

BUNS ON FIRE
FRANCHISE DISCLOSURE DOCUMENT



SMYA Ventures LLC
258 Town Center Lane
Glendale Heights, IL 60139
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www.bunsonfire.com

The franchise is to operate a business that provides a unique proprietary format and process relating to the development and operation of a stand-alone fast casual restaurant serving premium burgers, beverages and other cuisine (a **"Franchise Business"**).

The total investment necessary to begin the operation of a franchise is \$255,000 to \$462,000. This includes \$40,000 to \$60,000 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least fourteen (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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Buns on Fire at management@bunsonfire.com.

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

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

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

Issuance Date: August 22, 2025

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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 G.
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 H 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 Buns on Fire Restaurant 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 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 Buns on Fire Restaurant?	Item 20 or Exhibit G lists current and former licensees/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.

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WHAT YOU NEED TO KNOW ABOUT FRANCHISING GENERALLY

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

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

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

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

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

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

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

SOME STATES REQUIRE REGISTRATION

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

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

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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 litigation or arbitration in Illinois. Out-of-state dispute resolution may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate with us in Illinois than in your own state.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" listed on Exhibit A to see whether your state requires other risks to be highlighted.

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TABLE OF CONTENTS

ITEM 1: THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES.....	1-1
ITEM 2: BUSINESS EXPERIENCE.....	2-1
ITEM 3: LITIGATION	3-1
ITEM 4: BANKRUPTCY	4-1
ITEM 5: INITIAL FEES	5-1
ITEM 6: OTHER FEES.....	6-1
ITEM 7: ESTIMATED INITIAL INVESTMENT.....	7-1
ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	8-1
ITEM 9: FRANCHISEE'S OBLIGATIONS	9-1
ITEM 10: FINANCING	10-1
ITEM 11: FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING.....	11-1
ITEM 12: TERRITORY	12-1
ITEM 13: TRADEMARKS	13-1
ITEM 14: PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION	14-1
ITEM 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	15-1
ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	16-1
ITEM 17: RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION	17-1
ITEM 18: PUBLIC FIGURES	18-1
ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS.....	19-1
ITEM 20: OUTLETS AND FRANCHISEE INFORMATION.....	20-1
ITEM 21: FINANCIAL STATEMENTS	21-1
ITEM 22: CONTRACTS	22-1
ITEM 23: RECEIPTS	23-1
EXHIBIT A STATE SPECIFIC ADDENDUM.....	2
EXHIBIT B LIST OF STATE ADMINISTRATORS.....	1
EXHIBIT C LIST OF AGENTS FOR SERVICE OF PROCESS	1
EXHIBIT D FRANCHISE AGREEMENT.....	I
EXHIBIT E FORM OF GENERAL RELEASE	1
EXHIBIT F FRANCHISE OPERATIONS MANUAL	3

EXHIBIT G LICENSEE ROSTER.....	8
EXHIBIT H FINANCIAL STATEMENTS.....	11
EXHIBIT I STATE EFFECTIVE DATES.....	26
EXHIBIT J RECEIPT.....	1

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

To simplify the language in this disclosure document, "Franchisor", "Buns on Fire", "we", "us" or "our" means SMYA Ventures LLC, doing business as "Buns on Fire", the franchisor. "You" means the individual, corporation, or other entity that buys a Buns on Fire Restaurant franchise.

Franchisor, Parents, Predecessors, and Affiliates

SMYA Ventures LLC is an Illinois limited liability company. We conduct business under the name Buns on Fire. Our principal business address is 258 Town Center Lane, Glendale Heights, Illinois 60139.

We offer franchises for the development of fast casual style restaurants, specializing in providing premium burgers, beverages, and other cuisine with varying success in the United States and have done so since 2023 (**"Buns on Fire Restaurant(s)"**). We have never offered franchises in any other line of business. All intellectual property including, but not limited to the brand, logos, service marks, trademarks, slogans, symbols, and designs (the **"Proprietary Marks"**), systems, databases, technology, hardware, software, printers, and documentation are owned as described in Items 13 and 14 hereof.

Buns on Fire was established in Illinois by Sohaib Mohammed. The operation was founded in 2021 with a mission to service bold, flavorful burgers and bring good vibes to every meal. After two years of workshopping and perfecting his recipes, organizing pop-up events, and catering to the community, Buns on Fire opened its first official storefront in Buffalo Grove, Illinois. Shortly thereafter, Buns on Fire opens its second location in Glendale Heights, Illinois. As Buns on Fire continues to grow, Sohaib Mohammed and the rest of the Buns on Fire team emphasizes maintaining the utmost care for the preparation of their meals and the atmosphere of their restaurants for the community to enjoy. There are many reasons customers love Buns on Fire Restaurants, but one main reason is the team's unwavering and continued success to the tested formula of a simple menu, quality food, affordable pricing, and a commitment to bringing good vibes to their customers.

Affiliates

We are affiliated by common ownership with Buns on Fire 1, LLC (**"BoF Buffalo Grove"**), an Illinois limited liability company which was organized in 2023 with its principal place of business at 466 West Half Day Road, Buffalo Grove, Illinois 60089. As of August 22, 2025, BoF Buffalo Grove owns one (1) corporate restaurant similar to the Franchise Business. BoF Buffalo Grove has not offered franchises in any line of business.

We are affiliated by common ownership with Buns Eats, LLC (**"BoF Glendale Heights"**), an Illinois limited liability company which was organized in 2024 with its principal place of business at 258 Town Center Lane, Glendale Heights, Illinois 60139. As of August 22, 2025, BoF Glendale Heights owns one (1) corporate restaurant similar to the Franchise Business. BoF Glendale Heights has not offered franchises in any line of business.

Agent for Service of Process

Our agents for service of process in the states which require franchise registration are disclosed in Exhibit C.

The Franchise Offered

The Buns on Fire Restaurant franchise, which is being franchised to you as a Franchise Business, has developed a unique and distinctive system, owned by us (**"System"**).

We are offering, under the terms of the Franchise Agreement, the opportunity to become a franchisee to develop and operate a business which sells premium burgers, beverages, and other cuisine (the **"Franchise**

Business"). Your Franchise Business will operate in a designated territory offering a proprietary system we have developed for serving customers premium food we have developed for our menu (the "**Products**"). The Products described herein are a sample of the Products that will be offered by the Franchise Business.

If you own a Franchise Business, you will have access to the full range of products which have been created by us. Currently we have several different types of dishes that include burgers, chicken sandwiches, sliders, wings, bowls, bubble tea, and other beverages.

You will not be permitted to offer rights to operate the Franchise Business to sub-franchisees.

If you are an individual, you must become a newly organized corporate entity when you sign the Franchise Agreement, or shortly thereafter, and in all events prior to the time you open your Franchise Business, and your operating agreement or corporate bylaws must at all times state that your activities are confined exclusively to developing and operating the Franchise Business according to the Franchise Agreement.

Competition

There are companies such as Chi Tea, Salt Burger, and Epic Burger that offer Products similar to ours. However, your competitors will vary depending on your territory.

Applicable Regulations

The restaurant and food service industry is heavily regulated. Many of the laws, rules and regulations that apply to businesses generally have particular applicability to food service establishments. All Buns on Fire Restaurants must comply with federal, state and local laws applicable to the operation and licensing of food service businesses, including all health, sanitation, no smoking, EEOC, OSHA, insurance, discrimination, employment, and sexual harassment laws. The Americans with Disabilities Act of 1990 requires readily accessible accommodations for disabled people and may affect your building construction, site design, entrance ramps, doors, seating, bathrooms, drinking facilities, etc. You must also obtain real estate permits, licenses, and operational licenses. You should consider the cost and time required to comply with these laws and regulations when evaluating a Buns on Fire Restaurant franchise.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture and state and local health departments administer and enforce regulations that govern food preparation and service and restaurant sanitary conditions. State and local agencies inspect restaurants to ensure that they comply with these laws and regulations. Certain provisions of these laws impose limits on emissions resulting from commercial food preparation. Compensation of restaurant employees (including minimum wage and overtime requirements) is governed by both federal and state laws.

The Federal Clean Air Act and various state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide and particles, including caps on emissions from commercial food preparation. Some state and local governments also regulate indoor air quality, including limiting the use of tobacco products in public places, such as restaurants.

The United States enacted the "Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001" (the "**USA Patriot Act**"). We are required to comply with the USA Patriot Act. To help us comply with the USA Patriot Act, we ask you in the Franchise Agreement to confirm for us that neither you nor your directors, officers, shareholders, partners, members, employees, or agents are suspected terrorists or persons associated with suspected terrorists or are under investigation by the U.S. government for criminal activity. You may review the Patriot Act and related regulations at: <http://www.treasury.gov/offices/enforcement/ofacisdn>.

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ITEM 2: BUSINESS EXPERIENCE

Sohaib Mohammed – Chief Executive Officer & President

Sohaib Mohammed is the President of SMYA Ventures LLC. He has held this position with the company since it was founded in 2023. He also serves as the President and Manager of Buns on Fire 1, LLC and has held these positions since the formation of Buns on Fire 1, LLC in 2023. He also serves as the President and Manager of Buns Eats, LLC and has held these positions since the formation of Buns Eats, LLC in 2024. He currently serves in his positions out of the offices in Illinois.

Saif Mohammed – Chief Operating Officer

Saif serves as the Chief Operating Officer of Buns On Fire, where he is responsible for overseeing the company's strategic operations, multi-unit performance, and franchisee support systems. With a strong background in business management and process optimization, Saif focuses on aligning operational goals with the brand's long-term vision. He plays a critical role in expansion planning, resource allocation, and performance monitoring, ensuring that each location operates at peak efficiency while maintaining Buns On Fire's high standards for food quality, service, and guest satisfaction. Saif's operational expertise and hands-on approach position him as a driving force in scaling the brand nationwide.

Abdullah Mohamed Abubaker – Executive Director of Operations and Training

Abdullah brings extensive expertise in fast-casual dining operations, staff development, and quality assurance. As Executive Director of Operations and Training at Buns On Fire, he oversees the day-to-day operational efficiency of all locations, implements standardized processes, and ensures brand consistency across the franchise network. Abdullah has a proven track record of designing and executing comprehensive training programs that equip franchisees and team members with the skills needed to deliver exceptional guest experiences. His leadership style emphasizes operational excellence, team empowerment, and continuous improvement, making him an integral part of Buns On Fire's growth and success.

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ITEM 3: LITIGATION

No litigation information is required to be disclosed in this item.

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ITEM 4: BANKRUPTCY

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

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ITEM 5: INITIAL FEES

Initial Fee

The initial franchise fee for the right to operate a single full sized Franchise Business is between \$40,000 and \$60,000 ("**Initial Franchise Fee**").

This fee is non-refundable and is (1) fully payable upon execution of the Franchise Agreement and (2) deemed fully earned by us upon receipt.

Initial Inventory

You will purchase from us or one of our Affiliates an initial proprietary inventory package for your Franchise Business. This initial proprietary inventory package contains the proprietary spices and other inventory items which are required to be purchased from us or one of our Affiliates pursuant to Item 8 hereof prior to the opening of your Buns on Fire Restaurant (the "**Initial Proprietary Inventory Package**"). The initial proprietary inventory package ("**Initial Proprietary Inventory Package Fee**") cost is expected to between \$10,000 to \$30,000. There are additional supplies such as certain perishable food items you will purchase from third-party suppliers. The Initial Proprietary Inventory Package may not include all the inventory and equipment required to operate your Buns on Fire Restaurant. It is your responsibility to obtain the balance of any inventory and equipment necessary to operate the Buns on Fire Restaurant.

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ITEM 6: OTHER FEES

Type of Fee ¹	Amount	Due Date	Remarks
Royalty	6% of Gross Revenue ²	Payable monthly. This will be collected as of the first week of the month.	Royalty Fees are payable by automatic debit, and funds must be made available in your account for withdrawal. All monthly earnings reports are due by the fifth of each month for the previous month.
Proprietary Marketing Fund	1% of Gross Revenue	Payable monthly. This will be collected as of the first week of the month.	We will use this to cover, among other things, collection of customer data, customer feedback and mystery shopping. Royalty Fees are payable by automatic debit, and funds must be made available in your account for withdrawal. All monthly earnings reports are due by the fifth of each month for the previous month.
Local Advertising and Marketing	1% of Gross Revenue	Must be spent monthly - paid directly to advertising vendors.	The amount you spend on marketing must be reported to us on a quarterly basis. This is in addition to your Marketing Fund contributions. Any advertising you propose to use must be approved by us. All advertising submitted to us for our review will become our property.
Annual Conference Fee	\$500 per year, if established	If established, we will bill you no less than sixty (60) days before the annual conference.	
Technology and social media Fee	In an amount to be determined, we reserve the right to implement a fee for these services.	If applicable, payable on the 10th day of the month for the preceding month.	We do not currently have a Technology and Social Media fee; if established we anticipate that the monthly fee will be approximately

¹ Except as described below, all fees are uniformly imposed by us. All fees are payable to us and are nonrefundable. We may require that you participate in an electronic funds transfer program by which payments due us are paid or directed electronically from your bank.

² "Gross Revenue" means all revenue of the Franchise Business, including all sales of products and services to customers of the Franchise Business (including income related to catering and delivery services, and any sales or orders of food products or food preparation services provided from or related to the Franchise Business), whether for cash or credit and regardless of collection in the case of credit. Gross Sales excludes excise, sales and use taxes, gross receipts taxes or similar taxes you pay based on revenues, if those taxes are separately stated when the customer is charged, and also excluding bona fide refunds actually paid to customers.

			between 1% and 2% of Gross Revenue.
Insurance	Cost of procuring insurance for you.	If incurred.	If you do not provide proof of insurance for your Franchise Business, we may procure it on your behalf and charge you the cost of procuring this insurance, including an administrative fee of \$2,500 payable to us.
Transfer Fee	50% of the then current initial franchise fee.	Prior to consummation of the transfer.	Payable if you sell your franchise.
Audit Fee	Cost of the audit if we discover you have under reported by more than 5%.	Upon demand.	
Interest on Late Payments	A late fee of not less than \$30 per day while an amount is overdue.	Upon demand.	Payable on all overdue amounts.
Additional Onsite Training	Our then-current additional training fee (currently \$25 per hour per instructor if at BoF Buffalo Grove or BoF Glendale Heights or \$45 per hour per instructor at your Buns on Fire Restaurant) plus our expenses (including travel/airfare and hotel expenses if at your Buns on Fire Restaurant).	When required	Additional periodic refresher or supplemental training as required by the Franchise Agreement (and franchisee performance)
Renewal Fee	25% of the then current initial franchise fee.	Prior to execution of the renewal documents.	Payable if you renew your franchise.
Prohibited Product or Service Fee	\$250 per day of use of unauthorized products or services.	If incurred.	In addition to other remedies available to us.
Costs and Attorneys' Fees	Will vary under circumstances	Upon request.	If you default under a franchise or Area Development Agreement, you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing and/or terminating the agreement.
Securities Offering	Will vary under circumstances	Upon request	If you propose to make an offering of any securities, you must reimburse us for our reasonable costs (including attorneys' fees and accounting fees) in

			evaluating your proposed offering.
Indemnification	Will vary under circumstances	Upon request	You must reimburse us for the costs we incur if we are sued or held liable for claims that arise from your operation of the Franchise Business or in connection with any offer of your securities, or for costs associated with defending claims that you used the trademarks in an unauthorized manner.
Non-Compliance Fine	\$500 for the first violation if not corrected in 7 days; additional \$1,000 if violation is not corrected within 30 days; additional \$3,000 if violation is not corrected within 60 days	If incurred	In addition to other remedies available to us.
Refurbishment of Franchise Business	Not to exceed \$75,000.	Not more than once every five years	We may require you to refurbish your Franchise Business to meet our then-current image for all restaurants in the System.
Supplier or Product Testing	Actual costs	At time of inspection	Applies to new suppliers or supplies you wish to purchase that we have not approved. This fee is paid to third party vendors or to reimburse us if we have paid to third party vendors.
Application Service Provider Fees	To be determined	Per month	This will be paid to a third party that provides leased software and warehouse storage for sales records. There may also be fees required to be paid directly to POS provider.
Violation of Non-competition Covenant	\$500 per week	As incurred	If you violate the covenant not to compete in the Franchise Agreement.
Promotional Expenses	Varies	As incurred	You may be required to participate in System-wide promotional programs that we may develop that may include providing promotional food items to guests as part of the program(s).
Gift Cards	To be determined if program	As incurred	If implemented, you must participate in our Gift

	implemented		Card program, which we or a third party may administer.
Liquidated Damages	Varies	If we terminate the Franchise Agreement for cause	Liquidated Damages equal to the average monthly royalties that you paid us during the 12 months preceding termination multiplied by 24 or the number of months remaining in your franchise term, whichever is higher.
Relocation Fee	\$2,500	If you request permission to relocate your Franchise Business	This covers our costs related to your relocation request.

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ITEM 7: ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When due	To whom payment is to be made
Initial Franchise Fee ³	\$40,000 to \$60,000	Lump Sum	Upon execution of the Franchise Agreement	Us
Travel Expenses to Attend Training ⁴	\$2,000 to \$10,000	As Incurred	As Incurred	Third Parties
Real Property ⁵	\$3,000 to \$10,000	As agreed	As agreed	Landlord or land owner
Build-Out/Construction ⁶	\$150,000 to \$250,000	As agreed	As agreed	Suppliers
Fixture Package ⁷	\$20,000 to \$40,000	As agreed	As agreed	Suppliers
Initial Inventory ⁸	\$8,000 to \$15,000	As incurred	As incurred	Us (or our Designated Affiliate) and Suppliers
Marketing Supplies ⁹	\$2,000 to \$7,000	As incurred	As incurred	Suppliers

³ This is the initial franchise fee for a single unit only. See Item 5.

⁴ You must pay for the salaries and benefits, travel expenses and other expenses while you and your management staff attend the training program. These will vary based on your location, quality of accommodation, wages, per diem allotment, seasonality of travel expenses, and number of staff members. The estimate in this table includes expenses for a minimum of 2, and up to 4 trainees. The low end of the range is the estimate for training that is local for the trainees and includes expenses for meals but not travel or hotel.

⁵ We expect that you will either purchase or lease the real estate for the Franchise Business. This estimate assumes that you will be renting a 1,200-3,000 square foot space. We expect most spaces will be approximately this size, but we may approve smaller spaces in our sole discretion. Your actual rent may differ based on market factors in your area. We do not lease or sell space to you.

⁶ This amount is based on our prior experience and is the costs of converting a raw space which needs to be fully converted for use as a Franchise Business.

⁷ This includes the cost of food and beverage equipment, registers, booths, tables, custom bar top, stools, small wares, office equipment and supplies.

⁸ You must purchase an initial inventory as described in the manuals that meet our specifications. The size of your initial inventory will depend on factors such as the size of your Franchise Business and your expected customer base. This line item includes the Initial Proprietary Inventory Package Fee.

⁹ You are required to do local marketing. Your marketing efforts will need to be tailored to your community and competitive situation. The cost of your marketing will vary based on local market conditions.

Signage ¹⁰	\$5,000 to \$10,000	As arranged	As arranged	Suppliers
Computer Hardware, Software, and POS System ¹¹	\$4,000 to \$6,000	As arranged	As arranged	Suppliers
Insurance ¹²	\$6,000 to \$10,000	As arranged	As arranged	Insurance Agents/Brokers
Licenses, Permits ¹³	\$1,000 to \$3,000	As incurred	As incurred	Municipalities and other Government entities
Grand Opening Campaign ¹⁴	\$1,000 to \$5,000	As incurred	As incurred	Third Parties
Legal & Accounting	\$3,000 to \$6,000	As arranged	As arranged	Accountants, Lawyers, other Third Parties
Additional Funds – 3 Months ¹⁵	\$10,000 to \$30,000	As incurred	As incurred	Employees, Suppliers, Utility Companies and Third Party Vendors.
TOTAL¹⁶	\$255,000 to \$462,000			

¹⁰ This estimate is for the cost of purchasing signage for your Franchise Business that meets our specifications.

¹¹ This includes the cost of the computer hardware, peripherals, and software that will serve as your point-of-sale computer system, cash drawer and the maintenance agreement for that system.

¹² You must carry insurance. The amount set forth above represents an estimate of the premiums required for general liability, workers' compensation, public liability and property damage, cyber risk and other insurance requirements. See Item 8 for more details.

¹³ The range given provides our best estimate of the costs you will incur for business permits and licenses, which will vary state by state.

¹⁴ You will be required to spend a certain amount of money on a Grand Opening Campaign. You must get our approval for all elements of the Grand Opening Campaign.

¹⁵ This is an estimate of the amount of additional operating capital that you may need during the first three months after opening your Franchise Business. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary during this start-up phase or after. This category includes estimated payroll, utilities, vendor, advertising, promotion, Royalties, Marketing Fund fees and similar costs during the initial phase of a new restaurant. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary during this start-up phase or after.

¹⁶ We relied on the experience we have operating corporate owned businesses similar to the Franchise Business to compile these estimates.

Notes: All payments to us are non-refundable and uniformly imposed unless otherwise stated.

There are no other direct or indirect payments in connection with the purchase of the franchise. We do not provide financing for the payment of any part of any fees or expenses.

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ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Obligation to Purchase or Lease Products or Services from Buns on Fire or an Affiliate

Except for produce which is to be sourced locally, you must purchase all the food products your Franchise Business will sell from suppliers identified by us, including from our affiliates.

Obligation to Purchase or Lease Products and Services under the Buns on Fire Food Restrictions

There are certain foods, beverages and products that are selected by us for consistency in quality and other considerations. These items, such as certain brand name products, are manufactured or produced only by manufacturers or producers approved by us in writing. To ensure that you adhere to the uniformity requirements and quality standards associated with all the Buns on Fire Restaurant franchises, you must purchase these items for your Franchise Business, but you may purchase them from any approved distributor that can supply them. We will provide a written list of these selected foods, beverages and products. We will also notify you of any additions to or deletions from this list.

You must purchase certain foods, beverages and products that satisfy the written standards and specifications established by us. This requirement is necessary to ensure that you adhere to the uniformity requirements and quality standards associated with all the Buns on Fire Restaurant franchises. We will provide you with written standards and specifications for the layout of your Buns on Fire Restaurant premises, your equipment and signs, the decor and trade dress of your Franchise Business, and certain food and beverage items. We determine our uniformity and quality standards and specifications, in our sole discretion. We may modify our written standards and specifications, and you must comply with any modifications. You will be responsible for ensuring that all the foods, beverages and products selected by you will continue to conform to the standards and specifications established by us.

You must purchase or lease certain foods, beverages, equipment, supplies and products required for Buns on Fire Restaurant franchise from suppliers approved by us. We will provide a written list of approved suppliers and the foods, beverages and products subject to approved supplier requirements and will notify you of any additions or deletions from this list. We reserve the absolute right to update or otherwise modify this list from time to time, in our sole discretion, upon written notice to you. If you want to purchase products subject to our approved supplier requirements from a supplier who has not been previously approved by us, then you must, at your expense, send to us representative samples or specifications of that supplier's products or services, and certain other information about the supplier's products and business that we may request. We will also have the right to inspect the supplier's facilities and otherwise evaluate the proposed supplier and its products or services, and you must reimburse us for the expenses we incur to inspect and evaluate the supplier. Within thirty (30) days after receiving the necessary samples and information, we will notify you in writing as to whether the supplier's products or services comply with the uniformity requirements, quality standards and specifications established by us, and whether the supplier's business reputation, delivery performance, credit rating and other relevant information are satisfactory. If we do not respond in this time period, the supplier shall be deemed disapproved. The criteria for supplier approval are available to franchisees upon request. We reserve the right to approve or disapprove any requested supplier for any reason or no reason in our sole discretion.

In the future, you may be required to purchase other food, ingredients, supplies, merchandise, carpet, leasehold improvements, and/or decorations from us or our affiliates.

We estimate that purchases of food, beverages and products that meet our standards and specifications and purchases from designated or approved suppliers will constitute up to 80% of your initial expenditures to open your Buns on Fire Restaurant franchise, and approximately 60% of the annual ongoing expenditures to operate your Franchise Business.

Obligation to Sign Personal Guaranty with Us

As a Franchisee, you will be required to sign personal guarantees relating to the payment of fees payable to us (the "**Personal Guaranty**"). The Personal Guaranty is attached to the Franchise Agreement (which is attached to this Franchise Disclosure Document as Exhibit D).

Revenue from Franchisee Purchases

During the 2023 fiscal year, we received no revenue or other material consideration from required purchases or leases by Buns on Fire franchisees. No affiliates received revenue or other material consideration from required purchases or leases by Buns on Fire franchisees.

We do not negotiate purchase arrangements, including price terms, with any of your direct suppliers for your benefit, however, we do intend to negotiate purchase arrangements with our Product suppliers, which may benefit you indirectly. We reserve the right to negotiate rebates and other forms of compensation from suppliers. If we do, we may use any amounts that we receive from suppliers for any purpose we deem appropriate.

We do not provide material benefits to you (for example, renewal or granting additional franchises) for purchasing particular products or services or using particular suppliers.

We do not have any purchasing or distribution cooperatives at this time. We do not, and do not have plans to, negotiate purchase agreements with suppliers.

Insurance

You must obtain and maintain at your own expense the insurance coverage that we and your landlord (if applicable) periodically require, and you must meet the other insurance-related obligations in the Franchise Agreement. Currently, we require you to maintain the following coverages:

- (1) comprehensive general liability insurance for bodily injury, death and property damage caused by your operation of the Franchise Business, including employment practices liability coverage and contractual liability coverage, (not less than \$1,000,000 each occurrence for bodily injury, death or property damage; not less than \$1,000,000 each occurrence for personal and advertising injury; and \$2,000,000 general aggregate); all risk property and casualty insurance, including fire coverage in an amount equal to the replacement cost value of cost of build out, improvements & betterments, equipment, furniture, fixtures & inventory;
- (2) business interruption insurance in sufficient amounts to cover 12 months of revenue but not less than \$100,000 per year;
- (3) products liability and completed operation insurance (minimum coverage of \$2,000,000);
- (4) worker's compensation insurance state disability insurance and all other insurance required by law;
- (5) Cyber risk policy;
- (6) commercial umbrella liability insurance with limits which bring the total of all primary underlying coverages (comprehensive general liability, business interruption, products liability and employers' liability) to not less than \$5,000,000 total limit liability. This umbrella liability will provide at a minimum those coverages and endorsements required in the underlying policies; and
- (7) if you use a motor vehicle in the operation of your Franchise Business, business automotive coverage, including owned, hired, and non-owned vehicle liability (minimum coverage \$1,000,000).

We may require you to obtain insurance coverage for other risks or increase the required amount of coverage and require different or additional insurance during the Franchise Agreement term. Premiums will depend upon the insurance carrier's charges, terms of payment and your loss history. Each insurance policy must: (1) name us and our affiliates as an additional named insureds and contain a waiver of all subrogation rights against us; (2) provide for thirty (30) days' prior written notice to us of any material modification, cancellation, or expiration of the policy; (3) provide that coverage applies separately to each insured against whom a claim is brought; (4) contain no provision which limits coverage in the event of a claim by a party who is indemnified under the Franchise Agreement; (5) be primary; and (6) extend to and provide indemnity for all obligations assumed by you under the Franchise Agreement. You must obtain our approval of your insurance carriers and provide evidence of coverage as and when we may require.

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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 other items of this disclosure document.

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Articles II and VII	Item 11
b. Pre —opening purchase/leases	Articles II, VII, VIII and IX	Items 7 and 8
c. Site development and other pre-opening requirements	Articles II, VII, VIII and IX	Items 7 and 11
d. Initial and ongoing training, and annual conference	Articles VI and XX	Item 11
e. Opening	Articles II, VI and VII	Item 11
f. Fees	Articles V, VIII, IX, XI and XX	Items 5 and 6
g. Compliance with standards and policies/Operations Manual	Articles VI, VIII, XI and XV	Items 8, 11 and 14
h. Trademarks and proprietary information	Articles III, VIII and XI	Items 13 and 14
i. Restrictions on products/services offered	Article VII and VIII	Items 8 and 16
j. Warranty and customer service requirements	Not Applicable	Not Applicable
k. Territorial development and sales quotas	Article I and Exhibit A	Item 12
l. Ongoing product/service purchases	Article VIII	Item 8
m. Maintenance, appearance, and remodeling requirements	Articles II, VIII, XV and XX	Item 17
n. Insurance	Article XII	Items 7 and 8
o. Advertising	Article IX	Items 6 and 11
p. Indemnification	Article XIII	Item 6
q. Owner's participation/management/staffing	Articles VIII and XIX	Item 15
r. Records and reports	Article X	Item 6
s. Inspections and audits	Articles VII and X	Items 6 and I 1
t. Transfer	Article XX	Items 6 and 17
u. Renewal	Article IV	Item 17
v. post-termination obligations	Article XVIII	Item 17
w. non-competition covenants	Article XIV	Item 17

x. Dispute resolution	Article XXIX	Item 17
y. Guaranty of franchisee obligations	Exhibit B	Item 15

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ITEM 10: FINANCING

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

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

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

Pre-Opening Assistance

Before you begin operation of the Franchise Business, we will:

- (1) designate the Territory (Section 1.1 of the Franchise Agreement);
- (2) review the site you select for your franchise to determine if it complies with requirements for the Franchise Business (Sections 2.1, 2.2 and 2.3 of the Franchise Agreement);
- (3) provide an initial training program in the establishment and operation of the Franchise Business. Initial training is described in more detail below and will be provided after you sign the franchise agreement (Section 6.1 of the Franchise Agreement);
- (4) provide you with guidelines and specifications for the operation and management of the Franchise Business that you must adopt, including construction and build-out, installation, repair, maintenance and safety procedures, record keeping, sales and marketing (Articles 2 and 7 of the Franchise Agreement);
- (5) make available to you a copy of the Operations Manual, which will include standards and specifications for procedures, management, and operation of the Franchise Business (Section 11.1 of the Franchise Agreement);
- (6) provide you with a written or electronic schedule of all foods, food items, beverages, furniture, fixtures, supplies and equipment required for your Franchise Business (Sections 7.1, 7.2, 7.8, 8.6 and 8.7 of the Franchise Agreement);
- (7) provide a list of the designated and approved suppliers for the products and services required by us for use or sale in your Franchise Business (Section 8.6 of the Franchise Agreement);
- (8) provide you and/or direct suppliers to provide you with assistance in ordering opening inventory and supplies via our ordering system;
- (9) connect you with our design team, who will assist you with interior and exterior signage and other branding;
- (10) license to you the right to use the Proprietary Marks in connection with the Franchise Business (Section 3.2 of the Franchise Agreement); and
- (11) provide guidelines regarding your promotional plan for your Grand Opening Campaign (Section 7.4 of the Franchise Agreement).

We do not own any franchisee locations. Each franchisee must secure its own premises.

We do not provide assistance with conforming the premises to local ordinances and building codes and obtaining any required permits. The permitting process and the actual construction, remodeling and outfitting the premises is the responsibility of the franchisee, though we will offer whatever support possible by answering questions.

We train two individuals at each franchisee, whether owners or managers. The hiring and training of employees is the responsibility of the franchisee.

We may offer guidance with respect to the selling price for such goods, products and services; however, Franchisee is in no way bound to adhere to any such recommended or suggested price. Franchisee shall have the right to sell its products and provide services at any price that Franchisee may determine.

Post-Opening Assistance

During the operation of the Franchise Business, we will:

- (1) continue to provide you with guidelines, and assist you in the acquisition of items required to operate your Franchise Business (Sections 8.5 and 8.6 of the Franchise Agreement);
- (2) provide general advisory assistance, including site visits, as we believe necessary to help you in the ongoing operation, advertising and promotion of the Franchise Business (Section 7.6 of the Franchise Agreement);
- (3) provide knowledge and expertise, as we deem appropriate, to help improve the performance of your Franchise Business (Section 7.3 of the Franchise Agreement);
- (4) provide you with the specifications for advertising and marketing materials you may use to promote your Franchise Business. You may not use advertising and marketing materials sourced from any supplier without first obtaining our written approval. (Article IX of the Franchise Agreement);
- (5) provide you with content for posting on Social Media pages, if we permit you to have a Social Media page. You may not make any social media posts without our consent, and we must have administrator rights for all social media accounts associated with the Franchise Business. (Section 9.6 of the Franchise Agreement);
- (6) provide you with updates, revisions and amendments to the Operations Manual as we deem necessary (Section 11.3 of the Franchise Agreement);
- (7) provide the names and addresses of newly approved and designated suppliers for the foods, beverages and products required by us to be used or sold in your Franchise Business (Section 8.10 of the Franchise Agreement);
- (8) legally protect the Proprietary Marks and the System (Section 3.10 of the Franchise Agreement);
- (9) provide you with plans and specifications for any equipment and software installations (Section 7.1 of the Franchise Agreement);
- (10) administer and maintain the Marketing Fund in our discretion (Section 9.1 of the Franchise Agreement); and
- (11) if requested, we will send a consultant to train, assist and advise you on operations issues at the Franchise Business, as applicable (Section 7.3 of the Franchise Agreement). You will reimburse us for Travel Expenses and pay the then-current per diem training fee for such consulting assistance.

Proprietary Marketing Fund

We administer and maintain a Proprietary Marketing Fund (the "**Marketing Fund**") for national and global advertising programs with monies collected from franchisees and corporate stores. We will determine, in our sole discretion, when, how and where the payments deposited into the Marketing Fund will be spent. We select the types of media used and the location of the advertising campaigns administered through the Marketing Fund. We use or may use the following media: print, radio, television, telephone, smart phone, social media and Internet. We may also use the funds for general public relations and to otherwise obtain and build brand awareness. The focus is on national and international coverage and marketing development and will be handled in-house or outsourced to a professional advertising or public relations firm. We will not receive any compensation for providing services to the Marketing Fund, other than the reimbursement of ordinary and necessary expenses, which may include in-house staff.

You must contribute one percent (1%) of your Gross Sales to the Marketing Fund. All franchisees and franchisor-owned operations will contribute on the same pro rata basis. At your request, we will make available to you an annual unaudited financial statement of the Marketing Fund. As we have just commenced franchising efforts, we have no prior year's allocation of expenditures to disclose.

We are not obligated to spend any amount of the Marketing Fund on marketing in your specific area. Any unspent amounts in the Marketing Fund will be saved for later spending. No percentage of the Marketing Fund will be used for the solicitation of franchisees; however, our advertising and marketing material may contain contact numbers for obtaining information about Buns on Fire Restaurant franchises.

Regional and Local Advertising

You must spend at least one percent (1%) of your Gross Revenue on local advertising and marketing ("**Local Marketing Expenditure**"). You must, at our request, provide invoices or other supporting documentation to us to substantiate your Local Marketing expenditures. If you fail to meet this minimum requirement, you will pay the difference between what you should have spent and what you actually spent into the Marketing Fund. You will not establish a website or social media page for your Franchise Business including social media accounts or pages without our prior consent.

Although we only require a Local Marketing Expenditure of one percent (1%), we strongly recommend to increase the exposure and chance of success of the Franchise Business, a larger percentage than the required one percent (1%) may be advantageous.

