alpine Road, Rockford, Illinois 61107 ("Franchisor"), and _____ a _____ ("Developer"), to that certain Development Agreement dated as of even date herewith (the "Agreement").

WITNESSETH

WHEREAS, pursuant to the Agreement, Developer has obtained from Franchisor a license for a limited geographic region to develop restaurants under the BEEF-A-ROO system; and

WHEREAS, the laws of the state of Indiana require the execution of this Addendum in connection with the execution of the Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein contained, it is hereby agreed as follows:

1. Amendment. The terms of the Agreement are hereby amended as follows:

1.1 Non-competition. Section 8 of the Agreement is hereby amended by the addition of the following language:

8.8 Indiana Restriction. Notwithstanding any other provision of this Section 8, the provisions of this Section 8 may be unenforceable to the extent provided in Ind. Code §23-2-2.7-1(9). Any reservation of rights to injunctive relief and any specific damages or any limitation on the remedies available to either party without benefit of appropriate process is currently prohibited under Ind. Code §23-2-2.7-1(10). Further the Developer cannot currently be required to recognize the adequacy or inadequacy of any remedy. The waiver or release of any rights with regard to this Agreement is currently prohibited pursuant to Ind. Code §23-2-2.7-1(5). However, to the extent that applicable Indiana law may hereafter allow enforcement of any provision hereof, Franchisor reserves the right to so enforce it.

1.2 Indemnification. Section 9 of the Agreement is hereby amended by the addition of the following language:

Notwithstanding the foregoing, Developer shall have no obligation to indemnify Franchisor from and against any such costs, expenses, attorney's fees, lawsuits, liabilities, damages, claims and demands arising from Developer's proper reliance on or use of procedures or materials provided by Franchisor or

caused by Franchisor's negligence to the extent required by the law of the State of Indiana.

1.3 Applicable Law. Section 10.5 of the Agreement is hereby amended by the addition of the following language:

;provided this section shall be subject to Indiana Franchise Laws.

1.4 Waiver. Section 10.7 of the Agreement is hereby amended by the addition of the following language:

Notwithstanding the foregoing, the foregoing reservation of right or limitation on remedy shall not be enforceable to the extent prohibited pursuant to Ind. Code §23-2-2.7-1(10).

2. Supplemental Agreement. This Addendum is hereby made supplemental to and as part of the Agreement. All of the terms and provisions of the Agreement, as amended above, shall remain in full force and effect from and after the date first above written, as the same may be later amended, supplemented or otherwise modified from time to time.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum.

DEVELOPER:

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT G-3

STATE ADDENDUM: MICHIGAN

See Addendum to The Franchise Disclosure Document for the State of Michigan located after Special Risks page.

EXHIBIT G-4

STATE ADDENDUM: MINNESOTA

RIDER TO FRANCHISE DISCLOSURE DOCUMENT – MINNESOTA

1. The following language is added as an additional Risk Factor on the cover page of the Franchise Disclosure Document:

MINNESOTA STATUTES §80C.21 AND MINNESOTA RULE 2860.4400J CURRENTLY PROHIBIT LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA.

2. The following language is added to Item 13:

The Minnesota Department of Commerce requires that Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee's use of Franchisor's registered trademark infringes trademark rights of the third party. Franchisor is not required to indemnify Franchisee for its use of Franchisor's trademark unless such use is in accordance with the requirements of the Franchise Agreement. As a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within 10 days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisee must cooperate in the defense as reasonably required and 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. The following language is added to Item 17:

Liquidated damages provisions are not enforceable under Minnesota law.

4. The following Sections are added to Item 17:

Minnesota Statute 80C.14, Subd. 5 states, "It is unfair and inequitable for a person to unreasonably withhold consent to an assignment, transfer, or sale of the franchise whenever the franchisee to be substituted meets the present qualifications and standards required of the franchisees of the particular franchisor."