We will provide you with the specifications for any advertising and marketing materials you use to promote your Franchise Business. However, you may not use advertising and marketing materials sourced from any other supplier without first obtaining our approval. All advertising placement is at your own discretion and cost.

We currently do not have any cooperatives. However, if we choose to, we may designate a geographic area in which two (2) or more Franchise Businesses are located as a region in order to establish a cooperative. The cooperative's members in any area will include all of the Franchise Businesses operating in that area (including us or our affiliates, if applicable). Each cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine. Each cooperative will operate in accordance with a written governing document which we may amend at any time upon written notice to the cooperative's members. Each cooperative's purpose is, with our approval, to administer advertising programs and develop advertising, marketing and promotional materials for the area that the cooperative covers. You must become a member of any cooperative whose area includes your Franchise Business and must contribute to the cooperative the amounts determined by the cooperative.

We currently have no advisory council composed of franchisees to advise us on our advertising policies. If we elect to establish an advisory council, you agree to participate in its activities and to pay any dues we may assess for administration of advisory council programs, and you will be responsible for your expenses incurred in

connection with advisory council programs. You will be permitted to vote for franchisee representatives on the advisory council in accordance with guidelines that we may establish from time to time. Furthermore, we will have the option to modify or eliminate any advisory council that we may establish from time to time.

If other Franchise Businesses are located in your area, you will be required to participate in any local advertising cooperative that we establish, if we require your participation. Your participation may include paying a pro rata share of any directory listing(s), which will count towards your local advertising requirement.

You will be required to participate in marketing campaigns, including our loyalty program, if we establish one, under the terms we establish which we may change in our sole discretion. If established, your participation may include a requirement that you provide free product as incentives and rewards, as set forth in the loyalty program. We will administer any loyalty program established and we will make all decisions regarding its use, including all decisions regarding promotions, rewards, and incentives, which you may be required to provide at your own cost. We may discontinue the use of the loyalty program at any time.

If you desire to use materials from sources other than us, you must send for our review samples of any advertising, promotional and marketing material which we have not prepared or previously approved before you use them. If you do not receive written approval within fifteen (15) days after we receive the materials, they shall be deemed disapproved. You may not use any advertising or promotional materials that we have disapproved.

Website

We will maintain a corporate website to advertise, market and promote the Buns on Fire business and our business worldwide, as well as franchise opportunities (the "**Corporate Website**"), which we periodically may update and modify. We will list your Buns on Fire Restaurant location and other information related to your Franchise Business on our Corporate Website. You may not use any other Internet or mobile site, account or web pages in connection with the Franchise Business or otherwise containing or displaying the Marks, including but not limited to, YouTube, Facebook, X, Snapchat, LinkedIn, TikTok or Instagram without our approval and written consent.

In addition, you cannot operate or build a website through other electronic media that provides content in the areas of the business that we operate even if the site does not mention Buns on Fire or its affiliates or contain any of its information or branding, even if said site is not in connection with Buns on Fire business without our written consent.

We have the right to designate, approve, control or limit all aspects of your Franchise Business that you conduct over the Internet ("e-commerce") including, without limitation, the URLs, domain names, website addresses, metatags, links, key words, e-mail addresses, bulletin boards, social media, chat rooms and any other means of electronic identification or origin ("e-names") used in connection with your Buns on Fire Restaurant business. We have final control and approval over all content and information on the Corporate Website as well as franchise subpages. We will own all intellectual property and other rights on the Corporate Website and all information they contain (including but not limited to, the domain name or URL for Your Website, the log of "hits" by visitors, and any personal or business data that visitors supply, but excluding your proprietary information).

All e-commerce activity will be conducted through the Corporate Website or a mobile application that we may develop at our discretion. You shall not be permitted to offer or sell any Products over the internet.

You agree to comply with any additional policies and standards we issue periodically with respect to the Internet and e-commerce. Should we consent in writing to you advertising or usage of the Internet for your Franchise Business, you must supply us with the current usernames, passwords, credentials and other account information that you have used in connection with any accounts relating to any approved Internet usage of the Marks and we must have co-administrative rights to all web pages.

Social Media Policy

To ensure consistency and quality of the company's message, we maintain and control all Social Media accounts associated with the Franchised Businesses. If we were to allow Social Media Accounts, you must comply with our Social Media Policy.

Computer Requirements

You must keep your books and business records according to our prescribed formats. To help your reporting to us and other communications, you must purchase or lease an electronic cash register in your restaurant. We will specify the point of sale ("POS") system you must purchase or lease in our Operations Manual. You must also use our online ordering service (and, if we implement them, our online ordering service and/or mobile ordering service) which will be handled by a third party or third parties. The principal function of the system is to capture, track, and organize the customer orders and financial information including sales, taxes, inventory, and transactions. All items sold must be entered in the POS system.

The computers and software used in your Franchise Business must meet the standards, specifications and requirements established by us in the Operations Manual(s) or otherwise in writing. You must purchase, equip, install and utilize in your Franchise Business computers and software obtained from us or our designated suppliers. The estimated initial cost for your computers and software ranges from \$4,000 to \$6,000.

You are responsible for all maintenance costs associated with the computer hardware and computer software at your sole expense. We may require you to enter into software or computer maintenance contracts with third parties or our affiliate(s). We estimate that the cost of this obligation will generally range from \$600 to \$2,000 per year. There is no contractual limitation on the frequency and cost of this obligation.

You will arrange for broadband Internet service to facilitate electronic communication between us and you and maintain a high-speed internet connection attached to the POS system with a static IP address at all times, at your sole cost. You agree to give us, and acknowledge that we shall have, the free and unfettered right to retrieve any data and information from your computers as we deem appropriate, including electronically polling the daily information and other data of the Franchise Business. Your system must be interfaced with the system that we maintain at our offices and we will be able to access your registers to determine your daily receipts. There are no contractual limitations on our independent access to the information and data stored on the required cash register / computer system. You must obtain, provide to us, and maintain an email address in order to allow us to communicate with you electronically and you must immediately advise us of any change in your email address.

All data that you provide, that we download from your system, and that we otherwise collect from you is owned exclusively by us, and we will have the right to use that data in any way that we deem appropriate without compensating you.

You must make such additions, upgrades, changes, modifications, substitutions and replacements to your computer hardware, software, telephone and power lines or other computer-related facilities as we may direct, and on the dates and within the times we specify. There are no contractual limitations on our right to require you to obtain upgrades and/or modifications, or the cost of these upgrades and/or modifications to you. Upon termination or expiration of the Franchise Agreement, any computer software, discs, drives and other storage media we provide must be returned to us in good condition, excepting normal wear and tear.

You must ensure that you are maintaining a Payment Card Industry ("PCI") compliant security service subscription to protect the confidentiality of information gathered from customers' credit cards and other payment cards. The POS vendor may offer this service, however, if it does not or it discontinues this service you must enroll in a new service. We will designate the PCI compliant vendor that you must use and the security service subscription that you must subscribe to in the Operations Manual.

Confidential Operations Manual

We will loan you an operations manual (the "**Operations Manual**"), which is confidential and remains our property. We may modify the Operations Manual, but the modification will not alter your status and rights under the Franchise Agreement.

Every two to five years, or as reasonably required to maintain the functionality of the Operations Manual, we may require you to pay reasonable costs for reproduction of a revised Operations Manual, which we will loan to you.

Initial Training

Our operational training program consists of a total of approximately two (2) weeks of instruction concerning all aspects of the operation and management of the Franchise Business, including review and discussion of the Operations Manual and other detailed aspects of the operation of your business. The cost for training your management team (up to two (2) members) is included in the Initial Franchise Fee. If you request that we provide our initial training program to additional trainees, whether before your Franchise Business opens or while it is operating, you must pay our then-current training fee for each additional trainee. The training will take place at the Buns on Fire Restaurant location that we designate that is convenient for all parties. Our training program is mandatory and is conducted throughout the year on an "as-needed" basis. All training must be completed to our satisfaction. You must pay all expenses that you and your team incur while attending our training program and any refresher training program that we require, including travel, lodging, meals, and applicable wages. If you fail to complete our training program to our satisfaction, we have the right to terminate your Franchise Agreement without providing you a refund of the initial franchise fee.

The materials that we use in our initial training program include our Confidential Operations Manual and other instructional materials that we believe are beneficial to the training process. Currently, the following is a general outline of the training, which is subject to change:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Burger Preparation and Use / Cleaning of Grill	0	9	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Deliveries	4	4	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Soda Fridge Preparation / Opening set-up	0	10	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Serving and Guest Greetings	0	12	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Sandwich Prep	0	9	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Cooking in Fryer; Wings, Fries, and Other Items	0	6	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed

Cleaning Fryers and Changing Oil	1	2	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Cleaning Grill, Dishes, and Front Service Station	2	6	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Sweeping, and Mopping	1	3	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Cleaning Windows, Walls, Shelves, and Walk-in	0	4	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
POS and Online Order Receiving	5	5	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Permitting, Delivery, and Inventory Management	6	6	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed
Totals	19	76	Franchise restaurant; Company restaurant, Zoom (for classroom) as directed

Training will be provided by the then-current corporate store manager, lead supervisor, or Sohaib Mohammed, whose biography is in Item 2 above, or other experienced Buns on Fire personnel who we may designate. The individuals responsible for training will have at least two (2) years of experience working with Buns on Fire.

Video training is also provided—and required—prior to the Initial Training outlined above. These instructional videos may be accessed at any point during or after the training if requested.

Site Selection

You must operate the Franchise Business from the approved location within the Territory, which should be at least 1,200 square feet in size and include sufficient space for among other things, an administrative desk space, and access to parking facilities. You must obtain our approval of the site you select for location of your Franchise Business. When you have found a site which you believe to be suitable for your Franchise Business, you must submit a completed site approval package to us (the **"Site Approval Package"**) and other materials which we may reasonably require. We will have thirty (30) days to approve or disapprove of the site that you propose.

Our site selection and/or acceptance is based on factors such as residential population, traffic counts and patterns, competing establishments, median income levels, availability of parking, rental and lease terms, physical configuration of the site and growth trends in the area. We are not obligated to approve any site selected, but we will not unreasonably withhold our approval of a site that meets the minimum criteria for your business premises. You must sign a Conditional Assignment of Lease in a form designated by us. If you do not find a suitable site within six (6) months, we can terminate the Franchise Agreement and keep the Initial Franchise Fee. Our approval of your site is not a guaranty or warranty that the Franchise Business will be successful.

Opening

You may not open the Franchise Business until you and your staff (as required) have completed Initial Training and satisfied all of the other pre-opening obligations, including, securing all required licenses and insurance, hiring sufficient staff, ordering and receiving your Fixture Package and Initial Inventory, build out of

the space in accordance with our System standards, and completing a grand opening campaign that we have approved.

You must complete Initial Training and be ready to open within six (6) months of the signing of the Franchise Agreement unless otherwise specified in writing. This is the typical length of time required to open a Franchise Business. Your ability to obtain a lease, financing, or building permits, zoning and local ordinances, or delayed installation of equipment, fixtures, and signs may also affect when you open the Franchise Business. If you fail to open your Franchise Business by the required opening date designated in the Franchise Agreement, we may terminate the Franchise Agreement.

We may require you to obtain a loan commitment for a working capital line of credit in an amount to support your Franchise Business as described in your Business Plan. If we impose this requirement, you must provide documentation that the loan commitment has been secured at least thirty (30) days prior to opening.

Annual Conference

We may choose to host an Annual Conference, although to date none have been scheduled. If and when an Annual Conference is planned, you will be notified.

Gift Card Program

We reserve the right to establish a program for all franchisees to sell or otherwise issue gift cards or certificates (together "**Gift Cards**"). If we establish this program, you must participate by offering Gift Cards to your customers and honoring all Gift Cards presented to you as payment for products, regardless of whether the Gift Card was issued by you or another franchisee.

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ITEM 12: TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. The Franchise Agreement does not grant you any territorial rights beyond whatever geographic area identified in an exhibit to the Franchise Agreement. There will, however, be protected geographical territory ("**Protected Territory**"). The Protected Territory, as designated in Exhibit A to the Franchise Agreement, will be an area up to five (5) miles surrounding the restaurant determined by shortest driving distance using Google Maps or a similar mapping program. Except for Non-Traditional Sites as defined below and in Article 1.4 of the Franchise Agreement, Franchisor agrees not to establish another Franchised Business within the Franchisee's Protected Territory. The Protected Territory will be a substantially smaller area around the Franchise Business if it is located in an urban or highly populated setting. For locations in urban or highly populated areas the Protected Territory may be an area of only several blocks around the location approved for the Franchise Business, and for locations in suburban areas the Territory may be up to a two-mile area surrounding the restaurant, also determined by shortest driving distance using Google Maps or a similar mapping program. In all cases the Protected Territory will be set forth in the Franchise Agreement. During the term of the Franchise Agreement we will not, without your consent, establish or franchise another to establish a franchise within your Protected Territory under the Franchise Agreement except for the right to operate and to grant others the right to operate restaurants at "Non-Traditional Sites" (as defined in the Franchise Agreement) under any terms and conditions the Franchisor deems appropriate, regardless of proximity to the Franchise Business as provided in the Franchise Agreement. The designation of your Protected Territory does not mean that other Franchised Business may not solicit, market or advertise to customers within your Protected Territory. It solely means the Franchisor agrees not to establish Franchised Business within the Protected Territory. The relocation of any Franchise Business will be subject to our prior written approval, which may be withheld on whatever basis we determine is in our best interests. If we approve relocation of the Franchise Business, its new location must not be in the Protected Territory of another Franchised Business.

The Protected Territory granted to you is not dependent upon the achievement of a certain sales volume, market penetration or other contingency. There are no circumstances under which the protected area granted to you may be altered before the expiration or termination of the Franchise Agreement, without our mutual consent.

Except as expressly limited by the terms of your Franchise Agreement, we and our affiliates retain all rights with respect to franchised businesses, the Proprietary Marks, and any goods and services outside of your Protected Territory, including: (a) to produce, offer and sell and to grant others the right to produce, offer and sell the services and/or goods offered at the Franchise Business and any other goods and services through similar or dissimilar channels of distribution under trade and service marks other than the Proprietary Marks and under any terms; (b) the right to operate or grant others the right to operate a Buns on Fire franchise anywhere regardless of its proximity to your Franchise Business and on terms we deem appropriate; (c) to operate and to grant others the right to operate Buns on Fire Restaurants at Non-Traditional Sites anywhere under any terms and conditions we deem appropriate; and (d) the right to acquire and operate a business operating one or more restaurants and/or other food service businesses located or operated anywhere.

You may sell our proprietary products and related merchandise to retail customers and prospective retail customers who live anywhere but who choose to visit the Franchise Business. You may not engage in any promotional activities or sell our proprietary products or similar products or services, whether directly or indirectly, through or on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system (collectively, the "**Electronic Media**"); through catalogs or other mail order devices sent or directed to customers or prospective customers located anywhere; or by telecopy or other telephonic or electronic communications, including toll-free numbers, directed to or received from customers or prospective customers located anywhere. You may not place advertisements in printed media and on television and radio that are targeted to customers and prospective customers located outside of your Protected Territory. You may not sell our proprietary products to any business or other customer for resale.

We and our affiliates may, and currently do, sell products under the Proprietary Marks within and outside your Protected Territory through various methods of distribution other than a dedicated Buns on Fire franchise, including sales through channels of distribution such as the Internet, catalog sales, telemarketing, retail stores that sell food products and grocery stores, or other direct marketing sales (together, "**Alternative Distribution Channels**"). You may not use Alternative Distribution Channels to make sales outside or inside your Protected Territory. However, you may face competition from these Alternative Distribution Channels within your Protected Territory.

Except for the Buns on Fire Restaurants operated by us or our affiliates, neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned businesses which sell our proprietary products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent.

You have no options, rights of first refusal, or similar rights to acquire additional Franchise Businesses.

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ITEM 13: TRADEMARKS

Under the Franchise Agreement, we grant you the non-exclusive right to use the Proprietary Marks for the purposes of the Franchise Business. You may not use any of the Marks as part of your corporate or other entity name. You must also follow the instructions we provide for identifying yourself and for filing and maintaining the requisite trade name of fictitious name registrations.

We license the right to use Proprietary Marks from SMYA Ventures LLC ("Licensor"). All of the Marks are licensed to us pursuant to a License Agreement with Licensor (the "**License Agreement**"). In the License Agreement, Licensor authorizes us to use the Marks in connection with the offer, sale, and support of Franchise Businesses. The License Agreement does not contain any significant limitations on our right to use or license the Marks to you and may be terminated unilaterally by either party upon a material breach of the License Agreement. Upon termination of the License Agreement, we must immediately discontinue the use of the Marks, and no arrangement regarding the assignment of all of our franchise agreements licensing the use of the Marks to Licensor and Licensor's assumption of all obligations under such agreements arising from and after their assignment is contained in the License Agreement.

Licensor owns the following Marks that have been registered on the Principal Register of the USPTO:

Proprietary Marks	Serial Numbers	Date of Filing	Registration Number	Registration Date
BUNS ON FIRE	99265528	July 2, 2025	N/A	N/A

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation involving the Proprietary Marks. There are no agreements currently in effect which significantly limit our right to use or license the use of the Proprietary Marks in any manner material to you.

Your right to use the Proprietary Marks is derived solely from the Franchise Agreement and is limited to your development and/or operation of the Franchise Business in compliance with the applicable agreement and all applicable standards, specifications and operating procedures we prescribe during the term of the applicable agreement. Any unauthorized use of the Proprietary Marks by you constitutes a breach of the applicable agreement and an infringement of our rights in and to the Proprietary Marks. Your use of the Proprietary Marks and any goodwill established by this use will inure to our exclusive benefit. The Franchise Agreement confers no goodwill or other interests in the Proprietary Marks on you. All provisions of the Franchise Agreement applicable to the Proprietary Marks will apply to any other trademarks, service marks, commercial symbols and trade dress we authorize in writing for use by and licensed to you after you sign the applicable agreement.

You must use the Proprietary Marks as the sole trade identification of the Franchise Business and must identify yourself in the form we prescribe as the independent owner of the Franchise Business. Unless authorized by us in writing, You may not use any Proprietary Mark or variation thereof as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modified form. You may not use any Proprietary Mark in any manner we have not expressly authorized in writing. You must display the Proprietary Marks prominently in the manner we prescribe. You must give notices of trademark and service mark registrations that we specify and obtain business name registrations as required under applicable law.

You must immediately notify us of any apparent infringement of or challenge to your use of any Proprietary Mark or claim by any person of any rights in any Proprietary Mark. You may not communicate with anyone except us and our counsel with respect to any infringement, challenge or claim. We will have sole discretion to take action as we deem appropriate in connection with any infringement, challenge or claim, and the sole right to exclusively control any litigation or other proceeding arising out of any infringement, challenge or claim relating

to any Proprietary Mark. You must sign any and all instruments and documents, give assistance, and do any acts and things as may in the opinion of our counsel be necessary or advisable in order to protect and maintain our interests in any litigation or proceeding or otherwise to protect and maintain our interests in the Proprietary Marks. We will reimburse you for the reasonable out-of-pocket expenses you incur and pay in complying with these requirements; except if any action we take with respect to any claim or proceeding results in any monetary recovery for you which exceeds your costs, then you must pay your own costs and share pro-rata in our costs up to the amount of the monetary recovery.

The Franchise Agreement does not require us to take affirmative action when notified of any infringements of or challenges to the Proprietary Marks. We have the right to control any litigation or administrative proceedings involving the Proprietary Marks. We will indemnify you against and reimburse you for all damages for which you are held liable in any proceeding arising out of your use of any Proprietary Mark according to and in compliance with the applicable agreement, and for all costs you reasonably incur in the defense of any claim in which you are named as a party, if you have timely notified us of the claim, have given us sole control of the defense and settlement of any claim and have otherwise complied with the applicable agreement. If any action taken by us with respect to any claim or proceeding results in any monetary recovery for you which exceeds your costs, then you must pay your own costs and share pro-rata in our costs up to the amount of the monetary recovery.

If it becomes advisable at any time in our sole judgment for you to modify or discontinue the use of any Proprietary Mark and/or for the Franchise Business to use one or more additional or substitute trade or service marks, you must immediately comply with our directions to modify or otherwise discontinue the use of the Proprietary Marks and/or to use one or more additional or substitute trademarks, service marks, logos or commercial symbols or substitute trade dress after our notice to you. Neither we nor our affiliates have any obligation to reimburse you for any expenditure you make in connection with any discontinuance or modification.

As of the date of this disclosure document, we are not aware of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks in any state.

We intend to renew the registration and file all appropriate affidavits for the mark at the times required by law.

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ITEM 14: PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not claim rights in any patents that are material to our business. However, we (and Licensor) claim common law copyrights in the Operations Manual, the menu designs, the training materials, the Corporate Website, and similar items used in operating the Franchise Business. Neither we nor Licensor have registered these copyrights with the United States Registrar of Copyrights.

There currently are no effective determinations of the USPTO, United States Copyright Office or any court regarding any of the copyrighted works. No agreement limits our right to use or license the copyrighted works except to the extent they include trademarks licensed to us by Juju. We do not know of any infringing uses which could materially affect your use of the copyrighted works in any state. No agreement requires us to protect or defend the copyrighted works or Confidential Information (defined below), although we intend to do so when the action is in the best interests of our System. No agreement requires us to indemnify you for your expenses or damages if you are a party to an administrative or judicial proceeding involving the copyrighted materials.

According to the Franchise Agreement, you acknowledge and agree (1) that we may authorize you to use certain copyrighted or copyrightable works in our discretion, (2) that the copyrighted works are our valuable property and of which we are the owner, and (3) that the rights granted to you are solely on the condition that you comply with the terms of the Franchise Agreement. You must acknowledge and agree that we own or are the licensee of the owner of the copyrighted works and will further create, acquire or obtain licenses for certain copyrights in various works of authorship used in connection with the operation of Franchise Businesses. The copyrighted works include the Operations Manual and may include all or part of the Proprietary Marks, trade dress and other portions of the Process. We intend that all works of authorship related to the Process and created in the future will be owned by us and copyrighted.

Your right to use the copyrighted works is derived solely from the Franchise Agreement and is limited to the use of the copyrighted works according to and in compliance with the agreement and all applicable standards, specifications, and operating procedures we prescribe. You must ensure that all copyrighted works used bear an appropriate copyright notice under applicable copyright laws as we may prescribe in the Operations Manual specifying that we are the owner of the copyright. The Franchise Agreement confers no interest in the copyrighted works upon you, other than the right to operate the Franchise Business in compliance with the agreement.

You must immediately notify us of any actual or apparent infringement of or challenge to any of the copyrighted works or claim by any person of any rights in the copyrighted works and may not communicate with any person other than us and our counsel in connection with any infringement, challenge or claim. We shall have the sole discretion to take any action as we deem appropriate and the right to control exclusively any settlement, litigation, arbitration or administrative proceeding arising out of any alleged infringement, challenge or claim or otherwise relating to the copyrighted works.

If it becomes advisable at any time in our sole judgment for you to modify or discontinue use of any of the copyrighted works and/or for you to use one or more additional or substitute copyrighted or copyrightable items, you agree to immediately comply with our directions to modify or otherwise discontinue the use of the copyrighted materials and/or to use one or more substitute materials.

Confidential Information

We possess and will further develop and acquire certain confidential and proprietary information and trade secrets including, but not limited to, the following categories of information, methods, techniques, procedure, technologies, and knowledge that we, our affiliates, or our franchisees have developed or will develop (the "**Confidential Information**") including: (1) methods, techniques, specifications, standards, policies, procedures, information, concepts and processes relating to knowledge of and experience in the development,

operation, and franchising of the Franchise Business; (2) marketing and promotional programs for the Franchise Business and customer information; (3) recipes, cooking methods, and ingredient lists; (4) methods of operation; (5) knowledge of specifications for and knowledge of suppliers of certain materials, equipment and supplies for the Franchise Business; (6) operating results and financial performance of the Franchise Business; (7) the Operations Manual; and (8) the terms of the Franchise Agreement.

Under the Franchise Agreement, we will disclose to you parts of the Confidential Information as are required for the development and operation of the Franchise Business during training and in the course of any guidance or assistance furnished to you. You may learn or otherwise obtain from us additional Confidential Information during the term of the Franchise Agreement. You must agree to disclose the Confidential Information to your Stakeholders and employees only to the extent permitted by the Franchise Agreement.

You must acknowledge and agree that the Confidential Information is confidential to and a valuable asset of us and our affiliates, is proprietary, includes trade secrets of us and our affiliates and is disclosed to you on the condition that you agree that during and after the term of the applicable agreement you: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written or other tangible form; (4) will adopt and implement all reasonable procedures we prescribe to prevent unauthorized use or disclosure of the Confidential Information; and (5) will require all Stakeholders, spouses of Stakeholders, and all employees who have access to the Confidential Information to sign Confidentiality, Non-Competition, and Non-Solicitation Agreements in the form we approve and provide us, at our request, with signed copies of each agreement. Nothing contained in the Franchise Agreement will be construed to prohibit you from using the Confidential Information in connection with the operation of other Franchise Businesses according to a Franchise Agreement or other Agreements with us.

If you have obtained our prior written consent, the restrictions on the disclosure and use of the Confidential Information shall not apply to the following: (a) information, methods, procedures, techniques, technology, and knowledge which are or become generally known, other than through deliberate or inadvertent disclosure by you; and (b) the disclosure of the Confidential Information in judicial or administrative proceedings to the extent that you are legally compelled to disclose information, provided you have notified us prior to disclosure and used your best efforts to obtain, and afforded us the opportunity to obtain, an appropriate protective order or other assurance satisfactory to us of confidential treatment for the information required to be so disclosed.

If you develop any new concepts, processes, improvements, technology, or innovations ("**Innovations**") solely relating to the Confidential Information, whether or not pursuant to a test we authorize, you must promptly notify us and provide us with all information regarding the Innovations, all of which shall become our property or the property of our affiliates and which may be incorporated into the Franchise Business without any payment to you. You, at your expense, must promptly take all actions we deem necessary or desirable to vest our ownership of such Innovations. We shall have no obligation to make any payment with respect to any such Innovations. You will not use, nor will you allow any other person or entity to use, any such Innovations without obtaining our prior written approval. We may refuse, defer or permit you to use such Innovations in your operation of the Franchise Business, based on the peculiarities of a particular Approved Location, density of population, business potential, or any other condition or circumstance. We shall have the right, in our sole discretion, to deny any such request we believe would not be in our best interests.

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

The Franchise Agreement requires you to exert your full-time best efforts to develop and expand the market for Products and Services offered by the Franchise Business and to cooperate with us to accomplish the purposes of the Franchise Agreement. In that regard, you must not engage in any other business or activity that conflicts with your obligations under your Franchise Agreement. You must operate your Franchise Business in accordance with our System standards of service, advertising, promotion and management. You must comply with all our business policies, practices and procedures, including the operating times of your Franchise Business, as we prescribe in the Operations Manual, or otherwise in writing from time to time.

If you open an individual unit, you must be the Operating Manager. The Operating Manager, must be identified in an exhibit to the Franchise Agreement and may be required under the terms of the Franchise Agreement to own an equity interest in you. The Operating Manager must have satisfactorily completed Initial Training. This includes attending and fully participating in the training sessions.

You must hire and maintain an adequate number and level of management and other personnel required for the conduct of the Franchise Business. You are responsible for ensuring that your trainers, coaches, and other personnel are properly trained to perform their duties. As described in Item 14, we may require you to obtain confidentiality and non-competition agreements from your Operating Manager and certain of your employees. **The Franchise Agreement requires that you acknowledge that we are not the employer for any employees you hire. You will be required to inform any employees that you are their employer and not us.**

Furthermore, if you are a business entity, each Owner must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement according to the Owner's Guaranty attached to the Franchise Agreement. Your spouse is not required to execute a personal guaranty or a confidentiality and non-competition agreement relating to your franchise.

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ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the foods, beverages and products specified or approved by us in writing. Selling foods, beverages and products that have not been specified or approved by us is a material breach of the Franchise Agreement and, if not cured, is grounds for penalties provided in the Franchise Agreement including but not necessarily limited to termination of the Franchise Agreement. You must sell the foods, beverages and products required by us. We can change the foods, beverages and products that you must offer at your Franchise Business. There is no limitation on our right to change the foods, beverages and products offered by the Franchise Business. You are not limited to whom you may sell your foods, beverages and products, but you may not sell any of the foods, beverages and products offered in connection with your Franchise Business on a wholesale basis, at any location other than your Franchise Business, including through the Internet, catalogue, mail order, telemarketing, or any other method of sales or distribution.

We do not impose any restrictions or conditions that limit your access to customers, except that you may offer catering and delivery services only with the prior written approval of us and according to our standards and specifications.

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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	Article in the Franchise Agreement	Summary
a. Length of the franchise term	IV	10 years.
b. Renewal or extension	IV	One additional term of 10 years.
c. Requirement for franchisee to renew or extend	IV	You have been in substantial compliance with agreement. You pay the renewal fee. You may have to remodel your location, at your expense. You may be asked to sign a contract with materially different terms and conditions than your original contract, pay the renewal fee, comply with any new training requirements and serve notice of intention to renew not less than twelve (12) months nor more than eighteen (18) months prior to the expiration of the agreement. You may be required to sign a general release in favor of us.
d. Termination by franchisee	None.	The Franchise Agreement does not provide for this. But you may seek to terminate on any grounds available to you at law.
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	XVII	We can terminate only if you commit any one of several listed violations
g. "Cause" defined—curable defaults	XVII	30 days for operations defaults, 30 days for monetary defaults, 24 hours for health code violations, as set forth in the Franchise Agreement
h. "Cause" defined—non-curable defaults	XVII	Conviction of a felony, abandonment, unapproved transfers, bankruptcy, assignment for benefit of creditors, repeated violations; termination for cause of another contract between us and you.
i. Franchisee's obligations on termination/non-renewal	XVIII	Pay outstanding amounts, de-identification, return of confidential information and other materials provided by us; pay liquidated damages.
j. Assignment of contract by franchisor	XX	No restriction on our right to assign.

k. "Transfer" by franchisee—defined	XX	Includes transfer of contract, of assets or any ownership change.
l. Franchisor approval of transfer by franchisee	XX	We have the right to approval all transfers.
m. Conditions for franchisor approval of transfer	XX	Transferee qualifies, all amounts due are paid in full, you sign a general release in our favor, transferee completes training, transfer fee paid, then-current contract signed
n. Franchisor's right of first refusal to acquire franchisee's business	XX	We can match any offer.
o. Franchisor's option to purchase franchisee's business	XX	We can buy the business on termination or non-renewal for the price offered to you.
p. Death or disability of franchisee	XX and XXI	Franchise must be assigned to approved buyer within 12 months or transferred to an heir or representative.
q. Non-competition covenants during the term of the franchise.	XIV	Can't divert business or operate a competing business anywhere.
r. Non-competition covenants after the franchise is terminated or expires	XIV	No competing business for two years, within 100 miles.
s. Modification of agreement	XXXI	No modifications generally except by signed writing but Operations Manual is subject to change. Revisions to the Operations Manual will not substantially increase your economic burden.
t. Integration/merger clause	XXXI	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.
u. Dispute resolution by arbitration or mediation	XXIX	Either of us, as plaintiff, may choose to submit a dispute to a court or to arbitration.
v. Choice of forum	XXIX	The state of New York or such other venue as the parties may agree (subject to state law described in any applicable State Specific Addendum in Exhibit A).
w. Choice of law	XXIX	New York law applies (subject to state law described in any applicable State Specific Addendum in Exhibit A).

See any state specific riders or addenda attached as Exhibit A.

ITEM 18: PUBLIC FIGURES

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

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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.

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 us at (630) 614-1010, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

We do not have any franchises operating as of the date of this disclosure document, nor do we have any franchisees who have had a franchise agreement terminated, cancelled, or not renewed or who have otherwise voluntarily or involuntarily ceased to do business under a franchise agreement with us or who have not communicated with us within 10 weeks of the date of this disclosure document. There are licensees operating a Buns on Fire branded restaurant under a form of license agreement. The following information reflects Outlets operating under a form of a license agreement.

TABLE NO. 1
Systemwide Outlet Summary
For years 2020 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Licensed	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company- Owned	2023	1	1	0
	2024	1	2	1
	2025	2	2	0
Total Outlets	2023	0	0	0
	2024	1	1	0
	2025	2	2	0

TABLE NO. 2
Transfers of Outlets from Licensees to New Owners (other than the Franchisor)
For years 2023 to 2025

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Totals	2023	0
	2024	0
	2025	0

TABLE NO. 3
Status of Outlets
For years 2023 to 2025

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
IL	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Totals	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

TABLE NO. 4
Status of Company-Owned Outlets
For years 2023 to 2025

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
IL	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Totals	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2

TABLE NO. 5
Projected Openings
as of August 22, 2025

State	License Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in Next Fiscal Year	Projected New Company-Owned Outlets in Next Fiscal Year
WI	0	1	0
TX	0	1	0
NY	0	1	0
CA	0	1	0
IL	0	0	1
Totals		4	1

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Buns on Fire. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you. There are currently no trademark-specific franchisee organizations associated with our system.

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ITEM 21: FINANCIAL STATEMENTS

Our fiscal year end is December 31. The franchisor was recently formed and has not yet commenced franchise business operations. As a result, it has no operating history. However, and in accordance with the applicable regulations, we have included an unaudited opening balance sheet as of July 7, 2025. No other financial statements are available or required at this time.

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ITEM 22: CONTRACTS

The Franchise Agreement is Exhibit D to this disclosure document. The following contract forms are Exhibits to the Franchise Agreement:

- Exhibit A. Location Addendum
- Exhibit B. Guaranty (to Franchisor)
- Exhibit C. Conditional Lease Assignment Provisions
- Exhibit D. Site Location Addendum
- Exhibit E. Internet, Website, and Telephone Listing Agreement
- Exhibit F. State Specific Addendum
- Exhibit G. Franchisee Disclosure Acknowledgement Statement
- Exhibit H. Questionnaire
- Exhibit I. Training Completion Agreement and Release
- Exhibit J. [Reserved].
- Exhibit K. Guaranty (Exclusive Supplier)
- Exhibit L. Electronic Transfer Authorization
- Exhibit M. Power of Attorney
- Exhibit N. ADA Certificate

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ITEM 23: RECEIPTS

Our and your copies of the disclosure document receipt are on Exhibit J of this disclosure document.

This Disclosure Document and the Franchise Agreement and any other documents to be delivered in connection herewith and therewith may be electronically signed, that any digital or electronic signatures (including pdf, facsimile or electronically imaged signatures provided by DocuSign or any other digital signature provider) appearing on this Disclosure Document and the Franchise Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability and admissibility, and that delivery of any such electronic signature to, or a signed copy of, this Disclosure Documents and the Franchise Agreement and such other documents may be made by facsimile, email or other electronic transmission.

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EXHIBIT A
STATE SPECIFIC ADDENDUM

The following are additional disclosures for the Franchise Disclosure Document of Buns on Fire required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently, without reference to these additional disclosures.