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 Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

5. In addition to the Franchise Agreement, in the form attached as Exhibit B, Minnesota franchisees will sign a Minnesota Addendum, in the form attached.

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

THIS MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT (the “Addendum”) is made as of the ____ day of the _____, 20____, at Rockford, Illinois between **ELYSIAN FRANCHISE COMPANY, LLC.**, a Texas limited liability company, with headquarters located at 1627 North Alpine Road, Rockford, Illinois 61107 (“Franchisor”), and _____ a _____ (“Franchisee”), to that certain Franchise Agreement dated as of even date herewith (the “Agreement”).

WITNESSETH

WHEREAS, pursuant to the Agreement, Franchisee has obtained from Franchisor the right to operate a franchised unit at _____ the (“Franchised Business”); and

WHEREAS, the laws of the state of Minnesota require the execution of this Addendum in connection with the execution of the Agreement;

NOW THEREFORE, in consideration of the mutual covenants herein contained, it is hereby agreed as follows:

1. **Amendment.** The terms of the Agreement are hereby amended as follows:

1.1 **Indemnification.** The following language is added to Section 15.6:

The Minnesota Department of Commerce requires that Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee’s use of Franchisor’s registered trademark infringes trademark rights of the third party. Franchisor is not required to indemnify Franchisee for its use of Franchisor’s trademark unless such use is in accordance with the requirements of the Franchise Agreement. As a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within 10 days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisee must cooperate in the defense as reasonably required and 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.

1.2 **Consent.** The following language is added to Section 16.3.6:

(f) **Minnesota Statute.** Minnesota Statute 80C.14, Subd. 5 states, “It is unfair and inequitable for a person to unreasonably withhold consent to an assignment, transfer, or sale of the franchise whenever the franchisee to be substituted meets the present qualifications and standards required of the franchisees of the particular franchisor”.

1.3 Notice. The following language is added to Section 21.7:

(d) Minnesota Requirement. 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 Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

1.4 Jurisdiction. The following language is added to Section 20.5:

This section shall in no way abrogate or reduce any rights of the Franchisee as provided for in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to the jurisdiction of the courts of Minnesota.

2. Supplemental Agreement. This Addendum is hereby made supplemental to and as part of the Agreement. All of the terms and provisions of the Agreement, as amended above, shall remain in full force and effect from and after the date first above written, as the same may be later amended, supplemented or otherwise modified from time to time.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum.

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISOR:

ELYSIAN FRANCHISE COMPANY, LLC

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT G-5

STATE ADDENDUM: WISCONSIN

NONE

EXHIBIT "H"

TO FRANCHISE DISCLOSURE DOCUMENT

FRANCHISEE ACKNOWLEDGMENT STATEMENT

****NOT FOR USE IN CALIFORNIA****

Acknowledgement of the truthfulness of the statements below are an inducement for the Franchisor to enter into a Franchise Agreement. Notify Franchisor immediately, prior to acknowledgment, if any statement below is incomplete or incorrect.

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.

Franchisee hereby acknowledges the following:

1. Franchisee has conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of operating the Franchised Business. Franchisee further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee by Franchisor and Franchisee hereby waives any claim against Franchisor for any business failure Franchisee may experience as a franchisee under this Agreement.

Initial

2. Franchisee has conducted an independent investigation of the business contemplated by this Agreement and understands and acknowledges that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of Franchisee and its efforts as an independent business operation.

Initial

3. Franchisee agrees that no claims of success or failure have been made to it or him or her prior to signing the Franchise Agreement and that it/she/he understands all the terms and conditions of the Franchise Agreement. Franchisee further acknowledges that the Franchise Agreement contains all oral and written agreements, representations and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or

terminated orally.

Initial

4. Franchisee has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated herein. Franchisee acknowledges that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement. Franchisee represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations in obtaining the Franchise Agreement.

Initial

5. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement.