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ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF CALIFORNIA

In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516, and the California Franchise Relations Act, Cal. Bus. & Prof. Code §§ 20000-20043, the Franchise Disclosure Document for Buns on Fire, in connection with the offer and sale of franchises for use in the State of California shall be amended to include the following:

1. Our website has not been reviewed or approved by the California Department of Business Oversight. Any complaints concerning the content of the website may be directed to the California Department of Business Oversight at www.dbo.ca.gov.
2. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.
3. SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.
4. YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE § 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE §§ 31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE § 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§ 20000 THROUGH 20043).
5. In Item 3, “Litigation,” shall be amended by the addition of the following paragraphs: Pursuant to California law, this Item does not include any information regarding the arrest of any person(s) that did not result in a conviction or plea of nolo contendere.

Neither we, nor any person identified in Item 2 above, is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities and Exchange Act of 1934, 15 U.S.C. § 78a, et seq.) suspending or expelling such person from membership in such association or exchange.

6. Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” shall be amended by the addition of the following paragraph(s) at the conclusion of the Item:

The following notice is required to be inserted in this Disclosure Document by the state of California whenever an applicable provision is included in a Franchise Agreement. We reserve the right to attempt to enforce all of the provisions listed below in which we indicate

[EXHIBIT A]

that “this provision may not be enforceable under California law.”

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. § 101, et seq.).

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision does not apply to franchisees located in California.

The Franchise Agreement contains a provision that may be interpreted as a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires litigation or arbitration in Illinois is located with the costs being equally borne by each party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Illinois. This provision may not be enforceable under California law.

7. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law, Cal. Corp. Code §§ 31000 - 31516, and the California Franchise Relations Act, Cal Bus. & Prof. Code §§ 2000 - 20043, are met independently without reference to this Addendum to the Disclosure Document.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF HAWAII

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 428E-, et seq., the Franchise Disclosure Document for Buns on Fire, for use in the State of Hawaii shall be amended as follows:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Addendum to the Disclosure Document.

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ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF ILLINOIS

By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the Franchisor and its affiliates.

Illinois law governs the Franchise Agreement.

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

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

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

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code §§ 23-2-2.7-1 to 23-2-2.7-10, the Franchise Disclosure Document for Buns on Fire, for use in the State of Indiana shall be amended as follows:

1. Item 8, "Restrictions on Sources of Products and Services," shall be amended by the addition of the following language:

Any benefits derived as a result of a transaction with suppliers for Indiana franchisees will be kept by us as compensation for locating suppliers and negotiating prices for you.

2. Item 12, "Territory," shall be amended by the addition of the following paragraph: We will not compete unfairly with you within a reasonable area.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs at the end of the Item:

The Indiana Deceptive Franchise Practices Act requires that any release executed by a Franchisee or transferor must not include any claims arising under the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act.

The Indiana Deceptive Franchise Practices Act requires that Indiana law govern any cause of action which arises under the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act.

4. No release language set forth in the Disclosure Document or the Franchise Agreement shall relieve us or any other person directly or indirectly from liability imposed by the laws concerning franchising of the State of Indiana.

5. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code §§ 23-2-2.7-1 to 23-2-2.7-10, are met independently without reference to this Addendum to the Disclosure Document.

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ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF MARYLAND

The Franchise Disclosure Document for Buns on Fire, for use in the State of Maryland shall be amended as follows:

1. Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” shall be amended by the addition of the following language:

The general releases required for renewal or transfer will not apply with respect to any claim you may have which arises under the Maryland Franchise Registration and Disclosure Law.

You may bring a lawsuit in Maryland with respect to claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” shall be amended by the addition of the following language to the summary of Provision “h”:

Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U.S.C. Section 101 et seq.

3. Section “c.” of the table within Item 17, “Renewal, Termination, Transfer and Dispute Resolution” shall be amended by replacing, within the Summary Column, the item listed as “(e)” with the following:

Provision	Section in franchise or other agreement	Summary
c. Requirements for you to renew or extend	IV	(e) execute a general release, in a form satisfactory to us (this general release shall not apply to any liability under the Maryland Franchise and Disclosure Law);

5. Sections “v.” and “w.” of the table within Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” shall be replaced with the following:

Provision	Section in franchise or other agreement	Summary
v. Choice of forum	XXIX	Litigation or arbitration will be held in the state where our headquarters is then located (currently, Illinois), except for claims arising under the Maryland Franchise Registration and Disclosure Law. For matters not covered by arbitration, litigation will be held in the state where our headquarters is then located (currently, Illinois), except for claims arising under the Maryland Franchise Registration and Disclosure Law.
w. Choice of law	XXIX	Illinois (except that claims under the Maryland Franchise Registration and Disclosure Law will be governed by Maryland law)

6. 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.

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[EXHIBIT A]

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF
MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Franchise Disclosure Document for Buns on Fire, for use in the State of Minnesota shall be amended to include the following:

1. Item 13, "Trademarks," shall be amended by the addition of the following paragraph at the end of the Item:

Pursuant to Minnesota Stat. Sec. 80C.12, Subd. 1(g), we are required to protect any rights which you have to use our proprietary marks.

2. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs:

With respect to franchisees governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.

Pursuant to Minn. Rule 2860.4400D, any general release of claims that you or a transferor may have against us or our shareholders, directors, employees and agents, including without limitation claims arising under federal, state, and local laws and regulations shall exclude claims you or a transferor may have under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Commissioner of Commerce.

Minn. Stat. § 80C.21 and Minn. Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. The Franchise Agreement contains a provision that may be interpreted as a liquidated damages clause under Minnesota law. Certain liquidated damages clauses are unenforceable.

4. No release language set forth in the Franchise Agreement shall relieve us or any other person directly or indirectly from liability imposed by the laws concerning franchising in the State of Minnesota.

5. Each provision of this addendum shall be effective only to the extent, with respect to such

[EXHIBIT A]

provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commission of Commerce are met independently without reference to this addendum to the Disclosure Document.

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[EXHIBIT A]

**ADDENDUM TO FRANCHISE DISCLOSURE
DOCUMENT FOR THE STATE OF NEW YORK**

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT B OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, INVESTMENT PROTECTION BUREAU, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

[EXHIBIT A]

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for franchisee to renew or extend,**” and Item 17(m), titled “**Conditions for franchisor approval of transfer**”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”: You may terminate the agreement on any grounds available by law.

5. The following is added to the “Summary” sections of Item 17(v), titled “**Choice of forum,**” and Item 17(w), titled “**Choice of law**”:

6.

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

7. There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York. However, an offer or sale is deemed made in New York if the franchisee is domiciled in or the franchise will be operated in New York. We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

8. Modifications that we make to our Operations Manual as permitted by the Franchise Agreement will not impose an unreasonable economic burden on you.

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[EXHIBIT A]

**ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF NORTH
DAKOTA**

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Disclosure Document for Buns on Fire, shall be amended by the addition of the following language:

1. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

A. Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.

C. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

2. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-1 through 51-19-17, are met independently without reference to this Addendum to the Disclosure Document.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the Franchise Disclosure Document for Buns on Fire, for use in the State of Rhode Island shall be amended as follows:

1. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraph at the end of the Item:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

2. 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.
3. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this Addendum to the Disclosure Document.

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**ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE COMMONWEALTH
OF VIRGINIA**

In recognition of the requirements of the Virginia Retail Franchising Act, Va. Code Ann. § 13.1-564, the Franchise Disclosure Document for Buns on Fire, for use in the Commonwealth of Virginia shall be amended as follows:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him/her under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him/her under the franchise, that provision may not be enforceable.

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[EXHIBIT A]

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, the Franchise Disclosure Document for Buns on Fire, in connection with the offer and sale of franchises for use in the State of Washington shall be amended to include the following:

1. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs at the conclusion of the Item:

The state of Washington has a statute, RCW 19.100.180, which may supersede the license agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the license agreement in your relationship with the franchisor including the areas of termination and renewal of your license.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

2. 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.

3. Each provision of this addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, are met independently without reference to this addendum to the Disclosure Document.

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[EXHIBIT B]

EXHIBIT B
LIST OF STATE ADMINISTRATORS

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

CALIFORNIA Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 876-7500 Toll Free: (866) 275-2677	NEW YORK New York State Department of Law Investor Protection Bureau, Franchise Section 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8236
FLORIDA FDACS Division of Consumer Services Attn: Business Opportunities P.O. Box 6700 Tallahassee, FL 32314-6700	TEXAS Secretary of State Registrations Unit P.O. Box 13193 Austin, TX 78711-13193
ILLINOIS Chief, Franchise Bureau Attorney General's Office 500 South Second Street Springfield, Illinois 62701 (217) 782-4465	RHODE ISLAND Department of Business Regulation Securities Division — Franchise Section 1511 Pontiac Avenue, Bldg. 69-2 Cranston, Rhode Island 02920 (401) 462-9500
INDIANA Secretary of State Securities Division 302 West Washington, Room E111 Indianapolis, Indiana 46204 (317) 232-6681	KENTUCKY Office of the Attorney General Consumer Protection Division 1024 Capital Center Drive Frankfort, KY 40601-8204
MARYLAND Securities Commissioner Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Department of Attorney General Franchise Section G. Mennen Williams Building 525 W. Ottawa Street P.O. Box 30736 Lansing, Michigan 48909 (517) 335-7622	WASHINGTON Department of Financial Institutions Division of Securities P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8715

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EXHIBIT C
LIST OF AGENTS FOR SERVICE OF PROCESS

The following officials or state agencies are designated as our agent for service of process in accordance with applicable state laws. We may register in one or more of these states. There may be states in addition to those listed below in which Buns on Fire has appointed an agent for service of process.

CALIFORNIA Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344	NEW YORK Secretary of State Department of State 123 William Street New York, New York 10038-3804
FLORIDA Florida Department of Financial Services Service of Process Office of the General Counsel 200 E. Gaines Street Tallahassee, FL 32399-4201	TEXAS Service of Process, Secretary of State P.O. Box 12079 Austin, TX 78711-2079 (if regular mail) James E. Rudder Building 1019 Brazos, Room 105 Austin, TX 78701 (if FedEx or overnight mail)
ILLINOIS Attorney General 500 South Second Street Springfield, Illinois 62701	RHODE ISLAND Director, Department of Business Regulation Securities Division, Franchise Section 1511 Pontiac Avenue, Bldg. 69-2 Cranston, Rhode Island 02920
INDIANA Secretary of State Securities Division, Franchise Section 302 West Washington, Room E111 Indianapolis, Indiana 46204	KENTUCKY Office of the Secretary of State 700 Capital Avenue P.O. Box 718 Frankfort, KY 40602
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-7786	VIRGINIA Clerk, State Corporation Commission 1300 East Main Street Richmond, Virginia 23219
MICHIGAN Department of Licensing and Regulatory Affairs Director of the Corporations, Securities & Commercial Licensing Bureau 2407 N. Grand River Avenue Lansing, Michigan 48906	WASHINGTON Director of Financial Institutions Department of Financial Institutions P.O. Box 41200 Olympia, Washington 98504-1200

EXHIBIT D
FORM OF FRANCHISE AGREEMENT

FRANCHISEE:

[_____]

FRANCHISE LOCATION:

[_____]

DATE OF AGREEMENT:

[_____]

TABLE OF CONTENTS

	Page
ARTICLE I GRANT OF FRANCHISE	23-3
1.1 Grant and Protected Territory	23-3
1.2 Site Selection Timeframe	23-3
1.3 No Change of Franchise Location	23-3
1.4 Rights Reserved to Franchisor	23-3
ARTICLE II DEVELOPMENT AND OPENING OF THE FRANCHISED BUSINESS	23-5
2.1 Franchised Business Premises	23-5
2.2 Approval of Lease Terms	23-5
2.3 Execution of Lease and Acceptance by Franchisee	23-5
2.4 Prototype Plans and Specifications	23-5
2.5 Development of Franchised Business	23-6
2.6 Franchisee's Duties in Developing the Franchised Business	23-6
2.7 Fixtures, Equipment, Furniture and Signs	23-6
2.8 Franchised Business Opening	23-7
2.9 Relocation of Franchised Business	23-7
2.10 De-identification of Original Approved Location	23-8
ARTICLE III PROPRIETARY MARKS AND GOODWILL	23-9
3.1 Definition of "Marks"	23-9
3.2 Authorized Use of Marks	23-9
3.3 Ownership of Marks	23-9
3.4 Additional Rights	23-9
3.5 Rights to Use Marks	23-9
3.6 Approval of Items Using the Marks	23-9
3.7 Modification of Marks	23-10
3.8 Expiration or Termination of this Agreement	23-10
3.9 Notification of Infringement	23-10
3.10 Franchisor to Defend	23-10
3.11 Limited License	23-10
3.12 Franchisor's Right to Inspect	23-11
3.13 Trademark Notices	23-11
3.14 No Right to Deny Use	23-11
3.15 Claim of Prior Use	23-11
3.16 Indemnification by Franchisor	23-11
3.17 Identification of Franchisee	23-11
ARTICLE IV TERM AND RENEWAL	23-13
4.1 Initial Term	23-13
4.2 Right to Renewal Term	23-13
4.3 Conditions to Renewal	23-13
4.4 Renewal Report	23-14
4.5 Franchisor's Right to Deny Renewal	23-14
4.6 Extension of this Agreement	23-14
4.7 Notice of Expiration	23-14
ARTICLE V INITIAL AND CONTINUING FEES PAYABLE TO FRANCHISOR	23-15
5.1 Initial Franchise Fee	23-15
5.2 Royalty Fee	23-15
5.3 Definition of "Gross Revenue"	23-15
5.4 Payment Date	23-16
5.5 Interest on Overdue Amounts	23-16

5.6	Acceptance by Franchisor	23-16
5.7	Application of Payments	23-16
5.8	Franchisee May Not Withhold or Off-set Payments	23-16
5.9	Set Off Option	23-17
ARTICLE VI TRAINING AND COMMENCEMENT OF BUSINESS		23-18
6.1	Initial Training Program	23-18
6.2	Refresher Training	23-18
6.3	Franchised Business Staff	23-19
6.4	General Manager	23-19
ARTICLE VII OBLIGATIONS OF FRANCHISOR		23-20
7.1	Prototype Plans and Specifications	23-20
7.2	Construction Assistance	23-20
7.3	Pre-opening Assistance; Additional Assistance	23-20
7.4	Grand Opening Advertising	23-20
7.5	Continuing Advice	23-20
7.6	Inspection	23-21
7.7	Maintenance of Standards	23-21
7.8	Proprietary Items	23-21
7.9	No Representation of Success	23-21
7.10	Sale of Proprietary Items	23-21
7.11	Minimum and Maximum Prices	23-22
ARTICLE VIII OBLIGATIONS AND DUTIES OF FRANCHISEE		23-23
8.1	Grand Opening Advertising	23-23
8.2	Management and Operation of the Franchised Business	23-23
8.3	Maintenance of the Franchised Business	23-23
8.4	Testing by Franchisor	23-23
8.5	Standards of Operation	23-23
8.6	Approved Products and Services	23-24
8.7	Approved Suppliers	23-24
8.8	No Representation or Warranty	23-25
8.9	Independent Professional Judgment	23-25
8.10	Changes in Approved Products or Services	23-25
8.11	Compliance with Terms of Agreement	23-25
8.12	Signage	23-25
8.13	Taxes	23-26
8.14	Compliance with Laws	23-26
8.15	Notification of Claim	23-26
8.16	No Right to Bind Franchisor	23-26
8.17	Attire	23-26
8.18	Compliance with Applicable Governmental Authorities	23-26
8.19	Market Research	23-27
8.20	Prohibited Product Fine	23-27
8.21	Non-Compliance Fine	23-27
8.22	Gift Cards	23-27
8.23	Information Security	23-28
8.24	Innovations	23-28
ARTICLE IX ADVERTISING AND PROMOTIONAL ACTIVITIES		23-29
9.1	Marketing Fund Contributions	23-29
9.2	Local Advertising	23-29
9.3	Franchisor Must Approve Advertising Materials	23-29
9.4	Telephone Listings	23-29

9.5	Website	23-30
9.6	Social Media	23-30
9.7	Participation in Promotions	23-31
	ARTICLE X REPORTS TO FRANCHISOR	23-32
10.1	Books and Records	23-32
10.2	Maintenance of Accounting Records	23-32
10.3	Sales Records	23-32
10.4	Audit	23-33
	ARTICLE XI CONFIDENTIALITY	23-34
11.1	Loan of Confidential Operations Manual	23-34
11.2	Franchisee's Acknowledgments	23-34
11.3	Modifications to Confidential Operations Manual	23-34
11.4	Incorporation of Confidential Operations Manual	23-34
11.5	Receipt of Confidential Information	23-35
11.6	Non-Disclosure of Confidential Information	23-35
	ARTICLE XII INSURANCE	23-36
12.1	Insurance Coverages	23-36
12.2	Additional Provisions	23-37
12.3	Certificates of Insurance	23-37
12.4	Changes in Insurance Coverages	23-37
12.5	Notification of Claim	23-37
12.6	Franchisor May Purchase Insurance	23-37
	ARTICLE XIII RELATIONSHIP OF THE PARTIES; INDEMNIFICATION	23-38
13.1	Independent Business	23-38
13.2	Franchisee Has Full Responsibility	23-38
13.3	No Rights in the System, Marks, Etc.	23-38
13.4	Identification of Independent Ownership	23-38
13.5	Taxes	23-39
13.6	Indemnification by Franchisee	23-39
13.7	Indemnification by Franchisor	23-39
	ARTICLE XIV COVENANTS NOT TO COMPETE	23-40
14.1	In-Term Covenants	23-40
14.2	Post-Term Covenants	23-40
14.3	Failure to Comply	23-40
14.4	Confidential Information	23-40
14.5	Unenforceability of Covenants	23-41
14.6	Acknowledgements and Injunctive Relief	23-41
14.7	Enforceability	23-41
	ARTICLE XV MODIFICATION OF THE SYSTEM	23-42
	ARTICLE XVI FRANCHISEE	23-43
	ARTICLE XVII TERMINATION	23-44
17.1	Events of Default	23-44
17.2	Notice of Termination	23-45
17.3	Immediate Termination	23-45
17.4	Cross-Defaults, Non-Exclusive Remedies, Etc.	23-46
17.5	Other Remedies	23-47
17.6	Description of Default	23-48
17.7	Exercise of Other Remedies	23-48
17.8	Continuance of Business Relations	23-48
17.9	Notice Required by Law	23-48
17.10	Franchisor's Right to Send Notifications of Termination	23-48

ARTICLE XVIII	
RIGHTS AND DUTIES OF THE PARTIES UPON EXPIRATION OR TERMINATION	23-49
18.1 Effective Date of Termination	23-49
18.2 Payment of Amounts Owed	23-49
18.3 Discontinue Use of Marks; Change of Corporate Name	23-49
18.4 Signage	23-49
18.5 No Further Acts	23-49
18.6 Financial Records and Reports	23-49
18.7 Vacate Premises	23-50
18.8 Websites, Telephone Numbers, and Listings	23-50
18.9 Return of Confidential Operations Manual, Etc.	23-50
18.10 Franchisor's Right to Purchase	23-50
18.11 Rights are Cumulative	23-50
18.12 Survival of Obligations	23-50
18.13 Liquidated Damages	23-51
ARTICLE XIX COMMENCEMENT AND HOURS OF OPERATION	23-52
ARTICLE XX TRANSFERABILITY OF INTEREST	23-53
20.1 No Transfer Without Franchisor's Consent	23-53
20.2 Transfer to a Corporate Entity	23-53
20.3 Franchisor's Right of First Refusal	23-53
20.4 Conditions to Transfer	23-54
20.5 Franchisor's Right to Transfer	23-55
20.6 Notice of Offer	23-55
20.7 No Waiver of Claims	23-56
20.8 Public Offering	23-56
ARTICLE XXI DEATH OR INCAPACITY OF FRANCHISEE	23-57
ARTICLE XXII OPERATION IN THE EVENT OF ABSENCE OR DISABILITY	23-58
ARTICLE XXIII INJUNCTIVE RELIEF	23-59
ARTICLE XXIV RISK OF OPERATIONS	23-60
ARTICLE XXV OTHER OBLIGATIONS	23-61
ARTICLE XXVI FORCE MAJEURE	23-62
ARTICLE XXVII WAIVER OF VIOLATION OR DEFAULT	23-63
ARTICLE XXVIII NOTICE AND TIME	23-64
ARTICLE XXIX APPLICABLE LAW AND VENUE	23-65
29.1 Acceptance by Franchisor; Applicable Law	23-65
29.2 Rights are Cumulative	23-65
29.3 Venue	23-65
29.4 RICO Statute	23-65
29.5 Punitive Damages	23-65
29.6 Attorneys' Fees	23-65
29.7 Franchisee May Not Withhold Payments	23-66
29.8 Dispute Resolution	23-66
ARTICLE XXX ACKNOWLEDGMENTS	23-67
ARTICLE XXXI ENTIRE AGREEMENT	23-68
ARTICLE XXXII JOINT AND SEVERAL OBLIGATIONS	23-69
ARTICLE XXXIII SECURITY INTEREST	23-70
ARTICLE XXXIV COUNTERPART; PARAGRAPH HEADINGS; PRONOUNS	23-71
ARTICLE XXXV SEVERABILITY AND CONSTRUCTION	23-72
ARTICLE XXXVI MISCELLANEOUS	23-73
36.1 Compliance With Anti-Terrorism Laws	23-73
36.2 Electronic Signatures	23-73

EXHIBIT “A” LOCATION ADDENDUM.....	1
EXHIBIT “B” GUARANTY	1
EXHIBIT “C” Conditional Lease Assignment Provisions	1
EXHIBIT “D” SITE LOCATION ADDENDUM	1
EXHIBIT “E” INTERNET WEB SITES AND LISTINGS AGREEMENT and TELEPHONE LISTING AGREEMENT	1
EXHIBIT “F” STATE SPECIFIC ADDENDA	1
EXHIBIT “G” FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT	1
EXHIBIT “H” QUESTIONNAIRE	1
EXHIBIT “I” TRAINING COMPLETION AGREEMENT AND RELEASE	1
EXHIBIT “J” INTENTIONALLY DELETED / OMITTED	1
EXHIBIT “K” GUARANTY (Exclusive Supplier)	1
EXHIBIT “L” ELECTRONIC TRANSFER AUTHORIZATION	1
EXHIBIT “M” POWER OF ATTORNEY	1
EXHIBIT “N” AMERICANS WITH DISABILITIES ACT (“ADA”) CERTIFICATION	1
EXHIBIT “O” GENERAL RELEASE	

EXHIBITS:

- Exhibit A Location Addendum
- Exhibit B. Guaranty (to Franchisor)
- Exhibit C. Conditional Lease Assignment Provisions
- Exhibit D. Site Location Addendum
- Exhibit E. Internet, Website, and Telephone Listing Agreement
- Exhibit F. State Specific Addendum
- Exhibit G. Franchisee Disclosure Acknowledgement Statement
- Exhibit H. Questionnaire
- Exhibit I. Training Completion Agreement and Release
- Exhibit J. [Reserved].
- Exhibit K. Guaranty (Exclusive Supplier)
- Exhibit L. Electronic Transfer Authorization
- Exhibit M. Power of Attorney
- Exhibit N. ADA Certificate

BUNS ON FIRE
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT, (the "Agreement"), entered into as of this day of [_____] 20[____], by and between SMYA VENTURES LLC, an Illinois limited liability company with a mailing address of [Address] (hereinafter referred to as the "Franchisor" "we", "us" or "our") and [_____] with an address of [_____] (hereinafter referred to as "Franchisee" "you" or "your").

This Agreement constitutes a non-exclusive license granted by Franchisor to Franchisee to operate a Buns on Fire restaurant business, subject to the terms and conditions contained herein. Nothing in this Agreement shall prevent Franchisor from granting other licenses within or outside the Protected Territory or operating its own restaurants.

CONTRACT SCHEDULE

- A. Location of the Restaurant: The Restaurant location that was approved is set forth in Exhibit A. (If a location is not indicated in Exhibit A, the parties shall sign a revised Exhibit A when the location has been approved by the Franchisor in accordance with Section 1.2 of the Franchise Agreement).
- B. Protected Territory: As described in Exhibit A.
- C. Term: Ten (10) years from the date hereof until [_____] , 20[____].
- D. Initial Franchise Fee: A non-refundable fee of [Fifty Thousand Dollars (\$50,000)], payable upon execution of this Agreement.
- E. Royalty Fee: 6% of Gross Revenue ("Gross Revenue" means all revenue of the Franchise Business, including all sales of products and services to customers of the Franchise Business, including income related to catering and delivery services, and any sales or orders of food products or food preparation services provided from or related to the Franchise Business, whether for cash or credit and regardless of collection in the case of credit).
- F. Proprietary Marketing Fund: One percent (1%) of Gross Revenue.
- G. Local Advertising and Marketing: One percent (1%) of Gross Revenue.
- H. Address for notice to FRANCHISEE shall be at the Restaurant, unless another address is inserted here: [_____] .

ARTICLE I
GRANT OF FRANCHISE

1.1 Grant and Protected Territory

Subject to the terms and conditions contained herein, the Franchisor hereby grants to Franchisee a non-exclusive right to operate a “Buns on Fire” restaurant at the location approved by the Franchisor in accordance with the provisions of this Agreement (the “**Franchised Business**”), and a non-exclusive license to use the Marks in the operation thereof, with all ownership rights in the Marks remaining with Franchisor. Except as otherwise provided in this Agreement, the Franchisor shall not establish nor license anyone other than Franchisee to establish any Franchised Business under the System within the territory specified in Exhibit “A” (“**Protected Territory**”).

1.2 Site Selection Timeframe

Unless an approved location was selected by Franchisee at the time this Agreement is executed, Franchisee shall select the location of the Franchised Business, subject to the Franchisor’s approval, within ninety (90) days after the effective date of this Agreement.

1.3 No Change of Franchise Location

The franchise location described in Exhibit “A” may not be modified or changed by the Franchisee without Franchisor’s prior written approval. The Franchisee must request Franchisor’s prior written approval in writing. To modify or change location, the Franchisee must be current in all obligations to Franchisor, whether under this Agreement or any other agreement, and must not be defaulting under this or any other agreement with Franchisor.

In the event that Franchisee’s request to modify or change location is approved by the Franchisor, the Franchisee will be required, and must sign, Franchisor’s then-current form of the Franchise Agreement. The then-current Franchise Agreement may contain different terms and conditions, for a term that may be equal to the remaining term of this Agreement. Unless we grant you a term that is longer than the remaining term under this Franchise Agreement, you will not be required make an Initial Franchise Fee payment for the relocated Franchised Business. However, you will be required to pay a Relocation Fee of twenty-five hundred dollars (\$2,500) to us upon execution of the new Franchise Agreement.

1.4 Rights Reserved to Franchisor

Except as limited by Section 1.1, Franchisor and its affiliates retain all rights to establish and operate Franchised Businesses and to use the Marks outside of Franchisee’s Protected Territory, including, without limitation:

- (i) to establish and operate and granting others the rights to establishing and operating a Buns on Fire restaurant or other venues offering and selling premium halal cuisine and other identical, comparable, or related goods and services through the same, similar or dissimilar channels of

distribution under trade and service marks other than the Marks and under any terms and conditions Franchisor deems appropriate at the sole discretion of the Franchisor;

(ii.) to produce, offer and sell, and granting others the rights to establishing and operating a Buns on Fire restaurant or other venue offering and selling premium halal cuisine and other identical, comparable, or related goods and services through the same, similar, or dissimilar channels of distribution under the Marks and under any terms and conditions the Franchisor deems appropriate at the sole discretion of the Franchisor;

(iii.) to operate and granting others the right to operating Buns on Fire restaurants at “Non-Traditional Sites” under any terms and conditions the Franchisor deems appropriate at the sole discretion of the Franchisor, regardless of proximity to the Franchised Business. As used in this Agreement, Non-Traditional Sites shall include, without limitation, military bases, hotels, motels, high schools, and college campuses, airports, subways, train stations, travel plazas, toll roads, beaches, parks and other seasonal facilities, government buildings and establishments, prisons, hospitals, convenience stores, cafeterias, snack bars, trucks, casinos, sports or entertainment venues or stadiums, and retail locations being sublet under a lease to a master concessionaire, whether currently existing or constructed or established subsequent to the date hereof;

(iv.) to sell products under the Marks at locations other than a franchised business such as grocery stores or other stores which offer packaged products; and

(v.) to acquire and operate a business operating one or more food services businesses located or operating anywhere.

ARTICLE II **DEVELOPMENT AND OPENING OF THE FRANCHISED BUSINESS**

2.1 Franchised Business Premises

(i.) Franchisee shall operate the Franchised Business from a location in the Protected Territory. Franchisee shall acquire or lease within ninety (90) days from the date of execution of this Agreement, an approved premises for the Franchised Business. The Franchisor shall have the right in its sole discretion, to require:

1. Franchisee to execute a Site Addendum Agreement in the form attached hereto;
2. Franchisee to conditionally assign such lease to the Franchisor (with the consent of the lessor, if required) by conditional lease assignment provisions in form annexed to Franchise Agreement as Exhibit “C” in order to secure performance of any and all of Franchisee’s liabilities and obligations to the Franchisor; or

3. That such lease contains substantially the following provisions:
 - a. "Anything contained in this lease to the contrary notwithstanding, Lessor agrees that without its consent, this lease and the right, title and interest of the Lessee hereunder may be assigned by the Lessee to SMYA Ventures LLC, an Illinois limited liability company or its designee."
 - b. "Lessee hereby agrees that Lessor may, upon the written request of Buns on Fire, disclose to Buns on Fire all reports, information or data in Lessor's possession with respect to sales made in, upon, or from the leased premises."
 - c. "Lessor shall give written notice to Buns on Fire (concurrently with the giving of such notice to Lessee) of any default by Lessee under the lease and Buns on Fire shall have the right, in its sole discretion, to cure any such default. Such notice shall be sent to Buns on Fire at its headquarters, or such other address as Buns on Fire may specify in writing to Lessor."

2.2 Approval of Lease Terms

The Franchisor shall have the right to approve any and all of the lease terms for the premises of the Franchised Business. In the event the Franchisor cures any default by Franchisee under such lease, the total amount of all costs and payments incurred by the Franchisor in effecting such cure shall be immediately due and owing by Franchisee to the Franchisor, including, but not limited to, any and all attorney's fees.

2.3 Execution of Lease and Acceptance by Franchisee

Franchisee's execution of a lease for the location of the Franchised Business shall constitute acceptance by Franchisee of such location and site and the terms of such a lease and shall constitute a waiver of any claim or rights against the Franchisor relating to Franchisee's choice of such site and location and of the terms of such a lease.

2.4 Prototype Plans and Specifications

The Franchisor will provide Franchisee prototype or protostyle plans and specifications for Franchisee's Franchised Business reflecting the Franchisor's requirements for dimensions, exterior design, interior design and layout, image, building materials, fixtures, equipment, furniture, signs and decor. Franchisee agrees to use Franchisor's approved architecture and engineering firms to prepare all construction/design plan set for the Franchised Business.

2.5 Development of Franchised Business

Within ninety (90) days after attaining possession of the premises of the Franchised Business and being furnished with the above-described plans and specifications, Franchisee will do, or cause to be done the following:

- (i.) Secure all financing required to fully develop the Franchised Business;
- (ii.) Prepare, at Franchisee's expense, and submit to Franchisor for approval, which approval may be granted or withheld at the Franchisor's sole discretion, any and all proposed modifications to the Franchisor's prototype or protostyle plans and specifications, which may be modified only to the extent necessary to comply with applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions, all such modifications being subject to prior notification to, and approval by, the Franchisor;
- (iii.) Obtain all required building, utility, sign, health, sanitation and business permits and licenses, and any other required permits and licenses;
- (iv.) Construct all required improvements to the premises, purchase and install all required fixtures and equipment and decorate the premises with required branded décor in compliance with plans and specifications approved by the Franchisor; and
- (v.) Purchase, in accordance with the Franchisor's specifications and requirements, an opening inventory of proprietary food items, Products, ingredients and other products and supplies required for the opening of the Franchised Business.

2.6 Franchisee's Duties in Developing the Franchised Business

Franchisee agrees that Franchisee will do or cause the following to be done with respect to the development of the Franchised Business:

- (i.) obtaining all required construction and sign permits and licenses;
- (ii.) completing the construction of all required improvements to the premises and decorating the premises in accordance with Franchisor's specifications;
- (iii.) purchasing or leasing and installing all fixtures, furnishings, equipment, signs and the opening food and beverage inventory and operating supplies and required branded merchandising materials and other materials in accordance with Franchisor's specifications.

Franchisee shall employ Franchisee's best efforts to complete development and have the Franchised Business ready to open within one hundred eighty (180) days after Franchisee executes this Agreement. Franchisee may, at Franchisee's option, purchase or lease equipment for the Franchised Business.

2.7 Fixtures, Equipment, Furniture and Signs

Franchisee agrees to use in the construction and operations of the Franchised Business only those

brands, types, or models of construction and decorating materials, fixtures, equipment, furniture and signs that Franchisor approves or has approved for the Franchised Business as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee further agrees to place or display at the premises of the Franchised Business only such signs, emblems, lettering, logos and display materials that are from time to time approved in writing by the Franchisor. Franchisee may purchase approved types or models of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier approved or designated by the Franchisor (which may include the Franchisor and/or its affiliates). If Franchisee proposes to purchase any type or model of construction or decorating material, fixture, equipment, furniture or sign not then approved by the Franchisor, and/or any such item from any supplier which is not then approved by the Franchisor, Franchisee shall first notify the Franchisor in writing and shall submit to the Franchisor sufficient specifications, photographs, drawings and/or other information or samples for a determination by the Franchisor of whether such brand or type of construction or decorating material, fixture, equipment, furniture or sign complies with its specifications and standards. The Franchisor may, in its sole discretion, refuse to approve any such item(s) and/or supplier(s) that does not meet the Franchisor's standards or specifications. Failure to respond within such period shall not constitute approval.

2.8 Franchised Business Opening

- (i.) Franchisee agrees not to commence the Franchised Business until:
 1. The Franchisor decides that the Franchised Business was constructed and equipped in accordance with approved plans and specifications;
 2. Training of Franchisee and Franchisee's manager(s) has been completed to the Franchisor's reasonable satisfaction;
 3. The Initial Franchise Fee and any and all other amounts due to the Franchisor under this Agreement and any other related agreements to which he is a party have been paid;
 4. The Franchisor has been furnished with copies of all insurance policies required by Article XII hereof, or such other evidence of insurance coverage as the Franchisor requests; and
 5. Franchisor's personnel are available to assist and be present at the opening of the Franchised Business if the Franchisor, in its sole discretion, deems it necessary.
- (ii.) The Franchisee agrees to have the Franchised Business ready to open for business within one hundred eighty (180) days after Franchisee executes this Agreement. Final approval by the Franchisor of the opening of the Franchised Business shall be given in writing and shall be in the Franchisor's sole discretion. Franchisee agrees to open the Franchised Business for business within ten (10) days after receipt of such written notice from Franchisor.

2.9 Relocation of Franchised Business

If Franchisee's lease for the premises of the Franchised Business terminates without fault of Franchisee, or if the premises are damaged, condemned or otherwise unusable, or if in the reasonable

judgment of the Franchisor and Franchisee there is a change in the character of the location of the Franchised Business sufficiently detrimental to its business potential to warrant its relocation, the Franchisor shall give permission to Franchisee for relocating the Franchised Business to a location approved by the Franchisor. Any such relocation will be at Franchisee's sole expense, including payment of Franchisor's then-current relocation fee.

2.10 De-identification of Original Approved Location

In the event of a relocation of the Franchised Business, Franchisee shall promptly remove from the first Franchised Business premises, and discontinue using for any purposes, any and all signs, fixtures, furniture, posters, furnishings, equipment, menus, advertising materials, stationery supplies, forms and other articles which display any of the Marks or any distinctive features or designs associated with Buns on Fire. Furthermore, Franchisee shall, at Franchisee's expense, immediately make such modifications or alterations as may be necessary to distinguish the first Franchised Business so clearly from its former appearance and from other Buns on Fire restaurants and to prevent any possibility of confusion therewith by the public (including, without limitation, removal of all distinctive physical and structural features identifying Buns on Fire and removal of all distinctive signs and emblems). Franchisee shall, at Franchisee's expense, make such specific additional changes as the Franchisor may reasonably request for this purpose. If Franchisee fails to initiate immediately or complete such alterations within such period of time as the Franchisor deems appropriate, Franchisee agrees that the Franchisor or its designated agents may enter the premises of the first Franchised Business and adjacent areas at any time to make such alterations, at Franchisee's sole risk and expense, without responsibility for any actual or consequential damages to the property of Franchisee or others, and without liability for trespass or other tort or criminal act. Franchisee expressly acknowledges that Franchisee's failure to make such alterations will cause irreparable injury to the Franchisor and consents to entry, at Franchisee's expense, of an ex-parte order by a court of competent jurisdiction authorizing the Franchisor or its agents to take such action, if the Franchisor seeks such an order. Compliance with the foregoing shall be a condition subsequent to the Franchisor's approval of any relocation request by Franchisee, and in the event complete de-identification of the first Franchised Business premises is not promptly and completely undertaken, the Franchisor may then revoke its permission for relocation and declare a default under this Agreement pursuant to Article XVII hereof.

ARTICLE III **PROPRIETARY MARKS AND GOODWILL**

3.1 Definition of "Marks"

When used in this Agreement, "Marks" mean the trademarks and service marks which are used to identify the Buns on Fire franchised businesses and to distinguish them from that of any other business, and the trademarks, service marks, trade names, logos and commercial symbols as may be designated by the Franchisor from time to time for use in connection with the System.

3.2 Authorized Use of Marks

Franchisee is authorized to use the Marks, goodwill and trade secrets in the operation of the

Franchised Business only at the approved location. Nothing in this Agreement shall be construed as authorizing or permitting their use at any other location or for any other purpose except as may be authorized in writing by Franchisor. Franchisee understands and agrees that the limited license to use the Marks granted hereby applies only to such proprietary marks as are designated by Franchisor, and which are not subsequently designated by Franchisor as being withdrawn from use, together with those which may hereafter be designated by Franchisor in writing. Franchisee expressly understands and agrees that he/she is bound not to represent in any manner that he/she has acquired any ownership or equitable rights in any of the Marks by virtue of the limited license granted hereunder, or by virtue of Franchisee's use of any of the Marks.

3.3 Ownership of Marks

Franchisee acknowledges that the ownership of all of the Marks, goodwill, and trade secrets remains solely with the licensor of Franchisor or the Franchisor and that Franchisee shall not register or attempt to register the Marks or to assert any rights in them other than as specifically granted in this Agreement.

3.4 Additional Rights

At Franchisor's request, Franchisee shall assign, transfer or convey to Franchisor, in writing, all additional rights, if any, that may be acquired by Franchisee as a result of its use of Marks.

3.5 Rights to Use Marks

Franchisee shall only use the Marks, logos, trade styles, color combinations, designs, signs, symbols and slogans of Franchisor, and only in the manner and to the extent specifically permitted by this Agreement or in any manuals, directives or memos (hereinafter collectively referred to as "**Confidential Operations Manuals**") prepared by Franchisor. Franchisee shall not use any confusingly similar Marks in connection with its franchise or any other business in which it has an interest.

3.6 Approval of Items Using the Marks

Franchisor reserves the right to approve at the sole discretion of the Franchisor, any and all signs, memos, stationery, business cards, advertising material forms and all other objects and supplies using the Marks. All advertising, publicity, point of sale materials, signs, decorations, furnishings, equipment, or other materials employing the words "Buns on Fire" shall be in accordance with this Agreement and the Confidential Operations Manuals, and Franchisee shall obtain Franchisor's approval prior to such use.

3.7 Modification of Marks

If it becomes advisable at any time, in the sole discretion of Franchisor, to modify or discontinue use of any Mark and/or to adopt or use one or more additional or substitute proprietary marks, then Franchisee shall be obligated to comply with any such instruction by Franchisor. In such events and in the Franchisor's direction, Franchisee shall adopt, use and display only such new or modified Marks and shall

promptly discontinue the use and display of outmoded or superseded marks, at Franchisee's expense. Franchisee waives any other claim arising from or relating to any proprietary mark change, modification or substitution. Franchisor will not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any proprietary mark addition, modification, substitution or discontinuation, except that Franchisor will reimburse Franchisee for Franchisee's direct, reasonable expenses related to changing the Franchised Business' signage. Franchisee covenants not to commence or join in any litigation or other proceeding against Franchisor for any of these expenses, losses or damages.

3.8 Expiration or Termination of this Agreement

Upon the expiration, termination or non-renewal of this Agreement, Franchisee shall immediately terminate using the Marks, color combinations, designs, symbols or slogans; and Franchisor may cause Franchisee to execute such documents and take such action as may be necessary to evidence this fact. After the effective date of expiration, termination or non-renewal, Franchisee shall not represent or imply that Franchisee is associated with Franchisor. Accordingly, Franchisee irrevocably appoints Franchisor or its nominee to be Franchisee's attorney-in-fact to execute, on Franchisee's behalf, any document or perform any legal act necessary to protect the Marks from unauthorized use. Franchisee acknowledges and agrees that the unauthorized use of the Marks will result in irreparable damage and harm to Franchisor for which Franchisor may obtain injunctive relief, monetary damages, reasonable attorneys' fees and costs.

3.9 Notification of Infringement

Franchisee shall immediately notify Franchisor of any apparent infringement of or challenge to Franchisee's use of the Marks, or any claim, demand, or suit based upon or arising from the unauthorized use of, or any attempt by any other person, firm, or corporation to use, without authorization, or any infringement of or challenge to, any of the Marks. Franchisee further agrees to immediately notify Franchisor of any other litigation instituted by any person, firm, corporation or governmental entity against Franchisor or Franchisee.

3.10 Franchisor to Defend

Franchisor and/or the licensor shall commence the defense or prosecution of any litigation concerning Franchisee that relates to any of the Marks or that, in Franchisor's or the licensor's judgment, may affect the goodwill of the System; and Franchisor may, in such circumstances, undertake any other action which it deems appropriate. Franchisor shall have sole and complete discretion in the conduct of any defense, prosecution or other action it chooses to undertake. In such an event, Franchisee shall execute those documents and perform those steps which, in the judgment of Franchisor, are required for defense or prosecution of litigation, or for such other action as may be undertaken by Franchisor.

3.11 Limited License

To develop and maintain high standards of quality and service, and to defend the reputation and goodwill of Franchisor, Franchisee agrees to conduct business and advertising using only the Marks designated by the Franchisor. Franchisee shall not do business or advertise using any other name.

Franchisee is not authorized to and shall not use the Marks or the words “Buns on Fire” by itself, or anything confusingly similar as part of Franchisee’s corporate or other legal name or as a part of the legal name of any corporation, partnership, proprietorship or other business entity to which Franchisee is associated, or with a bank account, trade account or in any legal or financial connection, or as part of any e-mail address, domain name, social medial accounts, or other identification of Franchisee or Franchisee’s business, in any medium. In any and all approved uses of the Marks on your business forms such as Franchisee’s letterhead, invoices, order forms, receipts, and contracts, Franchisee must identify as Franchisor franchisee and your business as independently owned and operated.

3.12 Franchisor’s Inspection Rights

To preserve the validity and integrity of the Marks, and to confirm that Franchisee is properly using them in the operation of Franchisee’s business, Franchisor and its agents have the right at all reasonable times to inspect Franchisee’s business, financial books and records, and operations. Franchisee shall cooperate with and assist Franchisor’s representative in such inspections.

3.13 Trademark Notices

Franchisee shall be required to affix the SM, TM or [®] symbol (as applicable) upon all advertising, publicity, signs, decorations, furnishings, equipment or other printed or graphic material employing the words “Buns on Fire” or any other of the Marks, whether presently existing or developed in the future. Franchisor, at their sole discretion shall inform the Franchisee about using which symbol (SM, TM or [®]) to use.

3.14 No Right to Deny Use

Franchisee acknowledges and agrees that Franchisee does not have any right to deny the use of the Marks to any other franchisees. In consideration therefor, Franchisee shall execute any and all documents and take actions that may be requested to allow Franchisor or other franchisees to have full use of the Marks.

3.15 Claim of Prior Use

If, during the term of this Agreement, there is a claim of prior use of the “Buns on Fire” name or any other of the Marks in the area in which Franchisee is doing business or in another area or areas, Franchisee shall so use any of Franchisor’s other Marks in such a way and at Franchisor’s discretion in order to avoid a continuing conflict.

3.16 Indemnification by Franchisor

The Franchisor agrees to indemnify Franchisee against, and to reimburse Franchisee for, all direct damages, excluding consequential, punitive, or special damages, for which Franchisee is held liable in any proceeding in which Franchisee’s use of any Mark pursuant to and in compliance with this Agreement is held to constitute trademark infringement, unfair competition or dilution, and for all costs reasonably

incurred by Franchisee in the defense of any such claim brought against him or in any such proceedings in which he is named as a party, provided that Franchisee has timely notified the Franchisor of such claim or proceedings, has otherwise complied with this Agreement and has tendered complete control of the defense of such to the Franchisor. If the Franchisor defends such claims, the Franchisor shall have no obligation to indemnify or reimburse Franchisee with respect to any fees or disbursements of any attorney retained by Franchisee.

3.17 Identification of Franchisee

During the term of this Agreement and any renewal or extension hereof, Franchisee shall identify itself as the owner of the Franchised Business in conjunction with any use of the Marks, including, but not limited to, on invoices, order forms, receipts, business stationery, contracts with all third parties or entities, as well as the display of such notices in such content and form at such conspicuous locations as the Franchisor may designate in writing. Further, Franchisee shall ensure that all its employees understand that they are employees of Franchisee and have no relationship, employment or otherwise, with the Franchisor.

ARTICLE IV

TERM AND RENEWAL

4.1 Initial Term

Except as otherwise provided in this Agreement, the initial term of this franchise shall be for a period commencing upon the execution of this Agreement (the “**Initial Term**”) and conclude on the ten (10) year anniversary of the execution date of this Agreement.

4.2 Right to Renewal Term

Subject to the conditions specified in Section 4.3 hereof, the Franchisee has the right to renew this Agreement for a period of ten (10) years from the date of the expiration of the Initial Term.

4.3 Conditions to Renewal

The Franchisee’s right of renewal pursuant to Section 4.2 above shall be subject to the following conditions precedent:

- (i.) Neither this Agreement nor the lease agreement shall have been terminated for any reason, and that the lease is renewable;
- (ii.) The Franchisee shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, any other agreement between Franchisor or any subsidiary and/or affiliated corporation and Franchisee has substantially complied with all of the terms and conditions of such agreements during their terms;
- (iii.) The Franchisee shall have served notice of its intention to exercise its right of renewal not less

than twelve (12) months nor more than eighteen (18) months prior to the expiration of the Initial Term;

- (iv.) The Franchisee shall have affected the improvements to Franchisee's Franchised Business and its operations required by the Franchisor pursuant to Section 4.4 below;
- (v.) The Franchisee has satisfied all monetary obligations due and owing to Franchisor, any subsidiary of Franchisor and/or any affiliated corporations of Franchisor and Franchisee has timely met these obligations throughout the term of this Agreement and any other agreement in effect and any renewals thereof;
- (vi.) Franchisee shall execute, upon renewal, Franchisor's then-current form of Franchise Agreement, which agreement shall supersede this Agreement in all respects and terms, and which may differ from the terms of this Agreement, including, without limitation, a higher royalty fee and higher advertising contribution;
- (vii.) Franchisee shall execute a general release, in a form prescribed by Franchisor on any and all claims against Franchisor, any subsidiary of Franchisor and/or affiliated corporation of Franchisor, and their respective officers, directors, agents and employees. The form of release is Exhibit N;
- (viii.) Franchisee shall comply with Franchisor's then-current reasonable qualification and training requirements; and
- (ix.) Franchisee shall remit to Franchisor a renewal fee equal to twenty-five percent (25%) of the then current initial franchise fee.

4.4 Renewal Report

Upon receiving of a renewal notice from the Franchisee pursuant to Section 4.2 above, the Franchisor shall prepare a renewal report which report shall be completed within three (3) months of the receipt of said notice and shall state the modifications and improvements and repairs, if any, required by the Franchisor and which Franchisee must make to Franchisee's Franchised Business. The modifications must be in conformity with the then existing standards, and specifications pertaining to Franchisee's Franchised Business. All amounts spent on repairs are subject to annual increases based upon increases in the Consumer Price Index ("CPI").

4.5 Franchisor's Right to Deny Renewal

The Franchisor expressly reserves the right to deny Franchisee's renewal in the event that Franchisee abandons Franchisee's Franchised Business or in the event the Franchisee ceases to operate and maintain Franchisee's Franchised Business in accordance with the terms of this Agreement.

4.6 Extension of this Agreement

In the event Franchisee shall continue to operate Franchisee's Franchised Business following the expiration, termination or non-renewal of this Agreement for any reason, with the express or implied consent of Franchisor, such continuation shall be construed to be an extension of the term hereof only from month-to-month, terminable by either party on no more than thirty (30) days' notice to the other party and otherwise in accordance with all of the provisions of this Agreement.

4.7 Notice of Expiration

If applicable law requires Franchisor to give Franchisee notice of expiration of this Agreement at a specified time prior to such expiration, and Franchisor has not done so, then the term of this Agreement will be extended to the date following which Franchisor's notice has been given and the legally required notice period has expired.

ARTICLE V INITIAL AND CONTINUING FEES PAYABLE TO FRANCHISOR

5.1 Initial Franchise Fee

In consideration for the execution of this Agreement and Franchisor's granting to Franchisee the franchise covered hereby, Franchisee agrees to pay to Franchisor an Initial Franchise Fee of Fifty Thousand Dollars (\$50,000) (the "**Initial Franchise Fee**"), payable upon the execution of this Agreement, which sum shall be deemed fully earned by Franchisor upon receipt thereof and is non-refundable.

5.2 Royalty Fee

In consideration of this franchise granted hereby, the services to be provided by Franchisor hereunder, the right to prepare and sell the Products, to the general public, and for the use of the Marks during the term hereof and any subsequent renewals, Franchisee shall pay to Franchisor, in addition to the Initial Franchise Fee stated herein, a royalty fee equal to six percent (6%) of the gross revenue generated by, from, or through the Franchisee's Franchised Business (the "**Royalty Fee**").

5.3 Definition of "Gross Revenue"

For the purposes of determining the royalties to be paid hereunder, "Gross Revenue" means all revenue of the Franchise Business, including all sales of products and services to customers of the Franchise Business, including income related to catering and delivery services, and any sales or orders of food products or food preparation services provided from or related to the Franchise Business, whether for cash or credit and regardless of collection in the case of credit. In the event of a cash shortage, the amount of Gross Revenue shall be determined based on the records of the electronic cash register system and any cash shortage shall not be considered in the determination. Gross Revenue shall expressly exclude the following:

- (i.) Sums representing sales taxes collected directly from customers, based upon present or future

laws of federal, state or local governments, collected by Franchisee in the operation of the Franchised Business, and any other tax, excise or duty which is levied or assessed against Franchisee by any federal, state, municipal or local authority, based on sales of specific merchandise sold at or from the Franchised Business, provided that such taxes are actually transmitted to the appropriate taxing authority;

- (ii.) Franchisor may, from time to time, authorize certain other items to be excluded from Gross Revenue. Any such permission may be revoked or withdrawn at any time in writing by Franchisor in its discretion. In addition to the foregoing, the following are included within the definition of “Gross Revenue” described except as noted below:
 - 1. The full value of Products furnished to Franchisee’s employees as an incident to their employment except that the value of any discounts extended to such employees may be credited against Gross Revenue during the reporting month in which the Products were furnished for the purpose of determining the amount of Gross Revenue upon which the Royalty Fee is due; and
 - 2. All proceeds from the sale of coupons, gift certificates or vouchers; provided that at the time such coupons, gifts certificates or vouchers are redeemed the retail price thereof may be credited against Gross Revenue during the reporting month in which such coupon, gift certificate or voucher is redeemed for the purpose of determining the amount of Gross Revenue upon which the Royalty Fee is due.

5.4 Payment Date

- (i.) Royalty Fees are due and payable monthly within the first five (5) days of the following month (the date payment is made being the “**Payment Date**”). Franchisee shall remit Royalty Fees, Advertising Fees and any other monies owed to Franchisor hereunder via electronic funds transfer or other comparable means. Franchisee shall comply with the procedures established by the Franchisor and/or to perform such acts and deliver and execute such documents as may be necessary to assist in or accomplish such electronic method of payment.
- (ii.) Franchisee agrees that he/she shall, at all times throughout the term of this Agreement, maintain a minimum balance of Five Thousand Dollars (\$5,000.00) in the Franchisee’s bank account against which such electronic funds transfer shall be drawn for the Franchised Business operated under this Agreement.
- (iii.) Franchisor may require payment by other than automatic debit, and Franchisee must comply with Franchisor’s payment instructions. If Franchisee does not report the Franchised Business’ Gross Revenue in accordance with Section 10.1(a) hereof, Franchisor may debit Franchisee’s account for one hundred twenty percent (120%) of the last Royalty Fee that Franchisor debited. If the Royalty Fee Franchisor debits is less than the Royalty Fee Franchisee actually owes, Franchisor will debit Franchisee’s account for the balance on a day it specifies. If the Royalty

Fee Franchisor debits is greater than the Royalty Fee Franchisee actually owes, Franchisor will credit the excess against the amount it otherwise would debit from Franchisee's account during the following month.

5.5 Interest on Overdue Amounts

Royalty Fees or any and all other payments provided for in this Agreement not received by Franchisor within fifteen (15) days of the Payment Date shall be subject to late fee of not less than \$30 per day while an amount is overdue or the maximum commercial contract interest rate permitted by law.

5.6 Acceptance by Franchisor

Acceptance by Franchisor of the payment of any Royalty Fee or any and all other payments provided for in this Agreement shall not be conclusive or binding on Franchisor with respect to the accuracy of such payment until two (2) years after the effective date of termination or non-renewal of this Agreement. Acceptance of any payment on account of Royalty Fees or any and all other payments provided for in this Agreement does not constitute any waiver of Franchisor's rights under Article XVII or Article XVIII hereof.

5.7 Application of Payments

Franchisor will have sole discretion to apply any payments from you to any of your past due indebtedness for Royalty Fees, Marketing Fees, interest or any other indebtedness. This provision does not constitute consent to late payments or an agreement to extend credit.

5.8 Franchisee May Not Withhold or Off-set Payments

Franchisee's obligations for the full and timely payment of the Royalty Fees and all other amounts provided for in this Agreement shall be absolute, unconditional and fully earned by Franchisor, except in those instances where Franchisor is in breach hereunder and has failed to cure such breach although obligated to do so. Franchisee shall not delay or withhold the payment of all or any part of the fees for any reason, put the same in escrow or set-off same against any and all claims or alleged claims Franchisee may allege against Franchisor.

5.9 Set Off Option

Franchisor may set off against any money owed by Franchisor or Franchisor's Affiliate(s) to Franchisee or Franchisee's Affiliate(s) pursuant to this Agreement or otherwise. This right to set off will continue until Franchisee has paid, satisfied or discharged all monies, debts or liabilities due or owing to Franchisor and Franchisor's Affiliates. Franchisee hereby irrevocably authorizes Franchisor or Franchisor's Affiliate to deduct from any monies payable by Franchisor or Franchisor's Affiliate to Franchisee or Franchisee's Affiliate(s) pursuant to this Agreement or otherwise any monies due or owing to Franchisor or Franchisor's Affiliates by Franchisee or Franchisee's Affiliate from time to time. If in Franchisee's jurisdiction set-off is not possible due to the local laws Franchisor or Franchisor's Affiliate(s) will hold

monies due to Franchisee or Franchisee's Affiliate as a lien, free from interest, until such time as Franchisee or Franchisee's Affiliate(s) have paid all monies owed by Franchisee or Franchisee's Affiliate to Franchisor or Franchisor's Affiliate(s).

ARTICLE VI **TRAINING AND COMMENCEMENT OF BUSINESS**

6.1 Initial Training Program

- (i.) Prior to opening the Franchised Business, at most two (2) managers, at least one of whom shall be a partner from the ownership group, shall attend Franchisor's initial training program, which shall be conducted at the Buns on Fire restaurant location that we designate as convenient for all parties, or at another location designated by Franchisor, and shall complete said training course to Franchisor's satisfaction. All training must be completed to Franchisor's satisfaction. If this Agreement is for Franchisee's second or subsequent Franchised Business, we may reduce at our sole discretion the number of managers required to complete training and/or not require a member of the ownership group to attend training, but in any event a trained and approved manager must be on duty at all times that your Franchised Business is open.
- (ii.) The initial pre-opening manager training for up to two persons is included in the initial franchise fee. However, without regard to the number of managers trained prior to opening the Franchised Business, all trainings subsequent to opening the Franchised Business shall be subject to Franchisor's then current training fees.
- (iii.) Franchisee shall be responsible for all travel and living expenses which Franchisee and Franchisee's managers incur in connection with the initial training program and any refresher classes, as well as wages and expenses for the managers. In the event Franchisee fails to complete the aforesaid training program, the Franchisor shall have the right to terminate this Agreement without providing a refund of the Initial Franchise Fee.
- (iv.) During the training program, Franchisee shall receive instruction, training and education in the operation of the Franchised Business and indoctrination into the System. At the completion of the training program, Franchisee must execute the Training Completion Agreement and Release (Exhibit H to this Agreement).
- (v.) If Franchisee requests that Franchisor provide its training program to additional trainees, whether before the Franchised Business opens or while it is operating, Franchisee shall pay Franchisor's then-current training fee not later than seven (7) days prior to the commencement of the training session, in addition to paying all trainees' out-of-pocket expenses and applicable wages.
- (vi.) In addition, the Franchisor may, in its sole discretion, assign one or more representative who will travel to Franchisee's location for a period of approximately fourteen (14) days to conduct a pre- opening and/or post-opening training program. Franchisee agrees to reimburse Franchisor for the expenses incurred by such representatives while providing opening training

and assistance, including, but not limited to, travel, lodging and meals. In addition, Franchisee shall pay the Franchisor's then-current training fee for any training at Franchisee's location.

6.2 Refresher Training

Franchisee shall attend such periodic refresher and supplemental training programs or meetings at such locations as Franchisor may from time to time direct. Franchisor may designate that attendance at such program is mandatory for Franchisee (or one of its owners) and Franchisee's manager. All expenses of Franchisee incur in connection with attendance at any such refresher or supplemental training programs or meetings shall be borne solely by Franchisee.

6.3 Franchised Business Staff

Franchisee shall maintain at all times during the term of this Agreement, or any renewal thereof, a staff of trained employees sufficient to operate the Franchised Business in accordance with this Agreement and the Franchisor's standards. Franchisee acknowledges and agrees that Franchisor is not the employer of and has no employment relationship with any employees Franchisee hires, and Franchisee shall indemnify and hold Franchisor harmless from any claims asserting such employment relationship. All management, personnel and training requirements are at Franchisee's discretion and are Franchisee's sole responsibility. Franchisor shall have the right to hold Franchisee solely liable and responsible for any breach of this agreement or failure to follow the System by any employee of Franchisee.

6.4 General Manager

If a partner in the Franchisee ownership group has acceptable prior experience, that partner may be the general manager of the first location. If no partner has the acceptable prior experience, or if that partner is not available to manage the store operations on a full-time basis, Franchisee shall be required to hire a general manager who possesses acceptable experience consistent with industry standards. Such general manager shall be required to complete Franchisor's training program to Franchisor's satisfaction. Franchisee shall pay the Franchisor's then-current training fee for any new general manager training.

ARTICLE VII OBLIGATIONS OF FRANCHISOR

7.1 Prototype Plans and Specifications

In order to assist Franchisee in constructing Franchisee's Franchised Business, Franchisor shall furnish to Franchisee a set of prototypes or protostyle plans and specifications for the Franchised Business, including requirements for exterior and interior design, layout, equipment and sign placement and decor scheme, all as included in the System.

7.2 Construction Assistance

Franchisee agrees that he/she shall use the architects and/or engineers designated by Franchisor, at Franchisee's expense, to prepare all construction and build-out plans required for construction of all

leasehold improvements at the Franchised Business. Franchisee shall engage a contractor, of which Franchisor reserves the right to approve, to construct the leasehold improvements at the Franchised Business according to the plans prepared for Franchisee and approved by Franchisor.

7.3 Pre-opening Assistance; Additional Assistance

(ii) Franchisor shall make available to Franchisee any further assistance that Franchisor may deem is required, based on the experience and judgment of Franchisor, in pre-opening, opening and initial business operation of the Franchised Business, which assistance shall conform to that furnished to other existing franchisees.

(iii) If, during the term of this Agreement, Franchisee requests that Franchisor provide additional assistance on-site at the Franchised Business, then Franchisee shall pay Franchisor's then-current per fees and associated costs for each representative/trainer that Franchisor sends to the Franchised Business, and Franchisee shall reimburse each representative's expenses, including, but not limited to, travel, lodging and meals.

7.4 Grand Opening Advertising

Franchisor shall assist Franchisee with his/her grand opening advertising program and ongoing local marketing programs.

7.5 Continuing Advice

Franchisor shall maintain an advisory relationship with Franchisee including ongoing telephone consultation to aid in the proper and effective operation of the System, the frequency and duration of which shall be in the sole discretion of Franchisor. Such operating assistance may consist of advice and guidance with respect to:

- (i.) Methods and operating procedures of a Franchised Business;
- (ii.) Additional dessert and beverage products and services authorized for sale by the Franchised Business;
- (iii.) Selection, purchasing and storage of food products, beverages and other approved products, materials and supplies;
- (iv.) The establishment and operation of administrative, bookkeeping, accounting, inventory control, sales and general operating procedures for proper operation of the Franchised Business; and
- (v.) Advertising and promotion for the Franchised Business.

7.6 Inspection

Franchisor or its designees or agents shall visit and inspect, from time to time, the Franchised Business and evaluate the proper execution of the System, and confer with Franchisee and Franchisee's managers in connection therewith in order to assist in the proper business operation of the Franchised Business. Franchisor or its designees or agents shall have the absolute right to make inspections at such times and frequencies, during normal business hours, as Franchisor may determine. Franchisee and Franchisee's managers and employees will cooperate with Franchisor's representatives in such inspections, render such assistance to them as they may reasonably request and immediately correct any failure to comply with the System and this Agreement as brought to Franchisee's attention by such representative.

7.7 Maintenance of Standards

Franchisor shall use its reasonable efforts to require maintenance of high and uniform standards in the execution of the System at all Franchised Businesses utilizing the System, thus protecting and enhancing the reputation of Franchisor and the Marks. However, because complete and detailed uniformity under many varying conditions might not be possible or practical, Franchisee acknowledges that Franchisor specifically reserves the right and privilege, as we deem best, to vary the System for, and to provide different levels of service to, any franchisee or affiliate owned location, based upon the peculiarities of any condition or factors that Franchisor considers important to that franchisee's successful operation. Franchisee acknowledges and agrees that it shall have no right to require Franchisor to grant Franchisee a similar variation or accommodation or to provide the same level of service, and such variations shall not constitute a breach of this Agreement or any implied covenant of good faith and fair dealing.

7.8 Proprietary Items

In order to insure that the distinguishing characteristics of the System are uniformly maintained, Franchisor may establish from time to time standards for certain proprietary food items, products, equipment, commodities and supplies for the use of same by Franchisee in the execution of the System and may, in conjunction therewith, develop new proprietary food items, products, programs and develop new equipment and new techniques which Franchisee shall be required to use and/or purchase in the operation of Franchisee's Franchised Business. The purchase of any new equipment will not materially increase the economic burden of Franchisee.

7.9 No Representation of Success

Neither Franchisor's approval of a specific location for Franchisee's Franchised Business, nor any other service provided by Franchisor pursuant to this Article shall be deemed a representation, warranty or judgment by Franchisor as to the likely success of the Franchisee's Franchised Business at such location with the specified personnel or as to the relative desirability of such location in comparison to others that might have been available to Franchisee.

7.10 Sale of Proprietary Items

Franchisor or its designees may sell to franchisees all of Franchisor's requirements of certain

proprietary food items, as is stated in Article VIII hereof, unless prevented from so doing by Force Majeure (as described in Article XXVI below), governmental restrictions, labor disputes, inability to obtain or manufacture supplies or products, or other contingency or situation. Under these circumstances, the Franchisor will not be responsible or liable for any business losses or interruption, and Franchisee, during these situations, may seek alternate, but approved, sources of supply, provided such products meet Franchisor's specifications as to quality and availability.

7.11 Minimum and Maximum Prices

With respect to the offer and sale of all menu and beverage items, Franchisor may from time to time offer guidance with respect to the selling price for such goods, products and services; however, Franchisee is in no way bound to adhere to any such recommended or suggested price. Franchisee shall have the right to sell its products and provide services at any price that Franchisee may determine. Franchisee shall execute any instruments or other writings required by Franchisor to facilitate the provision of such products and services. If Franchisee elects to sell any or all its products or merchandise at any price recommended by Franchisor, Franchisee acknowledges that Franchisor has made no guarantee or warranty that offering such products or merchandise at the recommended price will enhance Franchisee's sales or profits.

ARTICLE VIII OBLIGATIONS AND DUTIES OF FRANCHISEE

8.1 Grand Opening Advertising

Franchisee shall make any grand opening advertising expenditures as may be required by Franchisor, Franchisee's landlord and/or by the terms of Franchisee's lease. Notwithstanding the foregoing, Franchisee shall expend not less than five thousand dollars (\$5,000) on such grand opening advertising campaign. Franchisee shall obtain Franchisor's approval of the grand opening advertising campaign before such campaign is conducted.

8.2 Management and Operation of the Franchised Business

- (i.) Franchisee or a designated and approved manager ("Operating Manager") shall, during the term of this Agreement and any renewal thereof, devote full time, energy and best efforts to the management and operation of the Franchised Business hereunder, except as otherwise approved in writing by Franchisor, including, but not limited to, keeping the Franchised Business operating and open for business at the times specified in the Confidential Operations Manuals or as required by Franchisee's lease.
- (ii.) Franchisee shall, at Franchisee's sole expense, retain at all times during the term of this Agreement a certified public accountant to actively oversee management the books of the Franchised Business. Franchisor shall have the right to contact Franchisee's certified public accountant to request reports and information that Franchisor has the right under this agreement to request from Franchisee.

8.3 Maintenance of the Franchised Business

Franchisee shall maintain, at Franchisee's own expense, at all times, the interior and exterior of Franchisee's Franchised Business and all fixtures, furnishings, signs and equipment in the highest degree of cleanliness, orderliness, sanitation and repair, as determined by Franchisor, and to make no material alteration, addition, replacement or improvement in or to the interior or exterior of the Franchised Business without the prior written consent of Franchisor, except that Franchisee shall be required to periodically renovate, refurbish and update Franchisee's Franchised Business so that it is in substantial conformity with the Franchisor's then- current design. Franchisor shall not require Franchisee to renovate, refurbish and/or update the Franchised Business more frequently than every five (5) years during the term of this Agreement, and shall not require Franchisee to expend greater than fifty thousand dollars (\$50,000) on such periodic renovation, refurbishment and/or updates.

8.4 Testing by Franchisor

Franchisee agrees to allow Franchisor, from time to time, to obtain and take samples of products and supplies from the Franchised Business for testing by the Franchisor in order to assure that Franchisee complies with Franchisor's reasonable standards and specifications.

8.5 Standards of Operation

Franchisee agrees to maintain a high moral and ethical standard in the operation and conduct of the Franchised Business so as to create and maintain goodwill among the public for the name "Buns on Fire" and supervise and evaluate the performance of its staff to ensure that each render competent, efficient and quality service to the general public.

8.6 Approved Products and Services

Franchisee recognizes that it is essential to the proper operation of the Franchised Business, and to the preservation and promotion of its reputation and acceptance by the public at large, that standards of quality be maintained. Franchisee therefore agrees, as part of the consideration for this Agreement, that Franchisee will at all times sell or offer for sale to retail customers, only the Products as shall meet the reasonable specifications and standards from time to time approved in writing by Franchisor, as permitted by law, and as permitted under the lease. In furtherance thereof, Franchisee shall be required to purchase from Franchisor or its designee any new Products, which may be introduced from time to time by Franchisor and be required to offer same to the consuming public for its consumption and shall offer any method of delivery, such as in-store, and delivery, as Franchisor shall designate in the Confidential Operations Manual.

8.7 Approved Suppliers

- (i) In connection with the operation of the Franchised Business, the Franchisee is required to purchase certain items of equipment, if applicable, and also certain products and food supplies, containers, packaging supplies, paper goods and other product service items for the preparation

and service of the Products from sources designated by the Franchisor. Franchisee's obligations under this shall be satisfied so long as Franchisee equips the Franchised Business and keeps it maintained in accordance with Franchisor's strict specifications and standards for the Franchised Business.

- (ii.) In the event that Franchisee proposes to purchase any brand, type, and/or model of products, supplies, or services which are not then approved by Franchisor, Franchisee will first notify Franchisor and will submit to Franchisor, on Franchisor's request, sufficient written specifications, photographs, drawings, samples, and/or other information for a determination by Franchisor of whether the brand, type, and/or model of products, supplies, or services complies with Franchisor's specifications and standards, which determination will be made and communicated to Franchisee in writing within sixty (60) days after receipt of the necessary samples and information. In the event Franchisor does not respond within sixty (60) days Franchisee's request is deemed denied. Franchisor does not make the criteria for approving suppliers available to franchisees. Franchisor may approve or disapprove a supplier or item in Franchisor's sole discretion. Franchisor may charge the Franchisee a reasonable testing fee and will decide within a reasonable time after receiving the required information whether Franchisee may purchase items from such supplier. Upon Franchisor's approval of your proposed item and/or supplier, Franchisor will permit Franchisee to contract with the alternative supplier. Franchisor may revoke approval of a supplier or a particular item at any time in Franchisor's sole discretion by notifying Franchisee and/or the supplier in writing of the revocation of approval.
- (iii.) In connection with the operation of the Franchised Business, the Franchisee is required to purchase certain other products, beverages and other similar products and other items offered for consumption as stated in the Confidential Operations Manual. Franchisee's obligation under this Section 8.7 shall be satisfied so long as Franchisee purchases the stated products from sources of supply designated by Franchisor. Although it shall not be construed as an attempt to unreasonably limit the sources from which Franchisee may procure certain products, beverages, and other similar items, it is the intention of the Franchisor that such items conform to the Franchisor's strict standards and strict specifications of consistent quality and uniformity. Therefore, Franchisor requires Franchisee to purchase such products, beverages, and other items from sources designated by the Franchisor. Franchisor shall not be obligated to approve any suppliers.
- (iv.) Franchisor and Franchisor's affiliates have the right to receive payments from suppliers on account of their actual or prospective dealings with Franchisee and other franchisees and to use all amounts received without restriction for any purposes Franchisor deems appropriate. Franchisee also understands that, if Franchisor or Franchisor's affiliates sell items to Franchisee, Franchisor and Franchisor's affiliates may make a profit on the items.