Initial

6. Franchisee acknowledges that Franchisor's approval or acceptance of Franchisee's Business location does not constitute a warranty, recommendation or endorsement of the location for the Franchised Business, nor any assurance by Franchisor that the operation of the Franchised Business at the premises will be successful or profitable.

Initial

7. Franchisee acknowledges that it has received the Elysian Franchise Company, LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement was executed. Franchisee further acknowledges that Franchisee has read such Franchise Disclosure Document and understands its contents.

Initial

8. Franchisee acknowledges that it has had ample opportunity to consult with its own attorneys, accountants and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee with respect to the Franchise Agreement or the relationship thereby created.

Initial

9. Franchisee, together with Franchisee's advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement.

Initial

10. Franchisee is aware of the fact that other present or future franchisees of Franchisor may operate under different forms of agreement(s), and consequently that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

Initial

11. It is recognized by the parties that Franchisor is also (or may become) a manufacturer or distributor of certain products or services under the Marks licensed herein; and it is understood that Franchisor does not warrant that such products or services will not be sold within Franchisee's Territory by others who may have purchased such products or services from Franchisor.

Initial

12. BY EXECUTING THE FRANCHISE AGREEMENT, FRANCHISEE AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF FRANCHISEE'S AND SUCH PRINCIPAL'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE ELYSIAN FRANCHISE COMPANY, LLC, NEXT BRANDS & DEVELOPMENT, LLC, ELYSIAN FRANCHISE COMPANY, LLC, AND ANY OF THEIR PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AS WELL AS THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, AND SHAREHOLDERS FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THE FRANCHISE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF. THIS RELEASE IS SPECIFICALLY INAPPLICABLE TO ANY CLAIMS ARISING FROM REPRESENTATIONS MADE BY FRANCHISOR IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT RECEIVED BY FRANCHISEE.

Initial

ACKNOWLEDGED:

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

PRINCIPALS:

Name: _____
Date: _____

Name: _____
Date: _____

EXHIBIT "I"
TO FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

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

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

State	Effective Date
California	Not applicable
Hawaii	Not applicable
Illinois	Not applicable
Indiana	Not applicable
Maryland	Not applicable
Michigan	Not applicable
Minnesota	Not applicable
New York	Not applicable
North Dakota	Not applicable
Rhode Island	Not applicable
South Dakota	Not applicable
Virginia	Not applicable
Washington	Not applicable
Wisconsin	Not applicable

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

EXHIBIT "J"
TO FRANCHISE DISCLOSURE DOCUMENT
RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Elysian Franchise Company, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise 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.

If Elysian Franchise Company, 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC, 20580, and to your state authority listed on Exhibit A.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Austin Capofieri 25550 Grand River Avenue Redford, Michigan 48240 248-881-6502	Megan Rosen 25550 Grand River Avenue Redford, Michigan 48240 248-881-6502
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Issuance Date: May 20, 2024

I received a Disclosure Document dated May 20, 2024, that included the following Exhibits:

EXHIBIT A: List of State Franchise Administrators/Agents for Service of Process
EXHIBIT B: Franchise Agreement
EXHIBIT C: Multi-Unit Development Agreement
EXHIBIT D: Financial Statements
EXHIBIT E: Operations Manual Table of Contents EXHIBIT
EXHIBIT F: List of Franchisees and Former Franchisees
EXHIBIT G: State Addenda
EXHIBIT H: Franchisee Acknowledgment Statement
EXHIBIT I: State Effective Dates
EXHIBIT J: Receipt

Date Received: _____ Date: _____
(If other than date signed)

(Signature of recipient)

Print Name: _____

Legal residence address

KEEP FOR YOUR RECORDS

RECEIPT

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Date Received: _____
(If other than date signed)

Date: _____

(Signature of recipient)

Print Name: _____

Legal residence address

Please return signed receipt to: Elysian Franchise Company, LLC
25550 Grand River Avenue
Redford, Michigan 48240