8.8 No Representation or Warranty

Franchisee acknowledges that in purchasing or leasing supplies, equipment and/or materials from

suppliers approved by Franchisor, **FRANCHISOR EXPRESSLY DISCLAIMS ANY WARRANTIES OR REPRESENTATIONS AS TO THE CONDITION OF SAME, INCLUDING WITHOUT LIMITATION, EXPRESS OR IMPLIED WARRANTIES AS TO MERCHANTABILITY OR FITNESS FOR ANY INTENDED PURPOSE. FRANCHISEE AGREES TO LOOK SOLELY TO THE MANUFACTURER OR SUPPLIER OF SAME IN THE EVENT OF ANY DEFECTS THEREIN.**

8.9 Independent Professional Judgment

The parties acknowledge and agree that System Standards, Manuals, and any other training, specifications, standards and operating procedures related to the services provided by the Franchised Business are not intended to limit or replace Franchisee, Franchisee's Operating Principal's or Franchisee's Manager's professional judgment in supervising and operating the Franchised Business. The Manuals, System Standards and other training, specifications, standards and operating procedures represent only the minimum standards and Franchisee's Operating Principal, Manager and other professionals are solely responsible for ensuring that the Franchised Business performs in accordance with all applicable requirements and standards of care. Except as to the operating standards and requirements as set forth in the Operations Manual, nothing in this Agreement shall obligate Franchisee's Operating Principal, Manager or other professionals to perform any act that is contrary to Franchisee's or their professional judgment, applicable standards of care or any laws or regulations; provided, however, that you must notify us immediately upon your determination that any specification, standard or operating procedure is contrary to Franchisee's or their professional judgment.

8.10 Changes in Approved Products or Services

Franchisee shall only sell or offer for sale such products as described by the Franchisor, from time to time.

8.11 Compliance with Terms of Agreement

Franchisee shall comply with all the terms, conditions, requirements, covenants and agreements in this Agreement and any renewals thereof and supply Franchisor with such information (in addition to that otherwise provided for in this Agreement) as may be reasonably requested by Franchisor.

8.12 Signage

Franchisee shall use the signage as required by Franchisor. Franchisee shall only employ Franchisor's designated supplier to reproduce Franchisee's signage using Franchisor's format and specifications. This provision shall not constitute a license of any copyright or trademark to the prospective printer of such signage. Any changes in the Products advertised or used at the Franchised Business shall be approved in writing by Franchisor prior to use. At the Franchisor's discretion the signage format may contain advertising reference to other franchises.

8.13 Taxes

Franchisee shall promptly pay, when due, all taxes, fees, assessments, and other charges of any nature levied or assessed on the Franchised Business or Franchisee's operations, including without limitation federal, state and local income taxes, sales taxes, unemployment taxes, workers' compensation premiums, and all indebtedness to Franchisor incurred by Franchisee in the conduct of the business licensed by this Agreement. Franchisee's failure to pay any such amounts when due shall constitute a material breach of this Agreement.

8.14 Compliance with Laws

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 business licensed by this Agreement, including, without limitation, operation licenses, licenses to do business and fictitious name registrations.

8.15 Notification of Claim

Franchisee shall notify Franchisor, in writing, within five (5) days of the commencement of any action, claim, suit or proceeding, and of the issuance of any order, writ, injunction, suit or proceeding, award or decree of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of the Franchised Business.

8.16 No Right to Bind Franchisor

Franchisee shall not pledge Franchisor's credit or bind Franchisor to any obligation, nor shall it hold itself out as being authorized to do so.

8.17 Attire

In order to further enhance Franchisor's product and format, Franchisee shall require all personnel working at the Franchised Business and interacting with customers to wear appropriate and professional attire consistent with Franchisor's attire policy and as set forth in the Confidential Operations Manual.

8.18 Compliance with Applicable Governmental Authorities

Franchisor and Franchisee understand and agree that the operation of the Franchised Business, maintenance of its premises and equipment, conduct and appearance of its personnel, and the preparation and sale of products therefrom are all regulated by governmental statutes and regulations. To this end, the Franchisor and Franchisee agree that Franchisee owes an obligation to the patrons of Franchisee's Franchised Business, Franchisor to fully and faithfully comply with all those applicable governing authorities, and all of the same are made a part of this Franchise Agreement as if fully described herein. It is further agreed that in the event any product dispensed at the Franchised Business evidences adulteration from the standards of Franchisor's food items or is in violation of applicable law or regulations or in the event the food items, premises, equipment, personnel or operation of the Franchised Business fail to be

maintained in accordance with the governmental requirements incorporated in this Franchise as aforesaid, Franchisee shall immediately close Franchisee's Franchised Business, terminate selling operations thereat, destroy all contaminated or adulterated products and eliminate the source thereof and remedy all unsanitary conditions present, reopening for business only after Franchisor's inspection and laboratory analysis from samples obtained for that purpose by Franchisor, evidence a compliance with the applicable governmental requirements and with the standards of Franchisor. In the event Franchisee or Franchisee's agents or employees fails or refuses to comply with all of the foregoing remedial measures or in the event of any repetition of any adulteration or palming off or failure of sanitation in the Franchised Business:

- (i.) The non-prevailing party shall pay the costs and expenses, including attorneys' fees, of both parties, incurred in enforcing the provisions of this Subsection. The remedies presented herein are in addition to and not in substitution for those stated in Article XXIII of this Franchise Agreement.
- (ii.) In furtherance of the foregoing, Franchisee must submit copies of all health, sanitation or other regulatory agency inspection reports to Franchisor immediately upon receipt thereof.

8.19 Market Research

The Franchisor may, from time to time, conduct market research and testing to determine consumer trends and the salability of new products and services. Franchisee agrees to cooperate by participating in the Franchisor's market research programs, test marketing new products and services in the Franchised Business and providing the Franchisor with timely reports and other relevant information regarding such market research. In connection with any such test marketing, Franchisee shall purchase a reasonable quantity of the tested products and effectively promote and make a reasonable effort to sell such products.

8.20 Non-Halal / Prohibited Product Fine

In the event Franchisee sells any products or performs any services that Franchisor has not prescribed, approved or authorized, it shall be considered a material default under this Agreement and good cause for the Franchisor to terminate this Agreement. Franchisee shall also be liable to Franchisor in the amount of \$250 per day for use or sale of unauthorized products or services. The Franchisor's right to terminate the Franchisee shall be in addition to all other remedies available to Franchisor under this Agreement or at law.

8.21 Non-Compliance Fine

In the event that Franchisee breaches any provision of this Agreement, any material provision of the Confidential Operations Manual, or any other agreement between Franchisor and Franchisee or any of its subsidiary or affiliate corporations, and upon notice from Franchisor (and without cure within seven (7) days), Franchisee shall pay to Franchisor, on demand, a non-compliance fine equal to Five Hundred Dollars (\$500). If the violation is not corrected within thirty (30) days of Franchisor's notice, and upon notice from Franchisor, Franchisee shall pay to Franchisor, on demand, an additional non-compliance fine equal to One Thousand Dollars (\$1,000). If the violation is still not corrected within sixty (60) days of Franchisor's

notice, and upon notice from Franchisor, Franchisee shall pay to Franchisor, on demand, an additional non-compliance fine equal to Three Thousand Dollars (\$3,000). Franchisee shall not be obligated to pay Franchisor any fine under this provision where Franchisee has paid a Prohibited Product Fine under Section 8.20 for the same violation. The Non-Compliance Fine shall be in addition to all other remedies available to Franchisor under this Agreement or at law.

8.22 Gift Cards

If implemented by Franchisor, Franchisee shall sell or otherwise issue gift cards or certificates (together “**Gift Cards**”) that have been prepared utilizing the standard form of Gift Card provided or designated by Franchisor, and only in the manner specified by Franchisor in the Confidential Operations Manual or otherwise in writing. Franchisee shall fully honor all Gift Cards that are in the form provided or approved by Franchisor regardless of whether a Gift Card was issued by Franchisee or another franchise in the System. Franchisee shall sell, issue, and redeem (without any offset against any Royalty Fees) Gift Cards in accordance with procedures and policies specified by Franchisor in the Confidential Operations Manual or otherwise in writing, including those relating to procedures by which Franchisee shall request reimbursement for Gift Cards issued by other franchises and for making timely payment to Franchisor, other operators of franchises, or a third-party service provider for Gift Cards issued from the Franchised Business that are honored by Franchisor or other franchise operators.

8.23 Information Security

Franchisee must implement all administrative, physical, and technical safeguards necessary to protect any information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, credit card information, biometric or health data, government-issued identification numbers, and credit report information (“**Personal Information**”) in accordance with applicable law and industry best practices. It is entirely your responsibility (even if we provide you any assistance or guidance in that regard) to confirm that the safeguards you use to protect Personal Information comply with all applicable laws and industry best practices related to the collection, access, use, storage, disposal, and disclosure of Personal Information. If you become aware of a suspected breach or actual breach of security or unauthorized access involving Personal Information, you will notify us immediately and specify the extent to which Personal Information was compromised or disclosed.

8.24 Innovations

All ideas, concepts, techniques, or materials relating to a Franchised Business, whether or not protectable intellectual property and whether created by or for Franchisee or Franchisee’s Owners or employees, must be promptly disclosed to Franchisor and will be deemed to be Franchisor’s sole and exclusive property, part of the System, and works made-for-hire for Franchisor. To the extent any item does not qualify as a “work made-for-hire” for Franchisor, by this Section Franchisee assigns ownership of that item, and all related rights to that item, to Franchisee and agrees to sign, and cause Franchisee’s employees and other agents to sign, whatever assignment or other documents Franchisor requests to evidence Franchisor’s ownership or to help Franchisor obtain intellectual property rights in the item.

ARTICLE IX

ADVERTISING AND PROMOTIONAL ACTIVITIES

9.1 Marketing Fund Contributions

Recognizing the value of marketing and the importance of the standardization of promotions and public relations programs to the furtherance of the goodwill and public image of the System and the Marks, Franchisee agrees to contribute to a system-wide advertising and promotional Marketing Fund (the “**Marketing Fund**”) during the term of this Agreement, and on a monthly basis payable at the same time and in the same manner as the Royalty Fee, an amount Franchisor determines that will not exceed one percent (1%) of Franchisee’s Gross Revenue.

9.2 Local Advertising

Franchisee agrees to spend one percent (1%) of his/her monthly Gross Revenue on local advertising and marketing activities approved by Franchisor. This amount is in addition to any Marketing Fund contributions. If other Buns on Fire restaurants are located in Franchisee’s area, Franchisee must participate in any local advertising cooperative that Franchisor establishes or causes to be formed, if Franchisor requires Franchisee’s participation. Such participation may involve, for example, paying a pro rata share of the cost of yellow pages advertising (or equivalent) placed on behalf of Franchisee and other Buns on Fire restaurants. Franchisee may not solicit business through the use of an 800 (or other toll-free) number, direct mail, internet advertising or other advertising method without Franchisor’s prior written consent.

9.3 Franchisor Must Approve Advertising Materials

Franchisee must submit to Franchisor, for its approval, all materials to be used for local advertising, unless they have been approved before or they consist only of materials Franchisor provided. All materials containing the Marks must include the designation trademark ™, registered trademark ®, service mark SM, copyright ©, as applicable, or any other designation Franchisor specifies. If Franchisee does not receive written or oral disapproval of any materials submitted within fifteen (15) days from the date Franchisor receives the materials, the materials are disapproved. Any materials submitted to Franchisor for its approval will become Franchisor’s property, and there will be no restriction on Franchisor’s use of such materials. Franchisor may require Franchisee to withdraw and/or discontinue the use of any promotional materials or advertising, even if previously approved. Franchisor must make this requirement in writing, and Franchisee has five (5) days after receipt of Franchisor’s notice to withdraw and/or discontinue use of the materials or advertising. Franchisee’s submission of advertising for approval does not affect his/her right to determine the prices at which Franchisee sells his/her services or products. Franchisee must include in any significant display advertisements, and in marketing materials for the Franchised Business, in conformance with standards in the Confidential Operations Manual, a notice that the Franchised Business is individually owned and operated. Subject to any legal restrictions, Franchisee also must display or make available, in the reception area of the Franchised Business, marketing materials that Franchisor provides to Franchisee about the purchase of Buns on Fire franchises, but Franchisee has no responsibility or authority to act for Franchisor in franchise sales.

9.4 Telephone Listings

Franchisee acknowledges and agrees that Franchisor will own all rights to and interest in all internet websites and each telephone number and telephone directory listing used by Franchisee that is associated in any manner with the Franchised Business and/or with any Mark (“**Telephone Listing**”). Franchisee acknowledges and agrees that all goodwill arising from or in connection with the use of each website or Telephone Listing will inure to Franchisor’s benefit. Promptly after the expiration, termination, repurchase or transfer of the franchise, and at Franchisee’s own expense, Franchisee will notify all telephone companies with whom he/she has any Telephone Listing and direct them to transfer the Telephone Listing to Franchisor or to any person(s) Franchisor designates, and Franchisee will execute any and all documents necessary to complete these transfer(s). On the execution of this Agreement, Franchisee will sign a telephone transfer consent and authorization, in a form substantially similar to Exhibit E, granting Franchisor the authority to change, transfer or terminate Franchisee’s Telephone Listing(s) on Franchisee’s behalf. Franchisor will use this authorization only if Franchisee does not comply fully with this Section 9.4 after the expiration, termination, repurchase or transfer of the franchise.

9.5 Website

The Franchisee shall not maintain a World-Wide Website or otherwise maintain a presence or advertise on the Internet or any other public computer network in connection with the Franchised Business without Franchisor’s prior written approval, which Franchisor may withhold for any reason or no reason. Franchisee agrees to submit to Franchisor for approval before use, true and correct printouts of all Website pages Franchisee proposes to use in his/her website in connection with the Franchised Business. Franchisee understands and agrees that Franchisor’s right of approval of all such Web materials is necessitated by the fact that such Web materials will include and be inextricably linked with Franchisor’s Marks. Franchisee may only use materials which Franchisor has approved. Franchisee’s Website shall conform to all of Franchisor’s Website requirements, whether stated in the Confidential Operations Manuals or otherwise. Franchisee agrees to provide all hyperlinks or other links that Franchisor requires. If Franchisor grants approval for a Website, Franchisee may not use any of the Marks at the site except as Franchisor expressly permits. Franchisee may not post any of Franchisor’s proprietary, confidential or copyrighted material or information on his/her Website without Franchisor’s prior written consent. If Franchisee wishes to modify the approved site, all proposed modifications must also receive Franchisor’s prior written approval. Franchisee explicitly understands that he/she may not post on his/her Website any material which any third party has any direct or indirect ownership interest in (including, without limitation, video clips, photographs, sound bites, copyrighted text, trademarks or service marks, or any other text or image which any third party may claim intellectual property ownership interests in). Franchisee agrees to list on his/her Website any Website maintained by Franchisor, and any other information Franchisor requires in the manner Franchisor dictates. Franchisee agrees to obtain Franchisor’s prior written approval for any internet domain name and/or home page address. The requirement for Franchisor’s prior written approval described in this Section will apply to all activities on the Internet or other communications network to be conducted by Franchisee, except that Franchisee may maintain one or more E-mail addresses and may conduct individual E-mail communication without Franchisor’s prior approval as provided above if he/she proposes to send advertising to multiple addresses via E-mail.

9.6 Social Media

Franchisee shall comply with any Social Media policy issued by the Franchisor, whether incorporated into the Confidential Operations Manual as an addendum or otherwise communicated by Franchisor in writing at any time. Franchisor may grant Franchisee the right to maintain, or may require Franchisee to maintain, or may prohibit the franchisee from maintaining an independent social media presence for the Franchised Business through websites such as Facebook, Twitter, Instagram, Tik Tok, Foursquare, and the like. Any such account shall be the property of Franchisor. If granted the right to operate such an account, Franchisee must grant Franchisor permanent access to all such social media accounts, including the right to edit, post, delete, and revise content. Franchisee shall provide and update a list of all passwords necessary for such access to Franchisor. Unless otherwise stated in a social media policy, all Franchisee content on such social media websites shall constitute local marketing materials for purposes of Section 9.2 above.

9.7 Participation in Promotions

Franchisor may, at its discretion, institute promotional programs to include franchised locations. Franchisee is required and agrees to participate in any promotional program instituted by the Franchisor, at Franchisor's sole discretion. Such promotional programs may be regional, national, or international, and Franchisee is required to participate as directed by Franchisor. Franchisee may be required to purchase materials, provide free products to guests, or to otherwise incur expenses as part of a promotional program or programs, and Franchisee shall bear these costs. Franchisor shall have full discretion to initiate, continue, modify, or cancel any promotional program at any time.

ARTICLE X

REPORTS TO FRANCHISOR

10.1 Books and Records

Franchisee shall keep full, complete and accurate books and accounts in accordance with generally accepted accounting principles and in accordance with the System, and Franchisee shall:

- (i.) Submit to Franchisor concurrently with the payment of the Royalty Fees, on a form supplied or approved by Franchisor, a signed and verified statement of Gross Revenue in cash, credit and/or other charges, and when Franchisee is tied into the computerized cash register system such reports shall be transmitted electronically;
- (ii.) Submit to Franchisor within five (5) days after the end of each month, a monthly profit and loss report for the Franchised Business for such month;
- (iii.) Submit to Franchisor within sixty (60) days after the close of each twelve (12) month period an annual profit and loss statement for the Franchised Business for such year and a balance sheet for the Franchised Business as of the end of such year, reviewed by an independent

certified public accountant. Franchisor may randomly select a franchisee or franchisees who will be required to have an audited financial statement prepared by a certified public accountant selected by the franchisee, but who shall be acceptable to Franchisor, which opinion may be qualified only to the extent reasonably acceptable to the Franchisor;

- (iv.) Submit to Franchisor a copy of all of Franchisee's Federal, State and Local tax returns of any kind or nature; and a certificate from said accountant that all Social Security payments, taxes and fees required to be paid by Franchisee have been paid and that there is no reason to believe that Franchisee's corporate status, if Franchisee is a corporation, limited liability company or other entity, has been impaired; and
- (v.) Submit to Franchisor such other periodic forms and reports as may be reasonably prescribed by Franchisor.

10.2 Maintenance of Accounting Records

Franchisee shall preserve for a period of not less than three (3) years all accounting records and supporting documents relating to the Franchisee's business under this Agreement.

10.3 Sales Records

- (i.) Franchisee shall record, in a manner approved and designated by Franchisor at the time of receipt, all sales of all products sold by Franchisee from his/her Franchised Business in a computerized cash register of a type designated by Franchisor, or on any other machine or recording device recommended or approved in advance by Franchisor.
- (ii.) Franchisee shall maintain an internet connection of adequate connectivity, speed, and capacity to permit Franchisor to access Franchisee's computerized point of sale system, and shall allow Franchisor access to such computerized point of sale system at all times. Franchisee shall install and maintain a wireless internet system available to guests, approved by Franchisor, if Franchisor so requires in the Confidential Operations Manual.
- (iii.) Franchisee shall install and maintain a security camera system approved by Franchisor which enables Franchisee and Franchisor to observe active camera feeds in the Franchised Business.

10.4 Audit

In order to determine whether Franchisee is complying with this Agreement, the Franchisor or its designated agents shall have the right, at any time during reasonable business hours, to examine at its expense the books, records, cash control devices, income tax returns, bank statements, sales records of the Franchised Business, and the books and records of any corporation, limited liability company or partnership which owns the franchise. Franchisor shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If an inspection or audit should reveal that Gross Revenue and/or payments have been understated in any report to Franchisor, by five percent (5%) or more, then Franchisee shall, upon fifteen (15) days' notice, pay to Franchisor the amount understated upon demand, with interest

thereon as described in Section 5.5, and in addition reimburse Franchisor for any and all costs and expenses connected with the inspection (including without limitation, reasonable accounting and attorneys' fees, travel expenses, room and board and compensation of employees of the Franchisor). The foregoing remedies shall be in addition to any other remedies Franchisor may have hereunder or under applicable law.

ARTICLE XI **CONFIDENTIALITY**

11.1 Loan of Confidential Operations Manual

Franchisor shall lend to Franchisee, a confidential operations manual published by Franchisor (the “**Confidential Operations Manual**”) which includes, in part, the business procedures, technical advice and rules and regulations for operating the business, and incorporates by reference training manuals which Franchisor may lend to Franchisee at the initial training. The Confidential Operations Manual shall be provided to Franchisee upon execution of this Agreement and payment of applicable Franchise Fee.

11.2 Franchisee's Acknowledgments

Franchisee acknowledges and agrees that:

- (i.) The Confidential Operations Manual is the property of the Franchisor during the term of this Agreement and any renewal hereof;
- (ii.) The Confidential Operations Manual contains Confidential Information which Franchisee will protect as a trade secret, and that its loss will cause substantial damage to Franchisor and other franchisees, although the amount of such loss would be incalculable with any degree of accuracy;
- (iii.) Franchisee shall not reprint or reproduce any portion of the Confidential Operations Manual for any reason whatsoever;
- (iv.) If Franchisee misplaces, destroys, or otherwise loses possession of the Confidential Operations Manual, Franchisee shall be obligated to pay to Franchisor a Replacement Manual Fee of Five Hundred Dollars (\$500.00); and
- (v.) Upon termination of this Agreement for any reason, the Confidential Operations Manual, including any and all paper and electronic copies, will be immediately returned to Franchisor.

11.3 Modifications to Confidential Operations Manual

Franchisor may reasonably add to or otherwise modify the Confidential Operations Manual, from time to time, whenever it considers such additions or modifications desirable to improve or maintain the standards of the System and the efficient operation thereof, or to protect or maintain the goodwill associated with the “Buns on Fire” name and Marks or to meet competition, provided such additions or modifications are system-wide in nature and do not substantially increase Franchisee's economic burden.

11.4 Incorporation of Confidential Operations Manual

From the date of the opening of the Franchised Business by Franchisee, the mandatory specifications, standards and operating procedures prescribed by Franchisor and communicated to Franchisee in writing in the Confidential Operations Manual and otherwise, shall constitute provisions of this Agreement as if fully described herein. All references herein to this Agreement shall include the provisions of the Confidential Operations Manual and all such mandatory specifications standards and operating procedures.

11.5 Receipt of Confidential Information

Franchisee acknowledges that prior to or during the Term, Franchisor may disclose in confidence, either orally or in writing, certain trade secrets, know-how, and other confidential information relating to the System, Franchisor's business, Franchisor's vendor relationships, Franchisor's stores, or the construction, management, operation, or promotion of the Franchised Business (collectively, "**Confidential Information**"), including (i) site selection criteria and methodologies; (ii) methods, formats, systems, System Standards, sales and marketing techniques, knowledge and experience used in developing and operating Franchised Businesses, including information in the Confidential Operations Manuals; (iii) marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand related materials and programs for Franchised Businesses; (iv) knowledge of specifications for and suppliers of, and methods of ordering, certain items that Franchised Businesses use and/or sell including the proprietary food items and recipes; (v) knowledge of the operating results and financial performance of other franchises; (vi) customer information, customer communication and customer retention programs, along with data used or generated in connection with those programs; and (vii) any other information Franchisor reasonably designates from time to time as confidential or proprietary. "Confidential Information" does not include (i) information that is part of the public domain or becomes part of the public domain through no fault of Franchisee, (ii) information disclosed to Franchisee by a third party having legitimate and unrestricted possession of such information, or (iii) information that Franchisee can demonstrate by clear and convincing evidence was within Franchisee's legitimate and unrestricted possession when the parties began discussing the sale of the franchise.

11.6 Non-Disclosure of Confidential Information

- (i) Franchisor and Franchisor's affiliates own all right, title, and interest in and to the Confidential Information. Franchisee will not, nor will Franchisee permit any person to, use or disclose any Confidential Information (including without limitation all or any portion of the Confidential Operations Manuals) to any other person, except to the extent necessary for Franchisee's professional advisors and Franchisee's employees to perform their functions in the operation of the Franchised Business. Franchisee acknowledges that your use of the Confidential Information in any other business would constitute an unfair method of competition with Franchisor and Franchisor's franchisees. Franchisee will be strictly liable to Franchisor for any unauthorized use or disclosure of Confidential Information by any employee, contractor, agent, representative or other person to whom Franchisee discloses Confidential Information,

regardless of fault, and shall indemnify and hold Franchisor harmless from any damages resulting from such unauthorized use or disclosure. Franchisee will take reasonable precautions to protect the Confidential Information from unauthorized use or disclosure and will implement any systems, procedures, or training programs that we require. At our request, Franchisee will require anyone who may have access to the Confidential Information to execute non-disclosure agreements in a form satisfactory to Franchisor that identifies Franchisor as a third-party beneficiary of such covenants with the independent right to enforce the agreement.

- (ii.) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. An individual shall not be held criminally or civilly liable under a Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to an attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

ARTICLE XII **INSURANCE**

12.1 Insurance Coverages

Franchisee shall obtain and place at its sole cost and expense, with an insurer rated “A+” or better in A.M. Best and Company, Inc.’s Directory who is authorized to do business in the state in which the Franchisee’s Franchised Business is located, and to keep in full force and effect during the terms of this Agreement, insurance coverage on an “occurrence basis” naming Franchisor, its officers, directors and shareholders and any supplier of Products, and any designated primary and secondary lessor as co-insureds (such insurance policies hereinafter referred to collectively as “**Insurance**”) in amounts identified in the Confidential Operations Manual or an addendum thereto:

- (i.) Comprehensive general liability insurance for bodily injury, death and property damage caused by your operation of the Franchised Business, including employment practices liability coverage and contractual liability coverage;
- (ii.) “All Risks” coverage for the full cost of replacement of the Franchised Business premises and all other property in which the Franchisor may have an interest, with a replacement cost clause attached, agreed amount endorsement equal to one hundred (100%) percent replacement the value of the property, including buildout, improvement and betterments, equipment, furniture, fixtures and inventory;
- (iii.) Liquor liability coverage in amounts identified in the Confidential Operations Manual or an addendum thereto if alcohol will be served.

- (iv.) Employer's Liability, Workers' Compensation, and such other insurance as may be required by statute or rule of the state or locality in which Franchisee's Buns on Fire is located and operated;
- (v.) Business interruption insurance in sufficient amounts to cover twelve (12) months of revenue but not less than \$100,000. Franchisor shall be named as an additional insured and loss payee in an amount equal to the royalties that would have been paid based on the Gross Revenue of the Franchised Business for the preceding twelve (12) month period, or prorated for such shorter period (if the Franchised Business has not been in operation for twelve (12) months), and shall expressly provide that any interest of same therein shall not be affected by any breach of Franchisee of any policy provisions for which such certificates evidence coverage; and
- (vi.) Products liability and completed operation insurance; and
- (vii.) Any other insurance coverage as required by the State, Federal or local municipality in which the franchised premises is located, as required by Franchisor, or as required by the lease for the Franchised Business premises.

Franchisee may, with the prior written consent of Franchisor, elect to have reasonable deductibles in connection with the coverage required hereunder.

12.2 Additional Provisions

The insurance shall cover the acts or omissions of each and every one of the persons who perform services of whatever nature at the Franchised Business, and shall protect against all acts of any persons who patronize the Franchised Business and shall contain a waiver of subrogation against Franchisor.

12.3 Certificates of Insurance

Prior to the opening of the Franchised Business, Franchisee will deliver to Franchisor certificates of the Insurance, together with the copies of the actual policies issued, and will promptly pay all premiums thereon as and when the same become due. All policies shall provide that they are non-cancelable as to Franchisor in the absence of thirty (30) days' written notice to Franchisor. Franchisor shall have the right, but shall not be obligated, to pay premiums due and unpaid by Franchisee or else to obtain substitute coverage in the case of cancellation. Any cost thereof to Franchisor shall be added to the Royalty Fees otherwise payable to Franchisor under this Agreement, provided, however, that same shall be due and payable to Franchisor by the Franchisee within five (5) days of demand therefor.

12.4 Changes in Insurance Coverages

Franchisor reserves the right to demand that Franchisee obtain Insurance from time to time which is different in coverage, risks, amount or otherwise from the foregoing in order to protect fully the parties having insurable interests in the Franchised Business, provided such Insurance is reasonably common in the area for similar operations.

12.5 Notification of Claim

Franchisee shall immediately notify Franchisor, in writing, of any accidents, injury, occurrence or claim that might give rise to a liability or claim against Franchisor or which could materially affect Franchisee's business, and such notice shall be provided no later than the date upon which Franchisee notifies his/her insurance carrier.

12.6 Franchisor May Purchase Insurance

If Franchisee fails to obtain or maintain the required insurance, or fails to provide certificates to Franchisor upon Franchisor's request, then Franchisor may obtain insurance on behalf of the franchisee from any vendor of Franchisor's choosing. Franchisee shall be required to reimburse Franchisor for the cost of the premium(s) plus a two thousand five hundred dollar (\$2,500) fee to cover Franchisor's administrative time and costs. Insurance reimbursement (including the \$2,500 fee) shall be payable upon demand from Franchisor, and interest shall begin to accrue (pursuant to Section 5.5 of this Agreement) upon the fifth (5th) day after demand if the Franchisee has not reimbursed Franchisor.

ARTICLE XIII

RELATIONSHIP OF THE PARTIES; INDEMNIFICATION

13.1 Independent Business

You acknowledge that by executing this Agreement you are agreeing to establish and operate an independent Franchised Business, the success of which depends on, among other things, your individual ability to operate your business, attract and retain qualified staff, and otherwise operate all phases of an independent business over which you will have substantial control. As an independent business owner, you agree that: (i) the relationship created by this Agreement is not a relationship between principal and agent, or that it is a fiduciary relationship and any act or omission of either party shall not bind or obligate the other except as expressly stated in this Agreement; (ii) you are not an employee of Franchisor and will not earn any wages, nor be eligible for or receive any of the other benefits normally provided to employees of Franchisor, but rather your income will solely be the profits you earn from the operation of the Franchised Business; (iii) Franchisor is not the employer or co-employer of any employee that you hire; (iv) all management of the Franchised Business are at your discretion and are your responsibility; (v) you are responsible for ensuring that the Franchised Business operates in accordance with the law of the state, county, city, and town in which you operate; and (vi) your independent business judgment will be used to grow and increase sales. You understand that should you assert a claim or seek a determination that this Agreement, or any of its exhibits or attachments, creates anything but an independent business relationship, including an employment relationship, Franchisor may seek a determination that this Agreement is null and void. You also agree that if a court, administrative body, arbitrator, board, or other tribunal enters a judgment that this Agreement, or any of its exhibits or attachments, creates anything but an independent business relationship, including an employment relationship, then Franchisor shall have the option to terminate this Agreement.

13.2 Franchisee Has Full Responsibility

Franchisee recognizes that Franchisor has entered into this Agreement in reliance upon and in recognition of the fact that Franchisee will have full responsibility for the management and operation of the business and that the amount of profit or loss resulting from the operation of the business will be directly and solely attributable to the performance of Franchisee.

13.3 No Rights in the System, Marks, Etc.

Except as expressly granted herein, Franchisee recognizes that nothing contained in this Agreement shall be construed as giving to Franchisee or to any other person or entity any right or interest in the Franchisor's names, Marks, trade secrets, methods, procedures or techniques developed by Franchisor and used in the System. Further, except as specifically stated in Article I hereof, nothing contained herein shall be construed as limiting Franchisor's right, title or interest in the "Buns on Fire" name, Marks, trade secrets, methods, procedures and techniques which are a part of the System or Franchisor's sole and exclusive right to register trade secrets, methods, procedures and techniques.

13.4 Identification of Independent Ownership

In all public records and prominently displayed at the Franchised Business and in Franchisee's relationship with third parties, including but not limited to, employees and vendors, as well as on letterheads and business forms, Franchisee shall indicate clearly the independent ownership of the Franchised Business, and that the operations of same are separate and distinct from the operation of Franchisor's business. Franchisor shall have the absolute right to approve and/or supply any sign displays containing the foregoing.

13.5 Taxes

The Franchisor shall have no liability for any sales, use, excise, gross receipts, property or other taxes, whether levied upon Franchisee, the Franchised Business or its assets, or upon Franchisor in connection with sales made, services performed or business conducted by Franchisee, except for any taxes Franchisor is required by law to collect from Franchisee with respect to purchases from Franchisor or for Franchisor's own income tax liability.

13.6 Indemnification by Franchisee

Franchisee irrevocably and unconditionally agrees to indemnify, defend and hold the Franchisor and its subsidiaries, affiliates, stockholders, directors, officers, employees, agents and assignees harmless against, and to reimburse them for, any loss, liability, taxes or damages (actual or consequential) and all reasonable costs and expenses of defending any claim brought against any of them or any action in which any of them is named as a party (including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses) which any of them may suffer, sustain or incur by reason of, arising from or in connection with Franchisee's ownership or operation of the Franchised Business, which is due solely to Franchisee's negligence, breach of contract or other civil wrongs, unless such loss, liability or damage is solely and directly due to the gross negligence or willful misconduct of the Franchisor (or any of its

affiliates, i.e., any company controlling, controlled by, or under common control with the Franchisor) in producing, handling or storing the proprietary food items sold to Franchisee (provided Franchisor shall have established that Franchisee inspected such proprietary food items in accordance with the procedures stated in the Confidential Operations Manual and could not have reasonably discovered the adulteration or other defect in such proprietary food items which was the case of such loss, liability or damage). Franchisee acknowledges and agrees that any action or inaction by any third party (e.g., an independent carrier) which is not an affiliate of the Franchisor in connection with handling or storing the Products shall not be attributable to or constitute negligence of the Franchisor.

13.7 Indemnification by Franchisor

The Franchisor agrees to indemnify and hold Franchisee harmless against, and to reimburse him/her for, any loss, liability or damage (actual or consequential) and all reasonable costs and expenses of defending any claim brought against him/her or any action in which he/she is named as a party (including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses) which he/she may suffer, sustain or incur solely by reason of, arising from or in connection with the negligence of the Franchisor (or any of its affiliates, i.e., any company controlling, controlled by or under common control with the Franchisor) in producing, handling or storing the proprietary products (provided Franchisee shall have established that Franchisee inspected such Products in accordance with the procedures stated in the Confidential Operations Manual and could not have reasonably discovered the adulteration or other defect in such Products which was the cause of such loss, liability or damage). Franchisee acknowledges and agrees that any action or inaction by any third party (e.g., an independent carrier) which is not an affiliate of the Franchisor in connection with handling or storing proprietary food items shall not be attributable to or constitute negligence of the Franchisor.

ARTICLE XIV

COVENANTS NOT TO COMPETE

14.1 In-Term Covenants

During the term of this Agreement, or any extension thereof, neither Franchisee, nor any partner, if the Franchisee is a partnership, nor any shareholder or member, if the Franchisee is a corporation or limited liability company, shall either directly or indirectly for himself or herself or on behalf of, or in conjunction with any other person, persons, partnership, association or corporation own, maintain, engage in, participate or have any interest in the operation of any fast-casual restaurant, food service business, or any enterprise selling Halal foods, middle-eastern cuisine, or similar food products including, but not limited to, walk-in or carry-out formats, food carts or vending machines (a "**Competitive Business**"), provided, however, that this prohibition shall not apply to the ownership by the Franchisee of additional Buns on Fire restaurants.

14.2 Post-Term Covenants

For a period of two (2) years following termination, expiration, or non-renewal of this Agreement,

except where the termination occurs due to the fault or action of the Franchisor and not due to default of the Franchisee or any partner, if the Franchisee is a partnership, or any shareholder or member, if the Franchisee is a corporation or limited liability company, the Franchisee shall not, except with respect to the ownership or operation by Franchisee of additional Buns on Fire restaurants either directly or indirectly for himself or on the behalf of, or in conjunction with, any other person, persons, partnership, association or corporation, own, maintain, engage in, participate in, or have any interest in the operation of any Competitive Business, or which distributes, produces or sells the Products within (x), your Protected Territory as defined in Exhibit A; (y) the Protected Territory any other franchisee of Franchisor Business locations; or (z) the Protected Territory (as would be defined by the terms of Exhibit A) for any store operated by Franchisor. The restrictions of this Section shall not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represents five percent (5%) or less of the number of shares of that class of securities issued and outstanding.

14.3 Failure to Comply

In the event Franchisee fails or refuses to comply with the in-term or post-term covenants of this Article, even if such failure or refusal is based upon a claim that the laws of any particular jurisdiction excuse such non-compliance or make the provision of said paragraph unenforceable in whole or in part, and provided that the jurisdiction in which the Franchised Business is located permits, Franchisee hereby separately covenants and agrees that while this Agreement is in effect and for two (2) years after its termination, except where termination occurs due to the fault or action of Franchisor and not due to default of Franchisee, Franchisor shall have the right to require that all sales made in the operation of any business operated in violation of this Article XIV shall be reported to Franchisor and Franchisee agrees to pay Franchisor upon demand, the weekly fee of Five Hundred Dollars (\$500) and Three Thousand Dollars (\$3,000) if the violation is not corrected within ninety (90) days, at the times and in the manner specified in Article V hereof all without being deemed to revive, modify or expand this Agreement. The covenants of this Article shall survive the termination or expiration of this Agreement.

14.4 Confidential Information

Franchisee shall not, during the term of this Agreement or after its termination or non-renewal, communicate or divulge to any other person, persons, partnership, corporation or other entity (and shall not, after termination or non-renewal, communicate and retain) use any information or knowledge concerning the methods of operation used in a Franchised Business, which shall constitute Confidential

Information as set forth herein, nor shall Franchisee disclose or divulge, in whole or in part, (nor shall Franchisee retain, after termination or non-renewal) any trade secrets of Franchisor or its affiliated companies or subsidiaries thereof. Additionally, Franchisee shall not, during the term of this Agreement or after its termination or non-renewal, use any such Confidential Information or trade secrets other than as necessary in connection with Franchisee's operation of the Franchised Business. Franchisee agrees to use the utmost diligence to guard and protect such Confidential Information and trade secrets from disclosure to or use by others (except solely as necessary to operate the Franchised Business), including by requiring any of Franchisee's employees to be bound by non-disclosure obligations at least as protective as this covenant.

14.5 Unenforceability of Covenants

The parties agree that the covenants contained in this Article are intended to be and shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Article is held unreasonable or unenforceable by a court or agency having valid jurisdiction, Franchisee expressly agrees to be bound by any lesser covenant subsumed with the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated and made a part of this Article.

14.6 Acknowledgements and Injunctive Relief

Franchisee acknowledges that the foregoing restrictions are essential conditions of Franchisor's willingness to enter into this Agreement with Franchisee; are supported by fair, reasonable, and mutually-agreed upon consideration; are reasonable and enforceable in every respect; are not vague or indefinite; are designed and are necessary to protect the legitimate business interests of Franchisor; and that compliance with such covenants will not prevent Franchisee from earning a livelihood and do not place undue restraint on Franchisee, nor are they in conflict with any public interest. Franchisee acknowledges that Franchisee has read the covenants contained herein, fully understands them, and has voluntarily agreed to comply with them without any force or duress. Franchisee agrees that in the event of a breach of covenants contained in this Article, the damage to Franchisor would be difficult to ascertain, and in addition to the liquidated damages payable to Franchisor as hereinafter provided for the breach of any or all of said covenants, Franchisor shall be entitled to seek injunctive and/or other equitable relief against the violation of any said covenants, without posting a bond or proving actual damages, together with reasonable attorneys' fees and costs.

14.7 Enforceability

Covenants contained in this Article shall be construed as severable and independent and shall be interpreted and applied consistent with the requirements of reasonableness and equity. Any judicial reformation of these covenants consistent with this interpretation shall be enforceable as though contained herein and shall not affect any other provisions or terms of this Agreement.

ARTICLE XV **MODIFICATION OF THE SYSTEM**

Franchisee understands and agrees that the System must not remain static if it is to meet, without limitation, presently unforeseen changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends, other market variables and the needs of customers, and to best serve the interests of Franchisor, Franchisee and all other franchisees. Accordingly, Franchisee expressly understands and agrees that Franchisor may from time to time change the components of the System, including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System; abandoning the System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons; adding to, deleting

from or modifying those programs and services which the Franchised Business is authorized to offer; modifying or substituting entirely the building, premises, equipment, signage, trade dress, décor, color schemes and uniform specifications and all other unit construction, design, appearance and operation attributes which Franchisee is required to observe hereunder; and changing, improving or modifying the Marks. Subject to the other provisions of this Agreement, including the restrictions contained in Section 8.3, Franchisee expressly agrees to abide by any such modifications, changes, additions, deletions and alterations, provided, however, that such changes are system-wide in nature do not materially and unreasonably increase Franchisee's economic obligations hereunder.

Franchisee shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed.

Except as provided herein, Franchisor shall not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any of the modifications contemplated hereby. Franchisee hereby covenants not to commence or join in any litigation or other proceeding against Franchisor or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby. Finally, Franchisee expressly waives any claims, demands or damages arising from or related to the foregoing activities 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.

ARTICLE XVI **FRANCHISEE**

The term "Franchisee" includes all persons who succeed to the interest of the original Franchisee by transfer or operation of law and shall be deemed to include not only the individual or entity defined as "Franchisee" in the introductory paragraph of this Agreement but shall also include any and all partners of the entity that execute this Agreement, in the event said entity is a partnership, all shareholders, officers and directors owning more than a twenty (20%) percent ownership interest in the entity that executes this Agreement, in the event said entity is a corporation, and all members and managers owning more than a twenty percent (20%) ownership interest in the entity that executes this Agreement, in the event said entity is a limited liability company.

By their signatures hereto, all partners, shareholders, officers, directors, members and managers of the entity that signs this Agreement as Franchisee acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement. The singular usage includes the plural and the neuter and masculine usages include the other and the feminine.

ARTICLE XVII **TERMINATION**

17.1 Events of Default

Franchisor may terminate this Agreement upon the occurrence of any of the following events of default:

- (i.) Failure of Franchisee to make complete timely payments of any and all fees and billings due Franchisor or any of its subsidiary or affiliated corporations;
- (ii.) Failure of Franchisee to comply with reporting or record keeping requirements of this Agreement, and/or the intentional under-reporting of Gross Revenue;
- (iii.) The misstatement by Franchisee of any material fact, or failure of the Franchisee to disclose or the understatement of any material fact in any report furnished to the Franchisor pursuant to this Agreement or the Confidential Operations Manual, whether or not such misstatement or failure to disclose or understatement is intentional;
- (iv.) A breach by Franchisee of any provision of this Agreement, any material provision of the Confidential Operations Manual, or any other agreement between Franchisor and Franchisee or any of its subsidiary or affiliated corporations;
- (v.) Engagement of Franchisee in any conduct or practice that, in the sole judgment of Franchisor, is detrimental or harmful to the good name, goodwill or reputation of Franchisor, or its products, or its services, or other franchisees, or the public;
- (vi.) Engagement of Franchisee in any conduct or practice that is a fraud upon consumers, or is an unfair, unethical, or deceptive trade, act or practice;
- (vii.) Any pledge or attempted pledge of Franchisor's credit by Franchisee, or an attempt by Franchisee to bind Franchisor to any obligation;
- (viii.) Failure of Franchisee to participate in the advertising, promotional, or marketing activities, services, and programs that are established by Franchisor or the Marketing Fund;
- (ix.) Unauthorized or improper use by Franchisee of the Marks;
- (x.) Misuse or unauthorized disclosure by Franchisee of the Confidential Operations Manual, information or materials;
- (xi.) Failure of Franchisee to use or sell any of the proprietary food items to the exclusion of those of any competitors and the failure to perform all of the services required by Franchisor, including but not limited to the forwarding of copies of all health or sanitation or other regulatory agency reports to Franchisor immediately upon receipt thereof;
- (xii.) Failure of Franchisee to open the Franchised Business at the location designated by Franchisee within the time specified in the lease or this Agreement;
- (xiii.) Except as otherwise provided herein, failure by Franchisee to purchase his/her entire requirement of any of the items from sources of supply designated by Franchisor and to sell the same to the consuming public using his/her best efforts;

- (xiv.) Failure of Franchisee to correct any local, state or municipal health or sanitation law or code violation within twenty-four (24) hours after being cited for such violation, except if Franchisee cannot effect a cure within said time frame, but has, in good faith, initiated a cure of such violations; or
- (xv.) Sale of the food items by Franchisee to other than the retail customer (ultimate consumer), without Franchisor's prior consent.

17.2 Notice of Termination

To terminate Franchisee for default of this Agreement pursuant to Section 17.1 above, Franchisor shall first provide Franchisee with written notice of termination, which notice shall specify the reason for and the Effective Date of Termination. This Agreement shall terminate on the date specified therein, which shall not be less than seven (7) days from the posted day of the notice (or such longer period as provided by State law), unless:

- (i.) Franchisee cures the default or reason for termination during the notice period;
- (ii.) Franchisee has in good faith, initiated a cure of the default or reason for termination within the notice period, and such default or reason cannot be completely cured during the notice period because of factors reasonably beyond the exclusive control of Franchisee, in which event Franchisor, by notice, shall permit Franchisee a reasonable opportunity, in light of such factors, to effect a complete cure; or
- (iii.) The provisions of Sections 17.2(a) and (b) notwithstanding, this Agreement shall nonetheless terminate if the default or reason for termination has been stated in two (2) prior notices of termination within any prior twelve (12) month period, and/or if two (2) or more health code violations have been committed within any prior twelve (12) month period, or if Franchisee is terminated as a result of under-reporting Gross Revenue by five percent (5%) or more.

17.3 Immediate Termination

Upon written notice to Franchisee, Franchisor may, without right to cure, immediately terminate this Agreement upon the occurrence of any of the following events of default:

- (i.) Any action by Franchisee, any of his/her partners, if Franchisee is a partnership, or any of its officers, directors or stockholders, if Franchisee is a corporation, or any of its members or managers, if Franchisee is a limited liability company, which results in:
 1. An affirmative act of insolvency;
 2. An assignment for the benefit of creditors;
 3. The filing of a petition under any bankruptcy, reorganization, insolvency, or moratorium law, or any law for the relief of, or relating to, debtors, except with respect to any relief permitted under the Federal Bankruptcy Code; or
 4. Violation of the Anti-Terrorism Laws, as described in Article XXXVII hereof.

- (ii.) The filing of any involuntary petition under any bankruptcy statute against Franchisee, any of its partners, any of its stockholders owning at least twenty-five (25%) percent of any class of stock, or any of its members owning at least twenty-five percent (25%) of any class of membership interests, or the appointment of any receiver or trustee to take possession of property of Franchisee, any of its partners, or any of its stockholders owning twenty-five (25%) percent of any class of stock of Franchisee, or any of its members owning at least twenty-five percent (25%) of any class of membership interests;
- (iii.) Failure by Franchisee to satisfy fully a civil judgment obtained against Franchisee for a period of more than thirty (30) days after all rights of appeal have been exhausted, or execution of such a judgment, execution of a lien, or foreclosure by a secured party or mortgage against Franchisee's property, which judgment, execution of a lien, or foreclosure by a secured party or mortgage would have an adverse or detrimental effect upon Franchisee's franchised operation;
- (iv.) Conviction of Franchisee, or any partner of Franchisee, or any officer, director, stockholder or member owning at least twenty-five (25%) percent of any class of equity interest of Franchisee, or the manager of Franchisee's franchise, of any crime which in the opinion of Franchisor would adversely affect the goodwill or interest of Franchisee or the Franchised Business;
- (v.) The uncured default by Franchisee under any lease of the Franchised Business which could possibly result in the loss by Franchisee of the right to possess for any reason whatsoever;
- (vi.) A final judgment or the unappealed decision of a court, regulatory officer, agency, or quasi-regulatory agency that results in the temporary or permanent suspensions or revocation of any permits or licenses, possession of which is a prerequisite to the operation of Franchisee's business or is required under applicable law;
- (vii.) The direct or indirect assignment, transfer, sale or encumbrance by Franchisee of this Agreement or franchise or any of his/her rights or privileges contrary to this Agreement, or any attempt by Franchisee to sell, assign, transfer or encumber the Franchised Business contrary to the terms of this Agreement;
- (viii.) Failure by Franchisee to remain open for business as required by this Agreement or as may be required by the Confidential Operating Manual, as may be limited by local law or the prime landlord, or the abandonment or vacating by Franchisee of his/her Franchised Business or for three (3) or more consecutive days; or
- (ix.) Dissolution, judicial or otherwise, or liquidation of Franchisee, if Franchisee is a corporation, limited liability company or partnership.

17.4 Cross-Defaults, Non-Exclusive Remedies, Etc.

- (i.) Any default by Franchisee (or any person/company affiliated with Franchisee) under this

Agreement may be regarded as a default under any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any affiliate of Franchisee). Any default by Franchisee (or any person/company affiliated with Franchisee) under any other agreement, including, but not limited to, any lease and/or sublease, between Franchisor (or any affiliate of Franchisor) and Franchisee (or any person/company affiliated with Franchisee), and any default by Franchisee (or any person/company affiliated with Franchisee) under any obligation to Franchisor (or any affiliate of Franchisor) may be regarded as a default under this Agreement. Any default by Franchisee (or any person/company affiliated with Franchisee) under any lease, sublease, loan agreement, security interest or otherwise, whether with Franchisor, any affiliate of Franchisor and/or any third party may be regarded as a default under this Agreement and/or any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any affiliate of Franchisee).

- (ii.) In each of the foregoing cases, Franchisor (and any affiliate of Franchisor) will have all remedies allowed at law, including termination of Franchisee's rights (and/or those of any person/company affiliated with Franchisee) and Franchisor's (and/or Franchisor's affiliates') obligations. No right or remedy which Franchisor may have (including termination) is exclusive of any other right or remedy provided under law or equity and Franchisor may pursue any rights and/or remedies available.

17.5 Other Remedies

If any events occur which give Franchisor the right to terminate this Agreement, Franchisor may, at its sole election and upon delivery of written notice to Franchisee, take any or all of the following actions without terminating this Agreement:

- (i.) temporarily or permanently reduce the size of the Protected Area or temporarily or permanently suspend your protected rights within the Protected Area;
- (ii.) temporarily remove information concerning the Franchised Business from the system website and/or stop Franchisee or the Franchised Business' participation in any other programs or benefits offered on or through any of Franchisor's marketing efforts;
- (iii.) suspend Franchisee's right to participate in one or more programs or benefits that the Marketing Fund provides;
- (iv.) suspend any other services that Franchisor or Franchisor's affiliate provides to Franchisee under this Agreement or any other agreement;
- (v.) suspend or terminate any temporary or permanent fee reductions to which Franchisor and Franchisee might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);
- (vi.) suspend Franchisor's performance of, or compliance with, any of Franchisor's obligations to you under this Agreement or other agreements;

- (vii.) undertake or perform on Franchisee's behalf any obligation or duty that Franchisee is required to, but fail to, perform under this Agreement, in which case Franchisee will reimburse Franchisor upon demand for all costs and expenses that Franchisor reasonably incurs in performing any such obligation or duty; and/or
- (viii.) enter the Franchised Business' premises and assume the management of the Franchised Business or appoint a third party (who may be our affiliate) to manage the Franchised Business. All funds from the operation of the Franchised Business while Franchisor or Franchisor's appointee assumes its management will be kept in a separate account, and all of the expenses of the Franchised Business will be charged to that account. Franchisor or Franchisor's appointee may charge you (in addition to the amounts due under this Agreement) a management fee equal to three percent (3%) of the Franchised Business' Gross Revenue during the period of management, plus any direct out-of-pocket costs and expenses. Franchisor or Franchisor's appointee has a duty to utilize only reasonable efforts and will not be liable to Franchisee for any debts, losses, or obligations the Franchised Business incurs, or to any of Franchisee's creditors for any products or services the Franchised Business purchases, while managing it. Franchisee shall not take any action or fail to take any action that would interfere with Franchisor or Franchisor's appointee's exclusive right to manage the Franchised Business and may, in Franchisor's sole discretion, be prohibited from visiting the Franchised Business so as to not interfere with its operations. Franchisor (or Franchisor's appointee's) management of the Franchised Business will continue for intervals lasting up to ninety (90) days each (and, in any event, for no more than a total of one year), and Franchisor will during each interval periodically evaluate whether Franchisee is capable of resuming the Franchised Business' operation and periodically discuss the Franchised Business' status with Franchisee.

17.6 Description of Default

The description of any default in any notice that Franchisor transmits to Franchisee will in no way preclude Franchisor from specifying additional or supplemental defaults under this Agreement or any related agreements in any action, proceeding, hearing or lawsuit relating to this Agreement or the termination of this Agreement.

17.7 Exercise of Other Remedies

Franchisor's exercise of Franchisor's rights under Section 17.5. (Other Remedies) will not (a) be a defense for Franchisee to Franchisor's enforcement of any other provision of this Agreement or waive or release Franchisee from any of Franchisee's other obligations under this Agreement, (b) constitute an actual or constructive termination of this Agreement, or (c) be Franchisor's sole or exclusive remedy for Franchisee's default. Franchisee must continue to pay all fees and otherwise comply with all of Franchisee's obligations under this Agreement (except as set forth in Section 17.5(h) (Franchisor's assumption of management)) following Franchisor's exercise of any of these rights. If Franchisor exercises any of Franchisor's rights under Section 17.5, we may thereafter terminate this Agreement without providing Franchisee any additional corrective or cure period, unless the default giving rise to Franchisor's right to

terminate this Agreement has been cured to Franchisor's reasonable satisfaction.

17.8 Continuance of Business Relations

Any continuance of business relations between Franchisee and Franchisor after the termination or expiration of this Agreement will not constitute, and may not be construed as, a reinstatement, renewal, extension or continuation of this Agreement unless Franchisee and Franchisor agree in writing to any such renewal, extension or continuation.

17.9 Notice Required by Law

If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement or the parties to this Agreement limits Franchisor's rights to terminate this Agreement or requires longer notice or cure periods than those set forth above, then this Agreement will be considered modified to conform to the minimum notice, cure periods or restrictions upon termination required by such laws and regulations. Franchisor will not, however, be precluded from contesting the validity, enforceability or application of the laws or regulations in any action, proceeding, hearing or dispute relating to this Agreement or the termination of this Agreement.

17.10 Franchisor's Right to Send Notifications of Termination

Before or on the expiration or termination of this Agreement, Franchisor may give notice that the Franchised Business is leaving the System and take any other action related to customers, suppliers and all other individuals or entities affected by such expiration or termination or which require or desire an identification of our System locations.

ARTICLE XVIII **RIGHTS AND DUTIES OF THE PARTIES UPON EXPIRATION OR TERMINATION**

18.1 Effective Date of Termination

For the purpose of this Agreement, the "**Effective Date of Termination**" shall be the date indicated in any notice of termination sent pursuant to Section 17.2 or 17.3 of this Agreement or the day after the Initial Term, as stated in Section 4.1 of this Agreement.

18.2 Payment of Amounts Owed

Upon the Effective Date of Termination, Franchisee shall no longer be an authorized franchisee and Franchisee shall pay all sums of money due Franchisor or any of its subsidiary or affiliated corporations within fifteen (15) days of the Effective Date of Termination, unless Franchisor gives written notice of an extension of this period.

18.3 Discontinue Use of Marks; Change of Corporate Name

Upon the Effective Date of Termination, Franchisee shall cease the use of all Marks owned by or associated with Franchisor and all similar names and marks, or any other designation or mark associating Franchisee with the System. If Franchisee is a corporation, limited liability company, or partnership and, notwithstanding the prohibition of utilizing the Marks or the “Buns on Fire” name in its corporate or partnership name, has used the Marks or the “Buns on Fire” name or any names, marks or designations that associate Franchisee with Franchisor in its corporate or partnership name, Franchisee shall, within fifteen (15) days of the Effective Date of Termination, take all necessary steps to eliminate “Buns on Fire” from its corporate or partnership name, at the Franchisee’s own cost and expense.

18.4 Signage

Upon the Effective Date of Termination, Franchisee shall discontinue displaying and using any and all signs, stationery, letterheads, forms, manuals, printed matter, advertising, and other material containing the Marks, “Buns on Fire” or any other names, marks, or designations that associate Franchisee with the System.

18.5 No Further Acts

After the Effective Date of Termination, Franchisee shall desist from taking any action indicating or implying that the Franchisee is an authorized franchisee.

18.6 Financial Records and Reports

- (i.) Franchisee shall maintain all financial records and reports required pursuant to this Agreement or the Confidential Operations Manual for a period of not less than three (3) years after the Effective Date of Termination. Franchisee shall permit Franchisor to make final inspection of Franchisee’s financial records, books, tax returns, and other accounting records within three (3) years of the Effective Date of Termination.
- (ii.) Within fifteen (15) days of termination, Franchisee shall transfer or make available to Franchisor all Franchised Business data (including but not limited to sales, labor, cost of goods, marketing, and all other business data) from any server or computer used in connection with the Franchised Business.

18.7 Vacate Premises

Upon the Effective Date of Termination, Franchisee shall, pursuant to the lease or conditional lease assignment and upon demand of Franchisor, vacate and surrender the Franchised Business premises in accordance with the terms and conditions under the terms of the lease, and/or conditional lease assignment.

18.8 Websites, Telephone Numbers, and Listings

Upon the Effective Date of Termination, Franchisee shall immediately cease to use of any websites, telephone numbers used by Franchisee while conducting business as a Buns on Fire franchise and shall

promptly execute any and all such documents or take steps necessary to remove Franchisee's listing as a Buns on Fire franchise from the "Yellow Pages", all other telephone directories, all other trade or other business directories, and any URL or websites.

18.9 Return of Confidential Operations Manual, Etc.

Within fifteen (15) days from the Effective Date of Termination of this Agreement, Franchisee shall immediately turn over and return to Franchisor any and all manuals, including the Confidential Operations Manual, records, files, instructions, recipes, correspondence, any and all materials relating to the operation of the Franchised Business in Franchisee's possession, and all copies of such written materials, including electronic copies (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, except only Franchisee's copy of this Agreement and of any correspondence between the parties, and any other documents which the Franchisee reasonably needs for compliance with any provision of law and the records described in Section 18.6 hereof.

18.10 Franchisor's Right to Purchase

Franchisor has the right, but not the duty, to be exercised by notice of intent to do so within ten (10) days after the Effective Date of Termination, to purchase any or all of the signs, advertising material, supplies, equipment, and any items bearing the Marks at Franchisee's cost or fair market value, whichever is less. If the parties cannot agree on fair market value within thirty (30) days, an independent qualified appraiser shall be selected by each party and their determination shall be binding on both parties. If these appraisers are unable to reach a fair market value, the appraisers will designate a third, approved appraiser whose determination shall be binding upon both parties. If Franchisor elects to exercise any option to purchase specified herein, it shall have the right to set off all amounts due from Franchisee under this Agreement, and the cost of the appraisal, if any, against any payment therefor.

18.11 Rights are Cumulative

No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder.

18.12 Survival of Obligations

Nothing contained herein shall be deemed to release Franchisee of any obligations or responsibilities or liabilities of the Franchisee during the term of this Agreement, or any renewals hereof, or Franchisee's lease, and of obligations, responsibilities, or liabilities shall survive the termination, expiration or non-renewal of this Agreement or lease.

18.13 Liquidated Damages

- (i) If Franchisor terminates this Agreement with cause, Franchisee must pay Franchisor liquidated damages equal to the average value of the Royalty Fees Franchisee paid (per month) to Franchisor during the twelve (12) months before the termination multiplied by (i) twenty-four

(24), being the number of months in two (2) full years or (ii) the number of months remaining during the term of this Agreement, whichever is higher.

(ii.) The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term. The parties hereto consider these liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

(iii.) The liquidated damages provision only covers Franchisor's damages from the loss of cash flow from the Royalty Fees. However, the liquidated damages provision does not cover other damages, including damages to Franchisor's reputation with the public and landlords, and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. Franchisee and each of its owners agree that the liquidated damages provision does not grant or give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section.

ARTICLE XIX **COMMENCEMENT AND HOURS OF OPERATION**

Franchisee recognizes that continuous and daily operation of the Franchised Business is essential to the adequate promotion of the Franchised Business and that any failure to provide such availability affects Franchisor both locally and nationally. Franchisee shall be open and conduct business during normal and customary business hours in the market where the Franchise Business is located or as prescribed in the Confidential Operations Manual, or as required by any lease if different, except where prohibited or otherwise regulated by a governmental authority, including any state or local licensing authority, and shall otherwise conduct the Franchised Business in accordance with generally accepted business standards. These requirements may be changed by Franchisor from time to time in its sole discretion, upon reasonable notice to Franchisee and may differ from one franchisee to another based upon the specific characteristics of a particular location.

ARTICLE XX **TRANSFERABILITY OF INTEREST**

20.1 No Transfer Without Franchisor's Consent

Franchisee agrees, understands and acknowledges that the rights and duties created by this Agreement are personal to said Franchisee (or to Franchisee's owners or partners if Franchisee is a corporation, a limited liability company or a partnership); thus, neither this Agreement nor the franchise granted hereby shall be assignable or transferable by Franchisee, nor may the same be mortgaged, pledged or encumbered by said Franchisee without the express prior written consent of Franchisor, and any purported assignment, mortgage, pledge or encumbrance thereof, without the prior written consent of Franchisor, shall be null and void. The issuance or transfer of any stock (including by way of any public

stock offering), membership interest(s) or partnership interest(s) in Franchisee, or its merger, a consolidation or dissolution, if the Franchisee is a corporation, limited liability company or a partnership, shall be deemed an assignment of this Agreement and of the franchise granted herein.

20.2 Transfer to a Corporate Entity

If Franchisee is an individual, Franchisor hereby consents, upon thirty (30) days' prior written notice, to the assignment by Franchisee of all of the Franchisee's rights and benefits under this Agreement to a corporation or limited liability company of which Franchisee owns at least a majority of the voting and equity stock or membership interests, provided that:

- (i.) Such entity is newly organized, and its activities and corporate purposes are confined exclusively to acting as a Buns on Fire franchise under this Agreement;
- (ii.) Such entity and all stockholders or members thereof execute a Transfer of Franchise to a Corporation or Limited Liability Company form, or such other form as shall be provided or approved by Franchisor, in which they jointly and severally assume all of the past and future obligations of Franchisee under this Agreement, to the same extent as if they had originally executed this Agreement as Franchisee;
- (iii.) Franchisee or Franchisee's designated manager actively manages such entity and continues to devote his/her best efforts and full and exclusive time to the day-to-day operation and development of the franchise and the business of the Franchised Business and Franchisee shall remain personally liable in all respects under this Agreement, including but not limited to payment for the purchase of any of the Products, jointly and severally with such entity and any and all other stockholders or members thereof; and
- (iv.) All certificates of such entity bear the following legend, which shall be printed legibly and conspicuously on the front of each such certificate:

"The transfer of this certificate is subject to the terms and conditions of a certain Franchise Agreement entered into with SMYA Ventures LLC, dated , 20 ".

20.3 Franchisor's Right of First Refusal

Subject to Franchisor's approval rights in Section 20.1, in the event Franchisee, any stockholder, member or partner of a corporate, limited liability company or partnership Franchisee, or any legal heir or legatee of any deceased Franchisee, or of any deceased stockholder, member or partner of any corporate, limited liability company or partnership Franchisee, desires to effect any sale or assignment of any partnership, stock or other interest in this Agreement, or of Franchisee's rights and benefits under this Agreement, including, without limitation, the franchise granted hereby, and/or the ownership for the Franchised Business franchised hereby, Franchisee or such other authorized person or party shall give Franchisor written notice of all of the terms of any such bona fide offer within fifteen (15) days after receipt of such offer, including providing Franchisor with all other documents and data required prior to the

Franchisor approving the sale. Franchisor shall have the right of first refusal, for a period of fifteen (15) days after receipt of such notice, to notify Franchisee or such other person or party of Franchisor's desire to exercise such option under the same terms and conditions as the aforesaid bona fide offer. If Franchisor fails to exercise such option in the time period allotted, then Franchisee shall be free to contract with the person who made such bona fide offer solely on the same terms and conditions thereof, subject, of course, to Franchisee's compliance with all of the other terms and provisions of this Agreement. In the event the terms of such bona fide offer change, then Franchisee shall be obligated to re-offer the franchise to Franchisor for an additional fifteen (15) day period.

20.4 Conditions to Transfer

In addition to all of the other conditions stated in Sections 20.2 and 20.3 hereof which pertain to the right of Franchisee to assign, transfer or sell the license created hereunder, Franchisee hereby agrees that any and all rights of assignment, transfer or sale by Franchisee of this franchise and the rights therein are conditioned upon compliance with each of the following:

(i.) Any such assignment, transfer, or sale shall be subject to the approval by Franchisor of such assignee and of the moral and credit background of such assignee and any and all stockholders or partners thereof, which approval shall not be unreasonably withheld;

(ii.) The assignee, transferee, or purchaser, and all stockholders, members or partners thereof if same is a corporation, limited liability company or partnership, shall at Franchisor's option either personally assume in writing all of the obligations of Franchisee, past disclosed or undisclosed and under this Agreement, or execute the then-current Franchise Agreement, in the form used by Franchisor;

(iii.) Franchisee, such assignee, transferee or purchaser and any and all stockholders, members or partners thereof shall execute a general release in favor of Franchisor, its officers, directors, and employees of any and all claims and causes of action that they may have against Franchisor or its subsidiary or affiliated corporations in any way relating to this Agreement or the performance or non-performance thereof by Franchisor;

(iv.) All prior obligations and debts of Franchisee or corporate assignee of Franchisee owed to Franchisor under or in connection with this Agreement shall be paid concurrently with such assignment;

(v.) Franchisee must not be in default under this Agreement or any renewals thereof or of any lease agreement to which Franchisee is a party;

(vi.) Assignee, transferee or purchaser shall not be in the same business as Franchisor either as a franchisor, licensor, independent operator or franchisee of any chain or network which is similar in nature or in competition with Franchisor except that the assignee, transferee or purchaser may be an existing franchisee of Franchisor;

(vii.) Prior to the effective date of the assignment, transfer or sale, the assignee, transferee, or purchaser must satisfactorily complete the Franchisor's training program required of all new franchisees;

(viii.) Assignee, transferee, or purchaser shall, prior to any such assignment, pay to Franchisor a non-refundable transfer fee equal to fifty percent (50%) of the then-current Initial Franchise Fee to reimburse Franchisor for its legal and accounting fees, credit investigation, training expenses, and other charges and expenses in connection with such assignment, transfer or sale; and

(ix.) Franchisee shall enter into an agreement with the Franchisor agreeing to subordinate such assignee's, transferee's or purchaser's obligations to the Franchisor, including, without limitation, any Royalty Fees and Advertising Fees, and any obligations of such assignee, transferee or purchaser to make installment payments of the purchase price to Franchisee.

20.5 Franchisor's Right to Transfer

- (i.) Franchisor shall have the right, without the need for Franchisee's consent, to assign, transfer or sell its rights under this Agreement to any person, partnership, corporation or other legal entity provided that the transferee agrees in writing to assume all obligations undertaken by Franchisor herein and Franchisee receives a statement from both Franchisor and its transferee to that effect. Upon such assignment and assumption, Franchisor shall be under no further obligation hereunder, except for accrued liabilities, if any. Franchisee further agrees and affirms that Franchisor may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, Marks (or any variation thereof) and System and/or the loss of association with or identification of Buns on Fire as Franchisor under this Agreement. Franchisee specifically waives any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing.
- (ii.) 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 as "Buns on Fire" operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, except that if such businesses are located within any Protected Territory granted to Franchisee, those businesses will not change their names to "Buns on Fire".
- (iii.) If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor to remain in the restaurant business or to offer or sell any products or services to Franchisee.

20.6 Notice of Offer

In addition to the requirements of this Article, Franchisee must promptly (“promptly” being herein defined as within fifteen (15) days of receipt of an offer to buy) give Franchisor additional written notice whenever Franchisee has received a bona fide offer from a third party to buy Franchisee’s business franchised hereunder. Franchisee must also give Franchisor written notice simultaneously with any offer to sell the Franchised Business made by, for, or on behalf of Franchisee. The purpose of this Subsection is to enable Franchisor to comply with any applicable state or federal franchise disclosure law or rules. Franchisee agrees to indemnify and hold Franchisor harmless for Franchisee’s failure to comply with this Subsection.

20.7 No Waiver of Claims

The Franchisor’s consent to an assignment of any interest subject to the restrictions hereof shall not constitute a waiver of any claims it may have against the assignor, nor shall it be deemed a waiver of the Franchisor’s right to demand exact compliance with any of the terms or conditions of this Agreement by the assignee, transferee or purchaser.

20.8 Public Offering

- (i.) In the event Franchisee shall, subject to the restrictions and conditions of transfer contained in this Article, attempt to raise or secure funds by the sale of securities (including, without limitation, common or preferred stock, bonds, debentures or general or limited partnership interests) in Franchisee or any affiliates of Franchisee, Franchisee, recognizing that the written information used with respect thereto may reflect upon the Franchisor, agrees to submit any such written information to the Franchisor prior to its inclusion in any registration statement, prospectus or similar Disclosure Document or memorandum and to obtain the written consent of the Franchisor to the method of financing prior to any offering or sale of such securities. For each proposed offering, Franchisee shall pay Franchisor a non-refundable fee in an amount not less than Five Thousand Dollars (\$5,000) and not more than Fifty Thousand Dollars (\$50,000) to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including, without limitation, legal and accounting fees. Written consent of the Franchisor pursuant to this Section 20.8 shall not imply or constitute the approval of the Franchisor with respect to the method of financing, the offering literature submitted to the Franchisor or any other aspect of the offering. No information respecting the Franchisor or any of its affiliates shall be included in any securities disclosure document, unless such information has been furnished by the Franchisor, in writing, pursuant to the written request of the Franchisee, in which the Franchisee states the specific purpose for which the information is to be used. Should the Franchisor, in its sole discretion, object to any reference to the Franchisor or any of its affiliates or any of their businesses in such offering literature or prospectus, such literature or prospectus shall not be used unless and until the objections of the Franchisor are withdrawn. The Franchisor assumes no responsibility for the offering whatsoever.
- (ii.) The prospectus or other literature utilized in any such offering shall contain the following language in bold-face type on the first textual page thereof:

“NEITHER SMYA VENTURES LLC NOR ANY OF ITS AFFILIATES ASSUMES ANY RESPONSIBILITY WITH RESPECT TO THIS OFFERING AND/OR THE ADEQUACY OR ACCURACY OF THE INFORMATION PRESENTED HEREIN, INCLUDING ANY STATEMENTS MADE WITH RESPECT TO ANY OF THEM. NEITHER SMYA VENTURES LLC NOR ANY OF ITS AFFILIATES ENDORSES OR MAKES ANY RECOMMENDATION WITH RESPECT TO THE INVESTMENT CONTEMPLATED BY THIS OFFERING.”

- (iii.) Franchisee and each of its owners agrees to indemnify, defend and hold harmless the Franchisor and its affiliates, and their respective officers, directors, employees and agents, from any and all claims, demands, liabilities, and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in the defense of such claims, demands or liabilities, arising from the offer or sale of such securities, whether asserted by a purchaser of any such security or by a governmental agency. The Franchisor shall have the right (but not the obligation) to defend any such claims, demands or liabilities and/or to participate in the defense of any action to which the Franchisor or any of its affiliates or any of their respective officers, directors, employees or agents is named as a party.

ARTICLE XXI **DEATH OR INCAPACITY OF FRANCHISEE**

In the event of the death or permanent incapacity or disability of Franchisee, the designated and approved Operating Manager or the controlling shareholder or member of a Franchisee is unable to operate the Franchised Business, the Franchisor must consent to transfer the Franchisee's interest of said Franchisee to his/her heirs, beneficiaries, or family designees, (who are referred in this Article as “**Transferee**”) without payment of a transfer fee, subject to the following conditions:

- (i.) The Transferee must complete, and be approved through, Franchisor's standard franchise selection process including satisfactorily demonstrating to Franchisor that they meet the financial character and managerial criteria that Franchisor is then applying in considering applications for new franchisees;
- (ii.) The Transferee shall agree, in writing, to personally assume liability for and to perform all the terms and conditions of this Agreement to the same extent as the original Franchisee; and
- (iii.) If the Transferee is not approved, the Franchisee or legal representative of the Transferee shall use their best efforts to sell the Franchised Business to another party that is acceptable to Franchisor within twelve (12) months from the date of the Franchisee's death or permanent incapacity or disability. Further, the Franchisor shall have the option, but is not obligated, to operate or manage the Franchised Business for the account of Franchisee's estate until the deceased or incapacitated Franchisee's interest is transferred to another party acceptable to Franchisor. Should Franchisor choose to operate or manage the Franchised Business, Franchisor will make a complete accounting and will forward fifty percent (50%) of the net income for the operation of the Franchised Business to Franchisee's estate. If the conveyance

of the Franchised Business to another party acceptable to Franchisor has not taken place within the twelve (12) month period, Franchisor shall have the option, but not the duty to purchase the Franchised Business and its equipment at the fair market value as determined by independent and qualified appraisers selected by the Franchisor and the estate. In the event that the selected appraisers cannot agree on a fair market value, a third appraiser will be selected by the other two appraisers and the third appraiser's determination shall be binding on both parties. However, if the Franchisor chooses not to purchase the Franchised Business, then it may terminate this Agreement, in which event the franchised business will automatically revert back to the Franchisor, with the Franchisor being obligated to purchase the equipment and trade fixtures at their book value, as stated in the last certified financial statement of Franchisee.

ARTICLE XXII **OPERATION IN THE EVENT OF ABSENCE OR DISABILITY**

To prevent any interruption of the Franchised Business' operations which would consequently harm the Franchised Business, thereby depreciating the value thereof, Franchisee authorizes Franchisor, who may, at its sole discretion and option, in the event that Franchisee is absent for any reason or is incapacitated by reason of illness and is unable, in the sole and reasonable judgment of Franchisor, to operate the Franchised Business, for as long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies Franchisor may have under this Agreement.

All monies from the operation of the Franchised Business during such operation period by Franchisor shall be kept in a separate account and the expenses of the Franchised Business, including reasonable compensation and expenses for Franchisor's representative, shall be charged to said account. If, as provided in this Agreement, Franchisor temporarily operates the Franchised Business for Franchisee, Franchisee agrees to indemnify and hold harmless Franchisor and any and all representatives of Franchisor who may act hereunder, from any and all acts which Franchisor may perform, as regards the interests of Franchisee or third parties.

ARTICLE XXIII **INJUNCTIVE RELIEF**

In the event that Franchisee is in default under any provisions of this Agreement, Franchisor shall be entitled to seek a permanent injunction and any preliminary or temporary equitable relief in connection therewith in order to restrain the violation of this Agreement by Franchisee or any person acting for him/her or in his/her behalf. Franchisee agrees that Franchisor will not be required to prove actual damages or post a bond or other security in seeking or obtaining injunctive relief (both preliminary and permanent) and/or specific performance with respect to this Agreement. In addition, Franchisor shall be entitled to its reasonable attorneys' fees and courts costs in connection therewith or in connection with any other remedy sought by Franchisor, provided Franchisor is the prevailing party. This remedy shall be cumulative to any other remedy available to Franchisor.

Franchisee agrees that it is impossible to measure in money the damages which Franchisor will sustain in the event of Franchisee's breach of this Agreement and, therefore, in the event Franchisor

institutes injunctive proceedings under Section 8.10, Articles III, XI, XIV, XVIII, XX and this Article, Franchisee hereby waives the defense that Franchisor has an adequate remedy at law.

ARTICLE XXIV **RISK OF OPERATIONS**

FRANCHISEE RECOGNIZES THAT THERE ARE MANY UNCERTAINTIES AND RISKS OF THIS BUSINESS AND, THEREFORE, FRANCHISEE AGREES AND ACKNOWLEDGES THAT, EXCEPT AS SPECIFICALLY STATED IN THIS AGREEMENT, NO REPRESENTATIONS, WARRANTIES, GUARANTEES OR AGREEMENTS HAVE BEEN MADE TO FRANCHISEE, EITHER BY FRANCHISOR OR BY ANYONE ACTING ON ITS BEHALF OR PURPORTING TO REPRESENT IT, INCLUDING, BUT NOT LIMITED TO, THE PROSPECTS FOR SUCCESSFUL OPERATIONS, THE LEVEL OF BUSINESS OR PROFITS THAT FRANCHISEE MIGHT REASONABLY EXPECT, OR THE DESIRABILITY, PROFITABILITY OR EXPECTED CUSTOMER VOLUME OF THE FRANCHISED BUSINESS. FRANCHISEE HEREBY ACKNOWLEDGES THAT ALL SUCH FACTORS ARE NECESSARILY DEPENDENT UPON VARIABLES WHICH ARE BEYOND FRANCHISOR'S CONTROL, INCLUDING, WITHOUT LIMITATION, THE ABILITY, MOTIVATION, AMOUNT AND QUALITY OF EFFORT EXPENDED BY FRANCHISEE. FRANCHISEE THEREFORE RELEASES FRANCHISOR, ITS SUBSIDIARY OR AFFILIATED CORPORATIONS, OFFICERS, DIRECTORS, AFFILIATES AND EMPLOYEES FROM ANY CLAIMS, SUITS AND LIABILITY RELATING TO THE OPERATION OF THE FRANCHISED BUSINESS INCLUDING, BUT NOT LIMITED TO, THE RESULTS OF ITS OPERATIONS, EXCEPT TO THE EXTENT THAT THE SAME IS PREDICATED UPON THE BREACH OF A SPECIFIC WRITTEN OBLIGATION OF FRANCHISOR CONTAINED IN THIS AGREEMENT.

ARTICLE XXV **OTHER OBLIGATIONS**

Nothing in this Agreement shall restrain, impede, or limit the unrestricted right of Franchisor to enter into, or engage in business of any kind and type, or in the sale itself, or the licensing to others for the sale, of the proprietary food items other than the limitations imposed upon Franchisor by Article I hereof; Franchisee shall have no rights, benefits or entitlement with respect thereto.

ARTICLE XXVI **FORCE MAJEURE**

A party shall be responsible to the other party for non-performance or delay in performance because of causes beyond their control, including without limitation, the generality of the following acts or omission of other party, acts of civil or military authority, strikes, lockouts, embargoes, pandemics, insurrections or acts of God, inability of Franchisor to purchase, deliver and/or manufacture of any of the proprietary food items, provided that inability of a party to obtain funds shall be deemed to be a cause within the control of such party. If any such delay occurs, any applicable time period shall be automatically extended for a period equal to the time lost, provided that the party affected makes reasonable efforts to correct the reason for such delay and gives to the other party prompt notice of any such delay.

ARTICLE XXVII
WAIVER OF VIOLATION OR DEFAULT

Waiver by Franchisor or Franchisee of any violation or default hereunder shall not alter or impair either party's right with respect to subsequent violations or defaults, nor shall delays or omissions on the part of either party to exercise any right arising from such violations or defaults alter or impair such party's rights as to the same or future violations or defaults. An acceptance by Franchisor of any payment from Franchisee after the date on which such payment is due shall not operate as a waiver of Franchisee's default or violation hereunder, nor alter or impair Franchisor's rights with respect to such violation or default.

ARTICLE XXVIII
NOTICE AND TIME

All communications required or permitted to be given shall be in writing and shall be deemed to have been duly given when delivered personally, by electronic mail or by fax transmission if received before 5:00 p.m. CST, if it is received after 5:00 p.m. CST it shall be deemed duly given on the next business day; or one (1) business day after being sent by overnight commercial courier service for next business day delivery, or five (5) days after being deposited in the United States mail, for certified or registered delivery, return receipt requested, postage prepaid. Notice to Franchisor shall be addressed to: SMYA Ventures LLC. Notice to Franchisee shall be addressed to the location of the Restaurant unless another address is defined on Contract Schedule:

Either party may designate another address at any time by written notice to the other. Additionally, all payments and reports required to be made by Franchisee under this Agreement shall be given to Franchisor at the above address, except that regular reports may be sent by regular mail or electronic mail.

Time is of the essence in this Agreement with respect to each and every provision in which time is a factor. Whenever this Agreement refers to a period of days, the first day to be counted shall be the first day following the designated action or event. For any period of five (5) or fewer days, only business days (excluding Saturdays, Sundays and national holidays) shall be counted. Unless expressly stated otherwise, any period longer than five (5) days shall be measured by calendar days, except that if the last day of any such period is not a business day, the period shall automatically be extended to the next business day.

ARTICLE XXIX
APPLICABLE LAW AND VENUE

29.1 Acceptance by Franchisor; Applicable Law

This Agreement takes effect upon its acceptance and execution by the Franchisor, and shall be governed, interpreted and construed under the laws of the State of Illinois, which laws shall prevail in the event of any conflict of law.

29.2 Rights are Cumulative

No right or remedy conferred upon or reserved to the Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

29.3 Venue

Franchisee and Franchisee's owners must file any suit against Franchisor or Franchisor's affiliates, and Franchisor or Franchisor's affiliates may file any suit against you, in federal courts in the United States District Court for the Northern District of Illinois or state courts in Cook County, Illinois or in federal or state courts with jurisdiction over the county in which our principal place of business is located at the time any litigation commences. The parties irrevocably waive all questions of personal jurisdiction and venue for the purpose of carrying out this provision, and consent to the exclusive jurisdiction of these courts.

29.4 RICO Statute

The parties hereto agree to waive, now and forever, any and all rights that either party may have under the federal statute known as RICO.

29.5 Punitive Damages

Except as explicitly set forth in this section, the parties hereby waive to the extent fully permitted by law, any right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it. Notwithstanding the foregoing, we do not waive recovery of punitive or exemplary damages, or recovery of attorneys' fees, based on or relating to any misuse, disclosure, copying, or unlawful retention by you, or by those in association with you or under your control, of any Confidential Information (including but not limited to trade secrets). The parties irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either of them.

29.6 Attorneys' Fees

In the event Franchisor employs legal counsel or incurs other expenses to enforce any obligation of Franchisee hereunder, or to defend against any claim, demand, action or proceeding by reason of Franchisee's failure to perform any obligation imposed upon Franchisee by this Agreement, Franchisor shall be entitled to recover from Franchisee the amount of all reasonable attorneys' fees of such counsel and all other expenses incurred in enforcing such obligation or in defending against such claim, demand, action, or proceeding, whether incurred prior to or in preparation for or contemplation of the filing of such action or thereafter.

29.7 Franchisee May Not Withhold Payments

Franchisee agrees that they will not, on grounds of alleged non-performance by Franchisor of any of its obligations hereunder, withhold payment of any Royalty Fee, advertising contributions, or any other amounts due to Franchisor. Any such withholdings constitutes a material breach of this Agreement.

29.8 Dispute Resolution.

Both we and you waive and agree not to include in any pleading or arbitration demand: class action claims; demand for trial by jury; claims for lost profits (expressly excluding any fees due to us now or in the future under this Agreement); or claims for multiple, or exemplary damages. If any pleading is filed that contains any of these claims or a jury demand, or if a court determines that all or any part of the waivers are ineffective, then the pleading shall be dismissed with prejudice, leaving the pleading party to its arbitration remedy. No claim by either of us can be consolidated with the claims of any other party. If such claims and demands cannot be waived by law, then the parties agree that any recovery will not exceed two (2) times actual damages. Claims for punitive damages are addressed in Section 29.5.

Either of us, as plaintiff, may choose to submit a dispute to a court or to arbitration administered by the American Arbitration Association (“AAA”) under its Commercial Arbitration Rules (or by another nationally established arbitration association acceptable to you and us) and under the Federal Rules of Evidence. The plaintiff’s election to arbitrate or to submit the dispute to the court system, including any compulsory counterclaims, is binding on the parties except that we shall have the option to submit to a court any of the following actions: to collect fees due under this Agreement; for injunctive relief; to protect our intellectual property, including Proprietary Marks; and to terminate this Agreement for a default. For any arbitration, the arbitrator(s) shall issue a reasoned award, with findings of fact and conclusions of law. The arbitration award and the decision on any appeal will be conclusive and binding on the parties. Actions to enforce an express obligation to pay money may be brought under the Expedited Procedures of the AAA’s Commercial Arbitration Rules. The place of arbitration shall be in the state in which the Restaurant is located. The Federal Arbitration Act shall govern, excluding all state arbitration law. Massachusetts’s law shall govern all other issues.

Disputes concerning the validity or scope of this Section, including whether a dispute is subject to arbitration, are beyond the authority of the arbitrator(s) and shall be determined by a court of competent jurisdiction pursuant to the Federal Arbitration Act, 9 U.S.C. §1 et seq., as amended from time to time. The provisions of this Section shall continue in full force and effect subsequent to any expiration or termination of this Agreement.

Either of us may appeal the final award of the arbitrator(s) to the appropriate U.S. District Court. The Court’s review of the arbitrator’s findings of fact shall be under the clearly erroneous standard, and the Court’s review of all legal rulings shall be de novo. If it is determined that this provision for federal court review is not enforceable, then either party may appeal the arbitrator’s final award to a panel of three arbitrators chosen under AAA procedures, employing the same standards of review stated immediately above.

ARTICLE XXX

ACKNOWLEDGMENTS

Independent Investigation. FRANCHISEE ACKNOWLEDGES THAT THEY HAVE CONDUCTED AN INDEPENDENT INVESTIGATION OF THE FRANCHISED BUSINESS, AND RECOGNIZES

THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES SUBSTANTIAL BUSINESS RISKS AND FRANCHISEE ASSUMES ALL RISKS OF FAILURE AND THAT ITS SUCCESS WILL BE LARGELY DEPENDENT UPON THE ABILITY OF FRANCHISEE OPERATING AS AN INDEPENDENT BUSINESS. THE FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND FRANCHISEE ACKNOWLEDGES THAT HE/SHE HAS NOT RECEIVED, ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS, OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

ARTICLE XXXI
ENTIRE AGREEMENT

This Agreement, together with all exhibits and addenda attached hereto, constitutes the entire agreement between Franchisor and Franchisee with respect to the subject matter hereof, and this Agreement supersedes all prior and contemporaneous agreements between Franchisor and Franchisee in connection with the subject matter of this Agreement. Nothing in this or any related agreement, however, is intended to disclaim the representations made by Franchisor in the Franchise Disclosure Document that was furnished to Franchisee by Franchisor. In the event of any conflict between the terms of this Agreement and the terms of the Area Development Agreement, if applicable, or any other Franchise Agreement, the terms of this Agreement shall prevail. No officer, employee or other servant or agent of Franchisor or Franchisee is authorized to make any representation, warranty or other promise not contained in this Agreement. No change, termination or attempted waiver of any of the provisions of this Agreement shall be binding upon Franchisor or Franchisee unless in writing and signed by Franchisor and Franchisee.

ARTICLE XXXII
JOINT AND SEVERAL OBLIGATIONS

If the Franchisee consists of more than one (1) person, their liability under this Agreement shall be deemed to be joint and several.

ARTICLE XXXIII
SECURITY INTEREST

Franchisee hereby grants to Franchisor a first-priority, continuing security interest in all of Franchisee's present and future right, title and interest in all leasehold improvements, furniture, furnishings, fixtures, equipment, inventory and supplies located at or used in connection with the Franchised Business, now or hereafter leased or acquired, together with all attachments, accessions, accessories, additions, substitutions and replacements therefore, and all cash and non-cash proceeds derived from insurance or the disposition of such collateral, to secure payment and performance of all debts, liabilities and obligations of any kind, whenever and however incurred, of Franchisee to Franchisor. Franchisee authorizes Franchisor to file all Uniform Commercial Code financing statements and other documents necessary or desirable to evidence, perfect and continue the priority of such security interests under the Uniform Commercial Code. For such purposes, the address of Franchisee and Franchisor are stated in Article XXVIII of this Agreement.

ARTICLE XXXIV
COUNTERPART; PARAGRAPH HEADINGS; PRONOUNS

This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. A signature to this Agreement transmitted electronically via DocuSign or a similar electronic process shall have the same authority, effect and enforceability as an original signature. The paragraph headings in this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision thereof. Each pronoun used in this Agreement shall be deemed to include the other number of genders.

ARTICLE XXXV
SEVERABILITY AND CONSTRUCTION

Each section, part, term and provision of this Agreement shall be considered severable, and if, for any reason, any section, part, term or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation, such shall not impair the operation of, or affect the remaining portions, parts, terms or provisions of this Agreement, and the latter will continue to be given full force and effect and bind the parties hereto, and said invalid sections, parts, terms or provisions shall be deemed not to be a part of this Agreement, provided, however, that if Franchisor determines that said finding of illegality adversely affects the basic consideration of this Agreement, Franchisor may terminate this Agreement upon written notice to Franchisee.

Anything to the contrary herein notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity, other than Franchisor or Franchisee and such of their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under or by reason hereof.

Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law, which is subsumed within the terms of any provision hereof as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

This Agreement shall be executed in duplicate and each copy so executed shall be deemed an original.

ARTICLE XXXVI
MISCELLANEOUS

36.1 Compliance With Anti-Terrorism Laws

Franchisee and its owners agree to fully comply with and assist Franchisor in their efforts to comply, with Anti-Terrorism Laws defined below. In connection with that compliance, Franchisee and its owners certify, represent, and warrant that none of its property or interests is subject to being blocked under, and that Franchisee and its owners otherwise are not in violation of, any of the Anti-Terrorism Laws.

“Anti-Terrorism Laws” means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by Franchisee or its owners, or any blocking of Franchisee’s or its owners’ assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement, as provided in Subsection 17.3(a)(iv) above.

36.2 Electronic Signatures

This Franchise Agreement and all other documents to be delivered may be electronically signed, that any digital or electronic signatures (including pdf, facsimile or electronically imaged signatures provided by DocuSign or any other digital signature provider) appearing on this Franchise Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability and admissibility, and that delivery of any such electronic signature to, or a signed copy of, this Franchise Agreement and such other documents may be made by facsimile, email or other electronic transmission.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal on the date first written above.

SMYA VENTURES LLC

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

EXHIBIT "A"
LOCATION

The approved Franchisee's Location shall be as follows:

(If no location is indicated here, the parties shall sign a revised Exhibit A when the location has been approved by the Franchisor in accordance with the Franchise Agreement.)

The Franchisee's Protected Territory shall be a five (5) mile radius area defined by the shortest driving distance using Google Maps. Except for Non-Traditional Sites, as defined in Section 1.4, Franchisor agrees not to establish another Franchised Business within Franchisee's Protected Territory.

SMYA VENTURES LLC

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

EXHIBIT "B"
GUARANTY

In consideration of the execution by Franchisor of the Franchise Agreement (the “**Franchise Agreement**”) dated the [] day of [], 20[], between SMYA Ventures LLC (“**Franchisor**”) and [] (“**Franchisee**”) and for other good and valuable consideration, each of the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby absolutely, irrevocably and unconditionally guarantee the payment of all amounts and the performance of all of the covenants, terms, conditions, agreements and undertakings contained and set forth in said Franchise Agreement and in any other agreement(s) by and between Franchisee and Franchisor.

If more than one person has executed this Guaranty, the term “the undersigned”, as used herein, shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

The undersigned, individually and jointly, hereby agree to be personally bound by each and every covenant, term, condition, agreement and undertaking contained and set forth in said Franchise Agreement and any other agreement(s) by and between Franchisee and Franchisor, including but not limited to those in Articles XI, XIV, XVIII and XX and agree that this Guaranty shall be construed as though the undersigned and each of them executed agreement(s) containing the identical terms and conditions of the Franchise Agreement and any other agreement(s) by and between Franchisee and Franchisor.

The undersigned hereby agree, furthermore, that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder: (a) any term, covenant or condition of the Franchise Agreement may be amended, compromised, released or otherwise altered by Franchisor and Franchisee, and the undersigned do guarantee and promise to perform all the obligations of Franchisee under the Agreement as so amended, compromised, released or altered; (b) any guarantor of or party to the Franchise Agreement may be released, substituted or added; (c) any right or remedy under the Agreement, this Guaranty or any other instrument or agreement between Franchisor and Franchisee may be exercised, not exercised, impaired, modified, limited, destroyed or suspended; and, (d) Franchisor or any other person may deal in any manner with Franchisee, any of the undersigned, any party to the Franchise Agreement or any other person.

Should Franchisee be in breach or default under the Franchise Agreement or any other agreement(s) by and between Franchisee and Franchisor, Franchisor may proceed directly against any or each of the undersigned without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, signatory to the Franchise Agreement or any others of the undersigned. The undersigned agree to bear any and all Franchisor’s costs of collection hereunder, including all court costs and expenses, attorneys’ fees, costs of or resulting from delays; travel, food, lodging and other living expenses necessitated by the need or desire to appear before courts or tribunals (including arbitration tribunals), and all other costs of collection.

Notice to or demand upon Franchisee or any of the undersigned shall be deemed notice to or demand upon Franchisee and all of the undersigned, and no notice or demand need be made to or upon any

or all of the undersigned. The cessation of or release from liability of Franchisee or any of the undersigned shall not relieve any other Guarantors from liability hereunder, under the Franchise Agreement, or under any other agreement(s) between Franchisor and Franchisee, except to the extent that the breach or default has been remedied or moneys owed have been paid.

Any waiver, extension of time or other indulgence granted by Franchisor or its agents, successors or assigns, with respect to the Franchise Agreement or any other agreement(s) by and between Franchisee and Franchisor, shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional and irrevocable.

It is understood and agreed by the undersigned that the provisions, covenants and conditions of this Guaranty shall inure to the benefit of the Franchisor, its successors and assigns. This Guaranty may be assigned by Franchisor voluntarily or by operation of law without reducing or modifying the liability of the undersigned hereunder.

This Guaranty is to be exclusively construed in accordance with and/or governed by the law of the State of Illinois without recourse to Illinois (or any other) choice of law or conflicts of law principles. If, however, any provision of this Guaranty would not be enforceable under the laws of Illinois, and if the business franchised under the Franchise Agreement is located outside of Illinois and the provision would be enforceable under the laws of the state in which the franchised business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Guaranty is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or any other doctrine of law of the State of Illinois or any other state, which would not otherwise apply.

Any litigation arising out of or related to this Guaranty will be instituted exclusively in a court of competent jurisdiction in Cook County, Illinois. The undersigned agree that any dispute as to the venue for this litigation will be submitted to and resolved exclusively by a court of competent jurisdiction situated in Cook County, Illinois. The undersigned hereby waive and covenant never to assert or claim that said venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of *forum non conveniens*).

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

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty effective as of the date of the Franchise Agreement.

By: _____

Name: _____

Title: _____

Address: _____

Phone Number: _____

By: _____

Name: _____

Title: _____

Address: _____

Phone Number: _____

By: _____

Name: _____

Title: _____

Address: _____

Phone Number: _____

By: _____

Name: _____

Title: _____

Address: _____

Phone Number: _____

EXHIBIT "C"
Conditional Lease Assignment Provisions

The clauses referred to in Article 2.1 of the attached Franchise Agreement are as follows:

- (i.) The premises being leased hereunder shall be used solely for the operation of an "Buns on Fire" restaurant, during the time that the Franchise Agreement is still in effect.
- (ii.) Lessor has examined Franchisor's standard design concepts and specifications and consents to Lessee's use of same and of the Marks and such signage as the Franchisor may prescribe for the Franchised Business.
- (iii.) Lessee may not assign all or any part of its occupancy rights, or extend the term or renew the lease, without Franchisor's prior written consent.
- (iv.) Lessor shall furnish Franchisor a copy of the executed lease, including all attachments thereto and related agreements, if any, within five (5) days after its execution, and no change or amendment to such lease affecting the above terms and conditions shall be effective without Franchisor's prior written approval.
- (v.) Notwithstanding anything to the contrary contained in this Lease, it is expressly understood and agreed that if the Franchise Agreement dated the _____ day of ___, 20__ between the Lessee and the Franchisor expires or is terminated for any reason whatsoever, the Lessee's rights hereunder shall, at the option of the Franchisor, be transferred and assigned to it. Said option may be exercised by the Franchisor giving the Lessor notice in writing within thirty (30) days following the expiration or termination of the said Franchise Agreement, such notice to specify, *inter alia*, the date of such expiration or termination. The Lessee acknowledges and agrees that the Lessor may rely upon such notice and shall not be required to inquire into the due execution thereof or the accuracy of the statements set forth therein. It is further agreed that such notice shall, without further act or formality, operate as an effective assignment of the Lessee's right hereunder to the Franchisor and the assumption by the Franchisor of the covenants herein required to be observed or performed by the Lessee. The Franchisor shall thereafter have the right to assign or sublet the Premises to such person as it may designate, provided that in such event that this clause be contained therein. Notwithstanding the foregoing, the Franchisor shall, forthwith upon exercise of such option, execute such documents evidencing its agreement to thereafter keep and perform or cause to be kept or performed all of the obligations of the Lessee arising under this Lease from and after the time of the exercise of such option.
- (vi.) In the event Franchisor elects not to exercise the above option, Lessor shall permit Franchisor to enter the premises in order to make any modification necessary to protect the Marks.
- (vii.) The Lessor shall give written notice to the Franchisor (concurrently with the giving of such notice to the Lessee) of any default by the Lessee under the Lease and the Franchisor shall have, after the expiration of the period during which the Lessee may cure such default, an additional fifteen (15) days to cure, at its sole option, any such default, providing that if such

default arises by reason of the bankruptcy or insolvency of the Lessee or the appointment of a receiver over the Lessee's assets or part thereof, the Franchisor shall have the right to assume this Lease upon payment of any arrears of rental to such date. In the event of any such assumption, the Lessee shall cease to have any further rights hereunder.

- (viii.) The Lessor acknowledges that the said Franchise Agreement contains a right on the part of the Franchisor, in the event of expiration or termination of the said Franchise Agreement for any reason whatsoever, to enter the premises hereby demised and to operate the Franchised Business for the account of the Lessee for a period as set forth in the said Franchise Agreement. The Lessor further acknowledges that such entry by the Franchisor shall not constitute an assignment of this Lease, nor a subletting of the premises hereby demised.
- (ix.) The Lessor acknowledges that the Franchisor is executing this Lease solely for the purpose of acknowledging the provisions contained in the foregoing clauses (i) to (iv) and agrees that such execution by the Franchisor shall in no way be construed so as to obligate the Franchisor for the performance of any of the terms, conditions, obligations and covenants contained herein, except as specifically set forth in clause (i).

The foregoing provisions shall be incorporated into Franchisee's lease agreement.

EXHIBIT “D”
SITE LOCATION ADDENDUM

Site Location

SMYA Ventures LLC (hereinafter “**Franchisor**”) and [_____] (hereinafter “Franchisee”) have as of [_____], 20[_____] entered into a certain Franchise Agreement, (hereinafter “**Franchise Agreement**”) and desire to supplement its terms as set out below. The parties hereto therefore agree as follows:

A. Site Selection

Within ninety (90) days after execution of this Addendum, Franchisee shall acquire, by lease or purchase, at Franchisee’s sole expense and subject to Franchisor’s prior written approval (which may be granted or withheld in Franchisor’s sole discretion) as hereinafter provided, a location for the franchised business. Such location shall be within the following geographic area (which is described solely for the purpose of selecting a site for the franchised business):

B. Guidelines and Evaluation

In connection with Franchisee’s selection of a site for the franchised business, Franchisor shall furnish to Franchisee the following:

1. Site selection counseling and assistance as Franchisor may deem advisable for a site.
2. Such on-site evaluation as Franchisor may deem advisable in response to Franchisee’s request for site approval; provided, however, that Franchisor shall not provide on-site evaluation for any proposed site prior to the receipt of a market feasibility study for such site prepared by Franchisee pursuant to Paragraph C. hereof. If on-site evaluation is deemed necessary and appropriate by Franchisor (on its own initiative or at Franchisee’s request), Franchisee shall reimburse Franchisor for all reasonable expenses incurred by Franchisor in connection with such on-site evaluation, including, without limitation, the cost of travel, lodging and meals, following Franchisee’s approval in advance of same.

C. Site Approval

Prior to the acquisition by lease or purchase of any proposed location for the franchised business, Franchisee shall submit to Franchisor, in the form specified by Franchisor, a description of the proposed location, a comprehensive market feasibility study prepared by a qualified third-party consultant approved by Franchisor for the proposed location, and such other information or materials as Franchisor may

reasonably require, together with a letter of intent or other evidence satisfactory to Franchisor which confirms Franchisee's favorable prospects for obtaining the proposed location. Recognizing that time is of the essence, Franchisee agrees that it must submit such information and material for the proposed location to Franchisor for its approval no later than ninety (90) days after the execution of the Franchise Agreement. Franchisor shall have fifteen (15) days after receipt of such information and materials from Franchisee to approve or disapprove, at its sole discretion, the proposed location as the location for the franchised business. The proposed location shall not be deemed approved unless written notice of approval is given to Franchisee by Franchisor.

D. Lease Provisions

The lease for the premises of the franchised business shall be submitted to Franchisor for its written approval prior to execution by Franchisee and the Lessor, and shall contain the following terms and conditions:

1. That the premises shall be used only for the operation of the franchised business.
2. That the landlord has examined Franchisor's standard design concepts and consents to Franchisee's use of such Proprietary Marks and signage as Franchisor may prescribe for the franchised business.
3. That the landlord agrees to furnish Franchisor with copies of any and all letters and notices sent to Franchisee pertaining to the lease and premises, at the same time that such letters and notices are sent to Franchisee.
4. That Franchisee may not assign all or any part of its occupancy rights, or extend the term or renew the lease, without Franchisor's prior written consent.
5. That Franchisor shall have the right to enter the premises to make any modification necessary to protect Franchisor's Proprietary Marks or to cure any default under the lease or under this Agreement.
6. That Franchisor shall have the absolute right to assume Franchisee's occupancy rights, and the right to assign for all or any part of the remaining term, upon Franchisee's default or termination under such lease or under this Agreement, with no additional payment or consideration required.
7. That Franchisor shall be furnished a copy of the executed lease five (5) days after its execution, and no change or amendment to such lease affecting the above terms and conditions shall be effective without Franchisor's prior written approval.

E. Relocation

Upon Franchisor's approval of a location for the franchised business, or upon execution of this Agreement, whichever occurs earlier, the street address of the approved location of the franchised business

shall be recorded and shall be attached as Exhibit “A” to this Agreement. Franchisee shall not relocate the franchised business without the express prior written consent of Franchisor.

F. Construction

Franchisee shall commence construction or leasehold improvements (hereinafter “**Construction**”) of the franchise business within fifteen (15) days after Franchisee executes this addendum, executes a lease, or obtains the right to possession of the premises, whichever occurs latest. Franchisee shall provide written notice to Franchisor of the date Construction of the franchised business commences within five (5) days after commencement. Franchisee shall maintain continuous Construction of the franchised business premises and shall complete Construction, including all exterior and interior carpentry, electrical, painting and finishing work, and installation of all furnishings, fixtures, equipment, and signs, in accordance with the approved plans and specifications at Franchisee’s expense, within one hundred twenty (120) days after commencement (exclusive of the time lost by reason of strikes, lockouts, fire and other casualties and acts of God). Each week during the Construction period, Franchisee and Franchisee’s architect or general contractor shall certify in writing to Franchisor that all work is proceeding substantially on schedule, and in accordance with the approved plans and specifications and all applicable laws, regulations ordinances and restrictive covenants. Franchisee further agrees that Franchisor and its agents shall have the right to inspect the Construction at all reasonable times.

G. Permits and Approvals

Before or upon completion of Construction, Franchisee shall obtain, and shall furnish to Franchisor copies of, all necessary permits, approvals, and certificates required for occupancy of the premises and operation of the franchised business. Franchisee shall obtain Franchisor’s approval for opening and shall open the franchised business within six (6) months after the date of commencement of Construction.

H. Time of Essence

Franchisee and Franchisor agree that time is of the essence in Franchisee’s performance of its obligations hereunder. Any failure by Franchisee to meet the time limits imposed under this Addendum shall constitute an immediate and material default under the Franchise Agreement, for which Franchisor may terminate this Agreement immediately upon written notice to Franchisee.

I. Effect of Franchise Agreement

This Addendum shall be considered an integral part of the Franchise Agreement between the parties hereto, and the terms of this Addendum shall be controlling with respect to the subject matter hereof. Except as modified or supplemented by this Addendum, the terms of the Franchise Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum in triplicate on the day and year first above written.

SMYA VENTURES LLC

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

EXHIBIT "E"

INTERNET WEB SITES AND LISTINGS AGREEMENT and
TELEPHONE LISTING AGREEMENT

INTERNET WEB SITES AND LISTINGS AGREEMENT

THIS INTERNET WEB SITES AND LISTINGS AGREEMENT (the “**Internet Listing Agreement**”) is made and entered into as of [_____] (the “**Effective Date**”) between SMYA Ventures LLC, an Illinois limited liability company (the “**Franchisor**”), and [_____] (the “**Franchisee**”).

WITNESSETH:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for a “Buns on Fire” Restaurant (the “**Franchise Agreement**”); and

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 Internet Listing 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 Internet Listing 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. TRANSFER; APPOINTMENT

2.1 **Interest in Internet Web Sites and Listings.** Franchisee may acquire (subject to Franchisor's prior written approval and in accordance with the Franchise Agreement) during the term of the Franchise Agreement, certain right, title, and interest in and to certain domain names, hypertext markup language, uniform resource locator addresses, and access to corresponding Internet web sites, and the right to hyperlink to certain web sites and listings on various Internet search engines (collectively, the “**Internet Web Sites and Listings**”) related to the Restaurant or the Proprietary Marks (all of which right, title, and interest is referred to herein as “**Franchisee’s Interest**”).

2.2 **Transfer.** On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately direct all Internet Service Providers, domain name registries, Internet search engines, and other listing agencies (collectively, the “**Internet Companies**”) with which Franchisee has Internet Web Sites and Listings: (i) to transfer all of Franchisee’s Interest in such Internet Web Sites and 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 Internet Web Sites and Listings, Franchisee will immediately direct the Internet Companies to terminate such Internet Web Sites and Listings or will take such other actions with respect to the Internet Web Sites and Listings as

Franchisor directs.

2.3 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 Internet Listing 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 Internet Listing 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 Internet Listing Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.3.1 Direct the Internet Companies to transfer all Franchisee's Interest in and to the Internet Web Sites and Listings to Franchisor;

2.3.2 Direct the Internet Companies to terminate any or all of the Internet Web Sites and Listings; and

2.3.3 Execute the Internet Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest.

2.4 Certification of Termination. Franchisee hereby directs the Internet 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.

2.5 Cessation of Obligations. After the Internet Companies have duly transferred all Franchisee's Interest in such Internet Web Sites and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations under, such Internet Web Sites and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet Companies for the sums Franchisee is obligated to pay such Internet Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Internet Listing Agreement.

3. MISCELLANEOUS

3.1 Release. Franchisee hereby irrevocably and unconditionally releases, remises, acquits, and forever discharges each and all of the Internet 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, assertable in, or in any way related to this Internet Listing 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, claims, debts, demands, or obligations that are related to or are based on this Internet Listing 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 or all such Internet Web Sites and Listings.

3.4 Further Assurances. Franchisee agrees that at any time after the date of this Internet Listing 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 Internet Listing Agreement.

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

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

3.7 Survival. This Internet Listing Agreement shall survive the Termination of the Franchise Agreement.

3.8 Joint and Several Obligations. All Franchisee's obligations under this Internet Listing Agreement shall be joint and several.

3.9 Governing Law. This Internet Listing Agreement shall be governed by and construed under the laws of the State of Illinois, without regard to the application of Illinois conflict of law rules.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

SMYA VENTURES LLC

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

TELEPHONE LISTING AGREEMENT

THIS TELEPHONE LISTING AGREEMENT (the “**Telephone Listing Agreement**”) is made and entered into as of [] (the “**Effective Date**”), by and between SMYA Ventures LLC, an Illinois limited liability company (the “**Franchisor**”), and [], [a/an _____ limited liability company/corporation/individual] (the “**Franchisee**”).

W I T N E S S E T H:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for the operation of a “Buns on Fire” Restaurant (the “**Franchise Agreement**”); and

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 Telephone Listing 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 all of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS

All terms used but not otherwise defined in this Telephone Listing 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. TRANSFER; APPOINTMENT

2.1 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, yellow-page, and other telephone directory listings (collectively, the “**Telephone Numbers and Listings**”) related to the Restaurant or the Proprietary Marks (all of which right, title, and interest is referred to herein as “**Franchisee’s Interest**”).

2.2 Transfer. On Termination of the Franchise Agreement, if Franchisor directs Franchisee to do so, Franchisee will immediately direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the “**Telephone Companies**”) with which Franchisee has Telephone Numbers and Listings: (i) to transfer all Franchisee’s Interest in such Telephone Numbers and 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 Numbers and Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Numbers and Listings or will take such other actions with respect to the Telephone Numbers and Listings as Franchisor directs.

2.3 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 Telephone Listing 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, on Termination of the Franchise Agreement, 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 Telephone Listing 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 Telephone Listing Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.3.1 Direct the Telephone Companies to transfer all Franchisee's Interest in and to the Telephone Numbers and Listings to Franchisor;

2.3.2 Direct the Telephone Companies to terminate any or all of the Telephone Numbers and Listings; and

2.3.3 Execute the Telephone Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest.

2.4 Certification of Termination. Franchisee hereby directs the Telephone Companies that they shall 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.

2.5 Cessation of Obligations. After the Telephone Companies have duly transferred all Franchisee's Interest in such Telephone Numbers and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further Interest in, or obligations under, such Telephone Numbers and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Telephone Companies for the sums Franchisee is obligated to pay such Telephone Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Telephone Listing Agreement.

3. MISCELLANEOUS

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the 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, assertable in, or in any way related to this Telephone Listing Agreement.

3.2 Indemnification. Franchisee is solely responsible for all costs and expenses related to Franchisee's performance, Franchisee's 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 the directors, officers, shareholders, partners, members, employees, agents, and attorneys of Franchisor and its affiliates, 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, claims, debts, demands, or obligations that are related to or are based on this Telephone Listing Agreement.

3.3 No Duty. The powers conferred on Franchisor under this Telephone Listing Agreement 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 or all such Telephone Numbers and Listings.

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

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

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

3.7 Survival. This Telephone Listing Agreement shall survive the Termination of the Franchise Agreement.

3.8 Joint and Several Obligations. All Franchisee's obligations under this Telephone Listing Agreement shall be joint and several.

3.9 Governing Law. This Telephone Listing Agreement shall be governed by and construed under the laws of the State of Illinois without regard to the application of Illinois conflict of law rules.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Telephone Listing Agreement as of the Effective Date.

SMYA VENTURES LLC

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

EXHIBIT "F"
STATE SPECIFIC ADDENDA
CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

1. California franchisee should not complete Questions 9-15 of the Questionnaire annexed to the Franchise Agreement as Exhibit J, and if they do, Franchisor will destroy and disregard it.
2. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship that serve to disclaim the franchisor's representations shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.
3. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

"Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations, and you have commenced operation of your Buns on Fire Restaurant."

Date: _____

SMYA VENTURES LLC

By: _____
Name: _____
Title: _____

Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

HAWAII ADDENDUM TO FRANCHISE AGREEMENT

1. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

“Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations and you have commenced operation of your Buns on Fire Restaurant.”

2. The franchise agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

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

2. Illinois law will govern all Illinois Franchise Agreements.

3. Franchisees' rights upon termination and non-renewal are set forth in Section 19 and 20 of the Illinois Franchise Disclosure Act.

4. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void".

5. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

"Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations and you have commenced operation of your Buns on Fire Restaurant."

6. Section 22.1 ("Your Acknowledgments") is deleted from all Illinois Franchise Agreements.

7. Pursuant to Section 200.508 of the Illinois Administrative Rules promulgated under Section 15 of the Illinois Franchise Disclosure Act, payment of the Initial Franchise Fee and all other fees owed to Franchisor or its affiliates, by the Franchisee, are deferred until such time as all initial obligations owed to the Franchisee under the Franchise Agreement or other agreements have been fulfilled by Franchisor and the Franchisee has commenced doing business pursuant to the Franchise Agreement. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

8. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

9. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

[SIGNATURE PAGE FOLLOWS.]

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

INDIANA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. The laws of the State of Indiana supersede any provisions of the Franchise Agreement or Illinois law if such provisions are in conflict with Indiana law. The Franchise Agreement will be governed by Indiana law, rather than Illinois law, as stated in Section 24.10.3 of the Franchise Agreement.
2. Venue for litigation will not be limited to Illinois, as specified in Section 24.10.4 of the Franchise Agreement.
3. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as a material breach of the franchise agreement, will supersede the provisions of Article 17 of the Franchise Agreement in the State of Indiana to the extent they may be inconsistent with such prohibition.
4. No release language set forth in the Franchise Agreement will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.
5. Section 10.3 of the Franchise Agreement (“**Failure to Comply**”) will not apply to franchises offered and sold in the State of Indiana.
6. Section 24.6 of the Franchise Agreement (“**Our Withholding of Consent – Your Exclusive Remedy**”) will not apply to franchises offered and sold in the State of Indiana.
7. Section 10.2 of the Franchise Agreement is revised to limit the geographical extent of the post-term covenant not to compete to Franchisee’s Territory for all franchises sold in the State of Indiana.
8. Section 24.11 of the Franchise Agreement (“**Injunction**”) will not apply to franchises offered and sold in the State of Indiana.
9. Section 24.10.5 is deleted from the Franchise Agreement.
10. Notwithstanding the terms of Article 15 of the Franchise Agreement (“**Indemnification**”), Franchisee will not be required to indemnify Franchisor and the other Indemnitees for any liability caused by Franchisee’s proper reliance on or use of procedures or materials provided by Franchisor or caused by Franchisor’s negligence.

[SIGNATURE PAGE FOLLOWS.]

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document or Franchise Agreement, the following provisions shall supersede and apply to all franchises offered and sold under the laws of the State of Maryland.

1. No release language set forth in Section 3.2.1(g) of the Franchise Agreement (concerning requirements for renewal) or Section 14.4.1(n) of the Franchise Agreement (concerning requirements for transfer) shall relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Maryland. Sections 3.2.1(g) and 14.4.1(n) of the Franchise Agreement are each hereby amended to add the following language:

“The release requirement of this Section is not intended to nor shall it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. The release required under this Section will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.”

2. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three (3) years after the grant of the Franchise.

3. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

“Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations and you have commenced operation of your Buns on Fire Restaurant.”

4. Section 24.10.4 of the Franchise Agreement requires venue to be limited to the state, county and judicial district in which the Franchisor’s principal place of business is then located. This provision is hereby deleted from all Franchise Agreements for residents of the State of Maryland and/or franchises to be operated in the State of Maryland.

5. Section 22.1 (“Your Acknowledgments”) is hereby deleted from all Franchise Agreements for residents of the State of Maryland and/or franchises to be operated in the State of Maryland.

6. The following sentence is added at the end of the last paragraph of Section 1.6 of the Franchise Agreement (“**Our Reserved Rights**”): “The waiver, release and other provisions of this paragraph are not intended to act, nor will they act, as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

7. The following language is added to the last sentence of Section 24.2 of the Franchise Agreement (“**Integration of Agreement**”): “provided, however, that the foregoing is not intended to, nor will it, act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

8. The following sentence is added at the end of Section 24.3 of the Franchise Agreement (“**No Oral Modification**”): “This Section is not intended to, nor will it, act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

9. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

10. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. The following language will appear at the end of Section 24.10.4 of the Franchise Agreement (“Venue”):

“Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the franchise disclosure document or agreement can abrogate or reduce any of Franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee’s rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.”

2. No release language set forth in the Franchise Agreement will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota.

3. Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given ninety (90) days notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days’ notice for non-renewal of the franchise agreement.

4. Franchisor will protect Franchisee’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

5. The second sentence of Section 10.3 of the Franchise Agreement (“**Failure to Comply**”) is amended to read as follows:

“Accordingly, you consent to the seeking of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete set forth in this Agreement.”

6. The third and fourth sentences of Section 24.11 of the Franchise Agreement (“**Injunction**”) is amended to read as follows:

“You therefore agree that if you engage in this non-compliance, or unauthorized and/or improper use of the System or Proprietary Marks, during or after the period of this Agreement, we will be entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies which we may have at law. You consent to the seeking of these temporary and permanent injunctions.”

7. Section 18.3 of the Franchise Agreement (Liquidated Damages) is deleted in its entirety.

8. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

9. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document or Franchise Agreement, the following provisions shall supersede and apply to all franchises offered and sold under the laws of the State of New York:

1. The second paragraph of Section 5.2 of the Franchise Agreement is hereby amended by adding the following language after the second sentence:

“The Operations Manual and any additions, deletions, revisions or Supplements to the Operations Manual are material in that they will affect the operation of the franchised Business, but they will not conflict with or materially alter your rights and obligations under this Agreement or place an excessive economic burden on your operations.”

2. Sections 3.2.1(g) and 14.4.1(n) of the Franchise Agreement are each hereby amended to include the following language immediately following the requirement that Franchisee execute a General Release: “Provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of GBL, Section 687.4 and 687.5 be satisfied.”

3. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

“Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations and you have commenced operation of your Buns on Fire Restaurant.”

4. The second sentence of Section 10.3 of the Franchise Agreement is hereby amended to read as follows:

“Accordingly, you consent to the seeking of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete set forth in this Agreement.”

5. The third and fourth sentences of Section 24.11 of the Franchise Agreement is amended to read as follows:

“You therefore agree that if you engage in this non-compliance, or unauthorized and/or improper use of The Buns on Fire System or Proprietary Marks, during or after the period of this Agreement, we will be entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies which we may have at law. You consent to the seeking of these temporary and permanent injunctions.”

6. The Franchise Agreement and any documents signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. The laws of the State of North Dakota supersede any provisions of the Franchise Agreement or Illinois law if such provisions are in conflict with North Dakota law. The Franchise Agreement will be governed by North Dakota law, rather than Illinois law, as stated in Section 28.10.3 of the Franchise Agreement.
2. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from Franchise Agreements issued in the State of North Dakota. The site of any arbitration will be agreeable to all parties.
3. No release language set forth in the Franchise Agreement will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.
4. Covenants restricting competition in the State of North Dakota may be subject to Section 9-08-06 of the North Dakota Century Code.
5. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

“Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations, and you have commenced operation of your SMYA Ventures Restaurant.”

6. Section 24.10.4 of the Franchise Agreement (“**Venue**”) is deleted from all Franchise Agreements used in the State of North Dakota.
7. The following phrase is deleted from Section 17.04 of all Franchise Agreements used in the State of North Dakota: “, and will entitle us to receive the liquidated damages provided by Section 18.3 (as with any termination of this Agreement by us because of your default or your termination of this Agreement for any other reason)”
8. Section 18.3 is deleted from all Franchise Agreements used in the State of North Dakota,
9. Section 24.10.5 is deleted from all Franchise Agreements used in the State of North Dakota,
10. Section 24.10.1 is deleted from all Franchise Agreements used in the State of North Dakota and the following language is substituted therefor:

“The prevailing party will be entitled to recover from the losing party reasonable attorneys’ fees, experts’ fees, court costs and all other expenses of litigation, if the prevailing party prevails in any

action instituted against the losing party to secure or protect its rights under this Agreement, or to enforce the terms of this Agreement, or in any action commenced or joined in by the losing party against the prevailing party.”

11. Notwithstanding anything to the contrary in the Franchise Agreement, if you are a resident of the State of North Dakota and/or purchasing a franchise for a Buns on Fire Restaurant located in the State of North Dakota, then you need not pay the Initial Franchise Fee or any of the other initial fees or payments to us until your Buns on Fire Restaurant commences doing business, by which time we will have fulfilled our initial obligations to you under the Franchise Agreement and related agreements.

12. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

13. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions shall supersede and apply:

1. Any provision in the Franchise Agreement which designates the governing law as that of any state other than the State of Rhode Island is deleted from Franchise Agreements issued in the State of Rhode Island.
2. §19-28.1.-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”
3. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

“Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations and you have commenced operation of your Buns on Fire Restaurant.”

4. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

5. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

[SIGNATURE PAGE FOLLOWS.]

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

SOUTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provision shall supersede and apply:

1. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

“Notwithstanding the foregoing, payment of the Initial Franchise Fee shall be deferred until we have satisfied our pre-opening obligations and you have commenced operation of your Buns on Fire Restaurant.”

2. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provision shall supersede and apply:

1. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

“The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.”

2. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

**WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT, DISCLOSURE
ACKNOWLEDGEMENT STATEMENT, AND RELATED AGREEMENTS**

Notwithstanding anything to the contrary set forth in the Franchise Agreement, Disclosure Acknowledgement Statement and Related Agreements, the following provisions will supersede and apply:

1. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
2. A release or waiver of rights executed by a Franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the Franchise Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act as such as a right to a jury trial, may not be enforceable.
3. RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise.
4. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
5. Transfer fees are collectable to the extent that they reflect the Franchisor's reasonable estimated or actual costs in effecting a transfer.
6. Section 4.01 of the Franchisee Agreement shall be amended to add the following language:

"In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business."
7. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that

conflict with these limitations are void and unenforceable in Washington.

8. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

9. The Franchise Agreement and any document signed in connection with the franchise are supplemented with the following language:

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

10. The following sections of the Franchise Agreement are hereby deleted: 22.1.1 – 22.1.6, 22.1.8 and 22.1.12.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. The Wisconsin Fair Dealership Act, Wisconsin Statutes, Chapter 135 will apply to and govern the provisions of the Franchise Agreement.
2. That Act's requirement, including the requirements that, in certain circumstances, a franchisee receives ninety (90) days' notice of termination, cancellation, non-renewal or substantial change in competitive circumstances, and sixty (60) days to remedy claimed deficiencies, will supersede the requirements of Article 17 of the Franchise Agreement to the extent they may be inconsistent with the Act's requirements.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

EXHIBIT "G"
FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

SMYA Ventures LLC (the “**Franchisor**”) and you are preparing to enter into a Franchise Agreement for the establishment and operation of a Buns on Fire restaurant (the “**Franchised Business**”). The purpose of this Questionnaire is to make sure you have received the information necessary and have had the opportunity to review and consider such information.

For franchisees and franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington or Wisconsin, this questionnaire is not intended and does not constitute waiver of any claims under any applicable state franchise law, including fraud in the inducement; or a disclaimer of any reliance on any statement made by any person acting on behalf of the Franchisor.

EXHIBIT "H"
QUESTIONNAIRE

If you are purchasing an existing store from an existing Franchisee, you may have received information from the transferring Franchisee. That is a separate process. The questions below do not apply to any communications that you had with the transferring Franchisee.

Please review and respond to each of the following questions.

1. Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Buns on Fire restaurant from an existing Franchisee?

Yes _____ No _____

2. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

3. Have you entered into what you believe is a binding agreement with the Franchisor concerning the establishment of the Franchised Business prior to today?

Yes _____ No _____

The President of the United States of America has issued Executive Order 13224 (the "**Executive Order**") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "**Anti-Terrorism Measures**"). The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism. For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is:

- (i) a person or entity listed in the Annex to the Executive Order;
- (ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism;
- (iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or
- (iv) owned or controlled by terrorists or sponsors of terrorism.

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

Acknowledged this _____ day of _____, 20____.

FRANCHISEE

By: _____
Name: _____
Title: _____

EXHIBIT "I"
TRAINING COMPLETION AGREEMENT AND RELEASE

The undersigned is a franchisee of SMYA Ventures LLC, an Illinois limited liability company (“**Buns on Fire**” or “**Franchisor**”), owner or operator of or an investor in a Buns on Fire franchise, or a manager of a Buns on Fire Restaurant operated by a Buns on Fire franchisee who is commencing training. As part of such training, the undersigned may visit, inspect, train, and work in one or more of the Buns on Fire Restaurants owned or operated by Franchisor, its affiliates, or by one or more Buns on Fire franchisees. As an inducement to cause the owner of such Buns on Fire Restaurant to permit the undersigned to visit, inspect, train and work in such restaurant, THE UNDERSIGNED HEREBY RELEASES, HOLDS HARMLESS, AND AGREES TO DEFEND & INDEMNIFY SMYA VENTURES LLC, THE OWNER(S) OF SUCH RESTAURANT(S), AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, REPRESENTATIVES, AFFILIATES, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE “**RELEASED & INDEMNIFIED PARTIES**”), FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, INJURY, DAMAGE, COST AND EXPENSE SUFFERED OR INCURRED BY THE UNDERSIGNED AS A RESULT OF ANY SUCH VISIT, INSPECTION, TRAINING, OR WORK. IT IS ACKNOWLEDGED THAT THE FOREGOING RELEASE AND INDEMNITY IS INTENDED TO BE AS BROAD AND COMPREHENSIVE AS PERMITTED BY LAW, AND INCLUDES LIABILITY, COST, DAMAGE, INJURY, COST, AND EXPENSE SUFFERED AS A RESULT OR PARTLY AS A RESULT OF ANY NEGLIGENCE, ERROR OR OMISSION BY THE RELEASED & INDEMNIFIED PARTIES. The undersigned further represents that he has independently obtained or is covered by adequate insurance to cover the risk of loss or injury. Some states do not allow the limitations on liability set forth above. Accordingly, not all of the limitations set forth in this section may apply to undersigned.

The following language applies to franchises to be located in Maryland or to be granted to Maryland residents: The general release included in this consent and release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The following language applies to franchises to be located in Washington or to be granted to Washington residents: This general release does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

EXHIBIT “J”
[RESERVED].

EXHIBIT "K"
GUARANTY (Exclusive Supplier)

[____], ("Franchisee") and the undersigned principal(s)/stockholder(s) of Franchisee, do(es) hereby guaranty all of Franchisee's monetary obligation, including the payment of purchase orders pursuant to the Exclusive Supply Agreement by and between _____ ("Company") and Franchisee.

1. Guaranty.

Guarantor hereby absolutely, unconditionally and irrevocably

- (a) guarantees the full and punctual payment when due, whether at stated maturity, by required prepayment or otherwise;
- (b) indemnifies and holds harmless Lessor for any and all costs and expenses (including reasonable attorneys' fees and expenses) incurred by Lessor in enforcing any rights under this Guaranty.

Guarantor(s) expressly acknowledge that Guarantor(s) have read the Franchise Agreement and the Exclusive Supply Agreement and understand the same. If there is more than one Guarantor, the terms and conditions of this Guaranty shall apply to all Guarantors and they shall all be jointly and severally liable for all obligations. The liability of Guarantor(s) is coextensive with that of Franchisee and also joint and several and legal action may be brought against Guarantor(s) and carried to final judgment either with or without making Franchisee or any assignee or successor thereof as a party thereto.

This Guaranty constitutes a guaranty of payment when due and not merely of collection, and Guarantor specifically agrees that it shall not be necessary or required that Lessor exercise any right, assert any claim or demand or enforce any remedy whatsoever against the Franchisee or any other person before or as a condition to the obligations of Guarantor hereunder.

2. Acceleration of Guaranty.

Guarantor agrees that, in the event of any Default described in the Agreements, and if such Default shall occur at a time when any of the Obligations of the Franchisee may not then be due and payable, Guarantor agrees that it will pay to Lessor forthwith the full amount which would be payable hereunder by Guarantor if all such Obligations were then due and payable.

3. Guaranty Absolute.

This Guaranty shall in all respects be a continuing, absolute, unconditional and irrevocable guaranty of payment and shall remain in full force and for the full term of the Limited Intellectual Property License Agreement and the full term of the Exclusive Supply Agreement referenced above and any extensions of either agreement thereof. Guarantor guarantees that the Obligations of Franchisee will be paid Personal

Guaranty for license fees & invoices strictly in accordance with the terms of the Agreements, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of Lessor with respect thereto.

4. **Reinstatement.**

Guarantor agrees that this Guaranty shall continue to be effective or reinstated, as the case may be, if at any time any payment (in whole or part) of any of the Obligations are rescinded or must be restored by Lessor, upon the insolvency, bankruptcy or reorganization (or similar event) of the Franchisee, all as though such payment had not been made.

5. **Waiver.**

Guarantor hereby waives promptness, diligence, notice of acceptance and any other notice with respect to any of the Obligations of the Franchisee and this Guaranty and any requirement that Lessor protect, secure, perfect or insure any interest or lien or any property subject thereto, or exhaust any right or take any action against Franchisee.

6. **Payments.**

In the event that Franchisee fails to make any payment to Lessor, or fails to perform in any manner with regard to said Agreements between the two entities, Guarantor does hereby promise to make all payments to Lessor in the same manner as if they were each a principal of said Agreements.

7. **Legal Actions, Fees and Costs.**

The liability of Guarantor is coextensive with that of Franchisee and also joint and several and an action or suit may be brought against Guarantor, and carried to final judgment and/or completion and recovery had, either with or without making Franchisee a party thereto. Guarantor waives any right to require that any action be brought against Franchisee. The obligations of Guarantor shall extend with any extension of the term of the Agreements and shall apply with respect to the full and faithful performance and observance of all the terms and conditions of the Agreements. Guarantor does hereby authorize and empower any attorney of any court of record of the State of Illinois or elsewhere to appear for and to enter judgment against him, in favor of Lessor for any sums due under the Agreements plus interest with costs of suit, release of errors, without stay of execution, and with reasonable attorney's fee, and Guarantor hereby waives and releases all benefit and relief from any and all appraisement, stay or exemption laws of any state now in force or hereafter to be passed. To the fullest extent permitted by law, Guarantor waives all rights to a trial by jury in any action related to this Guaranty.

8. **Competency.**

Guarantor, at the time of executing this Guaranty, is over the age of 18 years and of sound mind, memory and understanding and not under any restraint or in any respect incompetent to enter into this Guaranty.

9. Termination.

The obligations herein shall not be terminated or affected in any way or manner without Licensor's or Company's written consent. Neither the giving nor withholding by Licensor or Company of any consent or approval provided for in this Guaranty shall affect in any way the obligations hereunder of Guarantor. In no event shall Guarantor be entitled to make, nor shall Guarantor make, any claim, and Guarantor hereby waives any claim, for money damages (nor shall Guarantor claim any money damages by way of set-off, counterclaim or defense) based upon any claim or assertion by Guarantor that Licensor has unreasonably withheld or unreasonably delayed its consent or approval to a proposed termination of this Guaranty.

IN WITNESS WHEREOF, Guarantor(s) has executed and delivered this Guaranty this _____ day of _____ 202____.

By: _____
Name: _____
Title: _____
Address: _____
Phone Number: _____

By: _____
Name: _____
Title: _____
Address: _____
Phone Number: _____

By: _____
Name: _____
Title: _____
Address: _____
Phone Number: _____

By: _____
Name: _____
Title: _____
Address: _____
Phone Number: _____

EXHIBIT "L"
ELECTRONIC TRANSFER AUTHORIZATION

Depositor hereby authorizes and [] (the "Depository") to initiate debit and credit entries to Depositor's LI checking or LI savings account (select one) indicated below drawn by and payable to the order of SMYA VENTURES LLC by Electronic Funds Transfer, provided there are sufficient funds in said account to pay the amount upon presentation.

Depositor agrees that the Depository's rights with respect to each such charge shall be the same as if it were a check drawn by the Depository and signed by Depositor. Depositor further agrees that if any such charge is dishonored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever.

Depository Name: _____
City: _____ State: _____ Zip Code: _____

Transit/ABA Number: _____ Account Number: _____

This authority is to remain in full force and effect until Company has received written notification from me (or either of us) of its termination in such time and in such manner to afford Company and Depository a responsible opportunity to act on such request.

Depositor: (Please Print)

Dated Signed

Signature(s) of Depositor, as Printed Above

Please attach a voided blank check, for purposes of setting up Bank and Transit Numbers.

EXHIBIT "M"
POWER OF ATTORNEY

IRREVOCABLE POWER OF ATTORNEY

STATE OF _____)

)

COUNTY OF _____)

KNOW ALL MEN BY THESE PRESENTS

That [_____], a [_____] [limited liability company / corporation] ("Franchisee"), does hereby irrevocably constitute and appoint SMYA VENTURES LLC, an Illinois limited liability company ("Franchisor"), true and lawful attorney-in-fact and agent for Franchisee and in Franchisee's name, place and stead to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record and file all such agreements, certificates, instruments and documents as, in the sole discretion of Franchisor, shall be necessary or advisable for the sole purpose of obtaining any and all returns, records, reports and other documentation relating to the payment of taxes filed by Franchisee with any state and/or federal taxing authority, including, but not limited to, the State Comptroller of the State of ___, hereby granting unto Franchisor full power and authority to do and perform any and all acts and things which, in the sole discretion of Franchisor, are necessary or advisable to be done as fully to all intents and purposes as Franchisee might or could itself do, hereby ratifying and confirming all that Franchisor may lawfully do or cause to be done by virtue of this Power of Attorney and the powers herein granted.

During the term of this Power of Attorney, and regardless of whether Franchisee has designated any other person to act as its attorney-in-fact and agent, no governmental agency, person, firm or corporation dealing with Franchisor, if acting in good faith, shall be required to ascertain the authority of Franchisor, nor to see to the performance of the agency, nor be responsible in any way for the proper application of documents delivered or funds or property paid or delivered to Franchisor. Any governmental agency, person, firm or corporation dealing with Franchisor shall be fully protected in acting and relying on a certificate of Franchisor that this Power of Attorney on the date of such certificate has not been revoked and is in full force and effect, and Franchisee shall not take any action against any person, firm, corporation or agency acting in reliance on such a certificate or a copy of this Power of Attorney. Any instrument or document executed on behalf of Franchisee by Franchisor shall be deemed to include such a certificate on the part of Franchisor, whether or not expressed. This paragraph shall survive any termination of this Power of Attorney.

This Power of Attorney shall terminate two (2) years following the expiration or termination of that certain Franchise Agreement dated as of _____ by and between Franchisor and Franchisee. Such termination, however, shall not affect the validity of any act or deed that Franchisor may have effected prior to such date pursuant to the powers herein granted.

This instrument is to be construed and interpreted as an irrevocable power of attorney coupled with an interest. It is executed and delivered in the State of ___ and the laws of the State of shall govern all questions as to the validity of this Power of Attorney and the construction of its provisions.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney on

A limited liability company/corporation/individual

Witness: _____

By: _____

Name: _____

Title: _____

STATE OF _____)

)

COUNTY OF _____)

BEFORE ME, the undersigned authority, on this day personally appeared ___, of ___, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____ 20____.
(SEAL)

Notary Public in and for
The State of _____ My commission expires: _____

REMAINDER OF PAGE LEFT BLANK INTENTIONALLY.

EXHIBIT "N"
AMERICANS WITH DISABILITIES ACT ("ADA") CERTIFICATION

SMYA Ventures LLC ("Franchisor") and _____ ("Franchisee") are parties to a Franchise Agreement dated for the operation of a Buns on Fire Restaurant at _____ (the "Restaurant"). In accordance with the Franchise Agreement, Franchisee certifies to Franchisor that, to the best of Franchisee's knowledge, the Restaurant and its adjacent areas comply with all applicable federal, state and local accessibility laws, statutes, codes, rules, regulations and standards, including but not limited to the Americans with Disabilities Act. Franchisee acknowledges that it is an independent business and the requirement of this certification by Franchisee does not constitute ownership, control, leasing or operation of the Restaurant. Franchisee acknowledges that Franchisor has relied on the information contained in this certification. Furthermore, Franchisee acknowledge its obligation under the Franchise Agreement to indemnify Franchisor and the officers, directors, and employees of Franchisor in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified party(ies) as a result of any matters associated with Franchisee's compliance with the Americans with Disabilities Act, as well as the costs, including attorneys' fees, related to the same.

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

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EXHIBIT E
FORM OF GENERAL RELEASE

THIS AGREEMENT (“**Agreement**”) is made and entered into this [] day of [], 20[] by and between SMYA Ventures LLC (the “**Franchisor**”), and [], hereinafter referred to as “**Releasor**”, wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. Release by Releasor:

Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys’ fees.

2. Releasor hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys’ fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this

Agreement is free and voluntary.

4. Illinois law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.
5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of Illinois.
6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.
7. If Releasor is domiciled or has his or her principal place of business in the State of California, then Releasor hereby expressly waives and relinquishes all rights and benefits under Section 1542 of the California Civil Code, which provides: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR." If Releasor is domiciled or has his or her principal place of business in the State of Washington, then this GENERAL RELEASE does not apply with respect to claims arising under the Washington Investment Protection Act, RCW 19.100, and the rules adopted thereunder, except as otherwise permitted under the Washington Investment Protection Act, RCW 19.100. If Releasor is domiciled or has his or her principal place of business in the State of Maryland, then nothing contained in this release is intended to disclaim or require Releasor to waive reliance on any representation that Franchisor made in the Franchise Disclosure Document that Franchisor provided to Releasor under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

Date: _____

SMYA VENTURES LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

EXHIBIT F
[Reserved.]

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[EXHIBIT F]

EXHIBIT G
LICENSEE ROSTER
(as of August 22, 2025)

Licensees	Store Address	Store Phone #
N/A	N/A	N/A

EXHIBIT H
FINANCIAL STATEMENTS

Balance Sheet

SMYA VENTURES LLC

As of Jul 07, 2025

Report Type: Accrual (Paid & Unpaid)

ACCOUNTS	Jul 07, 2025
Assets	
Cash and Bank	
CHECKING ...3036	\$7,500.00
Total Cash and Bank	\$7,500.00
Other Current Assets	
Total Other Current Assets	\$0.00
Long-term Assets	
Total Long-term Assets	\$0.00
Total Assets	\$7,500.00
Liabilities	
Current Liabilities	
Total Current Liabilities	\$0.00
Long-term Liabilities	
Total Long-term Liabilities	\$0.00
Total Liabilities	\$0.00
Equity	
CONTRIBUTIONS	\$7,500.00
Retained Earnings	
Total Retained Earnings	\$0.00
Total Equity	\$7,500.00

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[EXHIBIT H]

EXHIBIT I
STATE EFFECTIVE DATES

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

This document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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.

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EXHIBIT J
RECEIPT

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

If SMYA Ventures LLC offers you a franchise, it must provide this disclosure document to you fourteen (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 and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan, Oregon, and Wisconsin require that we give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Washington requires that we give you this disclosure document at least fourteen (14) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If SMYA Ventures LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the appropriate state agency listed on Exhibit B.

The franchisor is SMYA Ventures LLC, located at 258 Town Center Lane, Glendale Heights, Illinois 60139. Its telephone number is (630) 614-1010.

The issuance date of this disclosure document is _____.

The name, principal business address and telephone number of each franchise seller offering the franchise is as follows: N/A

SMYA Ventures LLC authorizes the agents listed in Exhibit C to receive service of process for it.

I have received a disclosure document dated as of _____ that included the following Exhibits:

- Exhibit A — State Specific Addenda
- Exhibit B — State Administrators
- Exhibit C — Agents for Service of Process
- Exhibit D — Franchise Agreement
- Exhibit E — Form of General Release
- Exhibit F — [Reserved.]
- Exhibit G — Franchisee Roster
- Exhibit H — Financial Statements
- Exhibit I — State Effective Dates
- Exhibit J — Receipts

[EXHIBIT J]

You may return the signed receipt either by electronic signature or by signing, dating and mailing it to SMYA Ventures LLC, 258 Town Center Lane, Glendale Heights, Illinois 601398.

Date: _____
(Do not leave blank)

Signature of Prospective Franchisee:

Print Name:

RECEIPT

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If SMYA Ventures LLC offers you a franchise, it must provide this disclosure document to you fourteen (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 and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan, Oregon, and Wisconsin require that we give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Washington requires that we give you this disclosure document at least fourteen (14) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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Print Name: